

Programme Completion Review

Programme Title: Biodiverse Landscapes Fund – Lower Mekong (BLF LM) project	
Programme Value £ (spend): £5.95m	Programme Code: GB-GOV-7-BLF
Programme Start date: 06-2023	Programme End date: 03-2026
Review conducted: 04-2026	Period this review covers: 06-2023 to 03-2026

Summary of Programme Performance

Year	23/24*	24/25*	26/27		
Overall Score	B	B	C		
Risk Rating	High	High	High		

* Score from overall BLF portfolio annual reviews

DevTracker Link to Business Case:	DevTracker LM Project Business Case GB-GOV-7-BLF
DevTracker Link to Logframe:	N/A

A. SUMMARY AND OVERVIEW

A1. Programme description

The Biodiverse Landscapes Fund (BLF) Lower Mekong (LM) project is a UK Official Development Assistance (ODA) investment designed to support people, nature and climate outcomes across a series of seven sites spanning more than one million hectares of forest and associated landscapes in Cambodia, Lao PDR and Vietnam. Part of the wider BLF programme, work in the LM landscape was delivered through a consortium headed by Fauna & Flora (F&F), with SNV and IUCN as core partners.

The BLF LM project aimed to conserve biodiversity and reduce forest loss, support more sustainable economic opportunities for Indigenous Peoples and Local Communities (IPLCs) and contribute to climate mitigation and resilience. It sought to do this through strengthening land and resource governance; supporting sustainable livelihoods, agriculture and market systems; improving protected area management; influencing more sustainable approaches to development and infrastructure; and advancing ecotourism, sustainable finance, and gender equality and social inclusion. The BLF LM project was explicitly designed as a landscape-scale approach, recognising the close interdependence between biodiversity conservation, local wellbeing and climate resilience.

Following the decision to reduce UK ODA to 0.3% GNI to fund an increase in UK defence spending, Defra received a significantly reduced ODA budget in the 2025 Spending Review. The reduced funding settlement required a number of changes across Defra's ODA portfolio. As part of this, Defra took the decision to consolidate the BLF in fewer landscapes by the end of FY2526, which meant closing two landscapes early: Lower Mekong and Western Congo Basin. The decision was informed by a range of factors, including evidence of early performance and delivery across the portfolio. This meant that the LM project originally intended to be at least £12.3m in value and run for seven years, closed instead after roughly three years of operation.

Overall, this PCR describes LM project delivery shaped by a complex operating environment. Implementation varied significantly by country driven by contextual delays in securing permissions with host governments, license-to-operate agreements, and an extended inception phase. Cambodia progressed furthest once a Memorandum of Understanding (MoU) was secured, however, activities in Lao PDR and Vietnam were constrained by unresolved approvals engendered by incompatibility with ODA requirements in the first instance and a major reform of governmental structure on the other, which required adjustments under existing arrangements. Despite this, by the point of closure the programme had generated important foundations and delivered early results, including strengthened community protected area management in Cambodia; biodiversity and social baselines across multiple sites; progress on sustainable livelihood and agriculture models; groundwork for ecotourism and sustainable finance; and policy-relevant evidence and learning for future programming. At some sites, several promising activities will continue at reduced scale through follow-on funding from other sources and data systems will provide a valuable legacy.

Early achieved outputs included:

- Approval of Community Protected Area management plans in Virachey National Park, Cambodia
- Anticipatory groundwork on land tenure, customary land use and zoning
- Value chain analyses and piloting of livelihood and agriculture models
- Support to community enterprises and market linkages including rice, coffee, Non-Timber Forest Products and handicrafts
- Large-scale biodiversity surveys Ranger and community patroller training, including SMART and biodiversity monitoring
- Progress on World Heritage and biosphere reserve processes
- Ecotourism assessments and planning in Cambodia, Lao PDR and Vietnam
- Generation of substantial learning on delivery, MEL, government engagement and adaptive programming.

However, early closure meant that costs were incurred but some of the corresponding benefits had not yet materialised as originally intended at scale. In addition, while future programme allocation decisions were being considered and it was unclear what the long-term financing situation would be for the programme, a cautious value for money approach was adopted. This

included pausing baseline data collection exercises for outcomes in BLF landscapes where it had not yet begun (including LM).

As such, at landscape level, early closure limits Defra's ability to fully assess and realise the VfM anticipated in the original business case. However, at the overall BLF portfolio level, the decision to streamline and consolidate the BLF in fewer landscapes in the context of a significantly reduced UK ODA budget is expected to protect the BLF's overall VfM. Actively concentrating resources in fewer landscapes is intended to increase the likelihood of delivering meaningful outcomes and realising benefits at scale, rather than thinly spreading funding and effort.

Defra's management focus was on ensuring strategic alignment with departmental priorities, maintaining oversight and risk management by working with the BLF Fund Manager (FM) and Independent Evaluator (IndEv), and supporting engagement with partner governments and other stakeholders, particularly through the BLF Landscape Coordinator based in Phnom Penh. Once early closure was decided, focus changed to prioritising a responsible exit and capturing learning.

A2. Summary supporting narrative for the overall score in this review

Key considerations for scoring: The overall score for the project should be considered taking account three key factors:

1. First, Fauna & Flora and the consortium were informed in August 2025 that the programme would close early (around two years into the originally planned seven-year programme), which had an immediate impact on delivery, with the team instructed not to initiate new or scale existing activities.
2. Second, to enable an orderly and responsible exit, Defra and the Fund Manager requested that partners cease activity implementation by December 2025, focusing instead on programme closure and learning in the final quarter.
3. Third, the March 2026 output milestones, which were set during inception, were not revised in order to minimise the monitoring, evaluation and learning (MEL) burden on delivery partners at a time when the focus needed to be on responsible exit; however, this means final performance is assessed against targets that assumed continued full delivery through to March 2026 and beyond. In general, outputs were often designed to measure longer-term change than the programme had time to deliver.

Together, these factors explain limited performance against targets and low overall score.

Overall, project delivery was strongest where permissions were secured or work could proceed under existing arrangements, particularly in Cambodia and in selected biodiversity and protected area activities across the wider landscape. Strongest progress was seen in foundational areas such as protected area management, biodiversity monitoring, community protected area governance, livelihoods and value chain preparation, and the generation of evidence, plans and relationships to underpin longer-term impact. Delivery was weaker where activities depended on full operational approval, longer timeframes, or mature baseline and monitoring systems.

In **Cambodia**, delivery was the most advanced. The project secured government endorsement of Community Protected Area management plans, as well as strengthened transboundary collaboration between Virachey and Chu Mom Ray National Parks and completed baseline biodiversity surveys and analysis. Implementation of the Farmer Field School model progressed, alongside increased community capacity in non-timber forest product (NTFP) management, market research, camera trapping and SMART patrolling. Rights-based and inclusive consultation with IPLCs was embedded, leaving a BLF legacy in project sites. The project received a WCC 2025 Case Study Award, and the LDP's view was that it would have been on track to meet or exceed output targets in Cambodia had it continued. Although formal measurement of outcomes was not possible within the timeframe, household surveys and village focus group discussions indicated that the BLF team were perceived as key actors in ensuring conservation approaches were fair, participatory and beneficial.

In **Vietnam**, the pace of formal approval constrained progress. However, teams were able to conduct selected activities under the inception phase arrangement and existing MoUs. Collaboration between consortium partners was good, and progress was made in engaging private sector actors, demonstrating the potential of inclusive value chain models, strengthening protected area management with the inclusion of community rights, and advancing transboundary collaboration with Cambodia and Lao PDR.

In **Lao PDR**, the absence of signed MoUs created uncertainty. Despite these constraints, positive stakeholder relationships enabled some activities to proceed. Participatory Land Use Planning was completed, and biodiversity surveys were conducted across all four sites. The project also advanced eco-tourism through advocacy, marketing tools, and work on transboundary frameworks.

Based on performance against the March 2026 milestones, all outputs have scored a **C**, which largely reflect incomplete delivery and/or inability to evidence milestone achievement within the shortened timeframe. Based on the logframe results, Defra has decided that the **overall score for the project is a C** but note the very challenging mitigating circumstances related to early closure due to budget cuts, which limited delivery against previously intended targets where progress was already mixed.

A3. Gender Equality, Disability and Social Inclusion (GEDSI)

GEDSI was intended to be embedded across the Lower Mekong programme, with particular emphasis on Indigenous Peoples and Local Communities (IPLCs), women's participation, rights-based delivery, Free, Prior and Informed Consent (FPIC), grievance mechanisms and social safeguards. The programme recognised that women and IPLCs often face structural barriers in access to land, forest resources, decision-making and economic opportunity, and that these needed to be addressed if people, nature and climate objectives were to reinforce rather than undermine one another.

The programme completed a GEDSI analysis and identified context-specific strategies across the three countries. These included encouraging participation of at least 40% women and 15% youth; employing facilitators with ethnic minority language skills and/or from those groups; outreach through women's groups and direct invitations; holding events at accessible locations and times for people with disabilities and other marginalised groups; and providing targeted training and mentoring (including leadership skills).

During implementation, partners began translating this ambition into practice through gender-sensitive design and adaptation, though progress was uneven due to delays and early closure. Work included GEDSI-focused assessments in Lao PDR and other sites; efforts to build women's participation into livelihoods and agriculture activities; attention to women's representation and leadership in producer groups and community institutions; and safeguards investments such as grievance redress mechanisms, safeguarding focal points, improved anonymised reporting, and FPIC guidance. Learning indicated that while women often participate actively in household agriculture, they are less represented in formal community and external institutions, and tailored engagement may be required where land use planning and resource governance are discussed.

Although early closure meant the programme did not complete all planned GEDSI actions or demonstrate longer-term GEDSI outcomes, it established useful foundations for more inclusive future work. These include stronger attention to rights and tenure, clearer integration of GEDSI into component design, emerging evidence on gendered barriers to participation, and practical safeguarding and feedback systems in several sites.

A4. Major lessons, evidence generated and recommendations

- 1. Programme ambition and sequencing must be more tightly aligned in future programmes and better match delivery reality.** The BLF LM project was highly ambitious: a multi-country, multi-component landscape intervention expected to deliver integrated people, nature and climate outcomes across Cambodia, Lao PDR and Vietnam. Implementation experience showed that in practice this ambition required more time, tighter sequencing and greater field capacity to deliver. The LDP noted that the ambition of the programme stretched operational realities on the ground, and that they felt the budget did not match the requirements for the work. Recruitment, procurement, government approvals, partner mobilisation and MEL system development all took longer than anticipated, which compressed implementation and reduced the time available to test whether the model could deliver change at scale. The LDP noted that conservation programming requires timelines that account for procurement and approval delays, lengthy MoU negotiations, investment in capacity to match needs, seasonal planning for fieldwork, and contingency plans for the risk of government resistance and staff turnover.

Recommendation: Future programmes of this kind should build in a longer and more realistic inception/mobilisation phase (e.g. one year rather than six months, given the size and scope of

the project), clearer sequencing (for example, scaling more deliberately across geographies and components), and stronger alignment between design ambition and operational readiness.

2. **Government engagement and license-to-operate are decisive delivery factors.** Across all three countries, the pace of delivery was ultimately shaped by formal approvals. Project partnership agreements were critical enablers for securing access and prioritisation with host governments, but the process of securing them was lengthy, politically sensitive and highly context specific. There were also specific issues where local requirements did not fully align with UK ODA rules. Diplomatic support from Posts and the BLF Landscape Coordinator were vital in unlocking progress on signing MoUs but could not remove all constraints.

Recommendation: Future programmes in the region should plan earlier for licensing, strengthen partner capability for regulatory navigation and government engagement, and include explicit contingencies for adjusting expectations, workplans and budgets where access is delayed.

3. **Adaptive programming depends on flexible planning, administration and MEL.** The BLF governance model (combining Defra oversight, a Fund Manager, Independent Evaluator and in-country coordination) provided strong accountability, transparency and safeguards; however, complex MEL requirements and layered approval processes slowed delivery, particularly during inception. For example, although the programme's ToC was refined jointly during inception, the LDP felt that it was too generic, insufficiently connected to the messy realities of working across three countries with different governance systems, and difficult to test and adapt in practice. In addition, although learning was generated, it was not always translated quickly into revised plans, budgets or expectations. The LDP also felt that progress was slowed by inflexible administrative processes, unclear expectations and repeated changes to rules, approval processes and reporting requirements, which created uncertainty.

Recommendation: Future programmes would benefit from a more adaptive and partner-owned ToC, considering options to streamline MEL where appropriate, and stronger feedback loops between delivery partners, the Fund Manager and Defra.

Where possible, lessons have been incorporated into the rest of the BLF to strengthen overall delivery of the programme going forward.

A5. How this report was conducted

This PCR was prepared by Defra. It synthesises evidence from Fauna & Flora's programme completion report, annual and quarterly reports and output-level monitoring data. The report also draws on structured learning and reflection exercises, including a Lower Mekong exit learning workshop held in January 2026, which captured implementation, MEL, governance and closure lessons from across the consortium, as well as on written reflections of the BLF LM Landscape Coordinator, which provide additional insight into host government engagement, regional coordination and the practical realities of implementation. Together, these sources provide a rounded picture of what the programme achieved, where it struggled, and what should inform future programming.

A6. Actions following approval of this report

At the point of project closure, the majority of administrative, financial and contractual close-out actions had been completed in line with the Grant Funding Agreement and FCDO's Programme Operating Framework (PrOF) Rule 29. In particular, project delivery activities ceased in advance of the March 2026 end date, and no Defra programme funds were used to support activity beyond the agreed funding period.

The following actions were either completed as part of orderly closure or remain subject to final confirmation through standard Defra and Lead Delivery Partner close-out processes:

- **Audited financial statements:** Receipt and review of final accounts and BLF Fund Manager financial monitoring was completed by June 2026.
- **Final payments and reconciliation:** Final claims and payments were processed in June 2026 in accordance with the agreed payment schedule and exit provisions.
- **Asset management and disposal:** Programme assets were recorded in the approved asset register and reviewed during closure. Assets have either been disposed of, transferred to other UK-funded ODA programmes where appropriate and permissible, or retained by Fauna & Flora or downstream delivery partners in line with Defra-approved asset transfer plans.
- **Contracts and staff close-out:** Partner sub-agreements and staff contracts were terminated in line with contractual and local legal requirements, with any associated severance costs met from non-Defra funds where required.
- **Safeguarding, complaints and feedback mechanisms:** No safeguarding incidents were outstanding at closure. In line with the approved Exit Plan, safeguarding and feedback channels will remain operational for a defined post-closure period to enable late reporting and appropriate referral. See section D1 for more details.

No further delivery or expenditure is planned under this project. Any residual administrative actions are limited to assurance, audit confirmation, and documentation of asset and financial reconciliation, and do not involve the use of Defra project funds beyond the agreed end date.

B. THEORY OF CHANGE AND PROGRESS TOWARDS OUTCOMES

B1. Summary of theory of change (ToC)

Changes from the original theory of change

The LM ToC was developed through an iterative refinement of the Business Case ToC, which presented a systems-based approach to address the interlinked challenges of poverty, biodiversity loss and climate change across the landscape, and Fauna & Flora's ToC submitted as part of its BLF application. This refinement was a structured process involving the consortium, Defra and the Independent Evaluator, including participatory systems mapping and workshops to try to strengthen the articulation of how change would occur, particularly by:

- Clarifying the interdependencies between land and resource rights, livelihoods, biodiversity conservation and governance;
- Making explicit the role of sustainable livelihoods and agriculture in reducing pressure on natural resources;
- Strengthening the role of policy influence, sustainable finance and private sector engagement as enabling conditions for long-term change; and
- Better integrating pathways across thematic components to reflect the complex, non-linear nature of landscape systems.

Overall, these changes represented a clarification and strengthening of the original design, rather than shifting strategic direction.

Overview and assessment of the theory of change

The LM ToC (Annex 1) set out pathways to deliver benefits across five components: livelihoods models, tenure and illegal trade; agriculture and markets; infrastructure and development; ecotourism; and protected area management. These pathways were intended to be mutually reinforcing. For example, improved land rights and livelihood opportunities were expected to reduce pressure on forests, contributing to biodiversity protection and reduced emissions, while ecosystem services and nature-based approaches were in turn expected to support climate resilience and local economies.

Strength of evidence and data gaps

At closure, evidence generation was strongest for biodiversity, protected area management and some aspects of governance and livelihoods, where the programme invested in biodiversity surveys, METT and SMART processes, value chain analysis, land-use work and participatory planning. By contrast, the lack of full baseline data collection for several common outcome indicators meant that outcome- and impact-level evidence remained weak. As a result, while the ToC pathways are credible and grounded in existing evidence, they were only partially testable during implementation.

Validity of logic, evidence and assumptions

Implementation experience broadly supported the programme's central assumptions, including that improving governance, land tenure and incentives is critical to addressing the underlying drivers of biodiversity loss, and that integrated, landscape-scale approaches are necessary to

deliver combined people, nature and climate outcomes. However, several assumptions proved more challenging in practice, including the speed at which interventions could be mobilised across multiple countries, the ability to implement activities consistently across the full landscape given differing operating contexts, and the extent to which livelihood improvements would directly reduce pressure on natural resources where market access and supply chains were not fully developed. Overall, whilst the broad ToC logic held, implementation demonstrated that outcomes are contingent on enabling conditions (such as governance systems across different countries), sequencing and external factors over a far more limited time period than originally intended.

Examples of key learning identified

At closure, the LDP identified two key areas of learning related to the ToC and underlying assumptions:

- **Agricultural development as a driver of forest loss** – in Lao PDR and Cambodia, livelihood interventions needed to be explicitly linked to land rights and deforestation risks to avoid unintended impacts. For example, in Cambodia, benefits were deliberately restricted to communities with secure land tenure to avoid association with illegal forest clearance. While this risk did not materialise during the project, future delivery would have required closer integration across components to manage it.
- **Inequities in benefit distribution** – community members observed that households without secure land tenure, and those highly dependent on forest resources, received fewer benefits despite being most vulnerable to protected area restrictions. BLF interventions were seen as insufficient to address tenure insecurity and uneven impacts, contributing to mixed wellbeing outcomes within the limited timeframe. These issues were recognised by project partners, who had begun taking steps to address them prior to project termination.

B2. Evaluation planning

The IndEv was engaged throughout project inception and project implementation however, following the UK's ODA budget reductions a decision was made to end the IndEv's contract at the end of March 2026. IndEv learning has been systematically captured within this PCR and associated workshops.

B3. Progress toward outcomes and impacts

Following the UK's ODA budget reductions, Defra took the decision to pause baseline data collection for outcomes because it had not yet started and proceeding with these household surveys and community engagement exercises would not necessarily offer value for money or be appropriate given uncertainty about the future of the programme. Baseline outcome data collection had been scheduled to begin following the inception phase and permissions work and would have provided data to support outcome indicator reporting (providing both baseline data and targets) with midline data collection tentatively planned to be carried out between January and August 2027 to track progress against outcomes. A baseline evaluation study by the IndEv would have provided an assessment against ICF KPI 15 ("extent to which ICF intervention is likely to lead to transformational change"), which was the landscape and programme-level impact

indicator. However, due to the extended inception period, outcome baseline data collection and studies had not yet begun at the time of the ODA budget reductions and therefore did not proceed before early programme closure.

However, while outcome-level baseline data were not collected before the closure decision, output-level monitoring data were collected throughout implementation and form the basis of this PCR assessment.

C. DETAILED OUTPUT SCORING

Output Title	Development of sustainable livelihood models, including (where appropriate) improved land rights and tenure over natural resources, resulting in sustainable use of biodiversity		
Output number:	1	Output Score:	C
Impact weighting (%):	25%	Weighting revised since last AR?	N/A
Indicator	End of programme target	March 2026 logframe milestone	Final result achieved
1.1 Number of people with improved awareness of their rights to land and natural resources	6,340	5,340	No baseline against which to measure improvement. Reach of 759 individuals trained (340 women), but no follow-up assessment of improved awareness.
1.2 Number of people trained in new or improved strategies and techniques for sustainable livelihoods	2,840	2,040	1,110 (485 women)
1.3 Number of local businesses established or strengthened	17	7	2

C1. Output activities and score

Delivery under this output focused on establishing the enabling conditions for sustainable livelihood models, including strengthening land tenure, building community governance systems and piloting livelihood and value chain interventions.

In **Cambodia**, delivery progressed furthest given the MoU to conduct activities. The programme initiated Free Prior Informed Consent (FPIC) processes and established a grievance redress mechanism, alongside a provincial land tenure consultation and follow-up workshops on protected area boundaries and land use. Two Community Protected Area (CPA) management plans were revised and approved, improving community-led governance and security of resource use. This was complemented by land-use and climate vulnerability assessments, and six consultations that laid the groundwork for participatory mapping and improved zonation. Livelihood interventions were informed by value chain analysis and focused on sustainable non-timber forest product (NTFP) development, including training on harvesting, market analysis and business planning, and support to enterprise groups (malva nut and cobra mushroom) with equipment and inputs.

In **Vietnam**, delivery was more constrained, but the project organised meetings to disseminate regulations, conducted participatory mapping of important fishing areas, and initiated FPIC processes for fisheries co-management in Pu Mat National Park. Co-management systems were

established and operational in two communities, alongside training and provision of monitoring equipment. However, limited formal permissions constrained delivery, resulting in low performance against output indicators and restricting activities largely to trainings, study tours, and business support. Livelihood interventions included beekeeping and rattan enterprises, benefiting around 200 people through capacity building, market engagement, and cross-country value chain analyses. Targeted support to women's producer groups strengthened market access and leadership, with emerging early results, including improved product quality and increased honey prices in Pu Mat.

In **Lao PDR**, delivery centred on governance and analytical foundations. Reviews of Forest Land Use Zoning (FLUZ) were completed across all 16 project villages, with future implementation to be supported by the Kadoorie Foundation. Livelihood work focused on NTFPs, including value chain analysis, inventory, and development of a malva nut management plan in Nam Khong-Xexou Protection Forest, which was handed over to government for implementation. Community organisation and knowledge exchange on malva nut management were also strengthened through group formation and study visits. While MoU constraints limited formal delivery, several trainings, study tours, and business support activities were undertaken, contributing to reported results for Output Indicator 1.2, however, supporting evidence for these results was not systematically recorded.

Overall, delivery against March 2026 milestones for Output 1 was *off track*. Progress was strongest in establishing systems, partnerships and pilots, but quantified results against indicators were limited, particularly for enterprise development and verified livelihood outcomes. This reflects delays in permissions, significant front-loaded analytical requirements, and early closure preventing transition from groundwork to scaled delivery.

C2. Changes to output

No significant changes to the output were made throughout the year.

C3. Lessons and recommendations for future

This output reinforced that livelihood and value chain interventions require substantial lead-in time and sustained support to scale. Upfront investment in analysis, consultation and governance was necessary to select appropriate NTFPs and models; however, early closure prevented these foundations from converting into scaled delivery and measurable results. Value chain analysis combined with peer-to-peer learning (including exchange visits) was effective. However, limited field staffing reduced depth of engagement in some places and misalignment between project and local partner workplans highlighted the importance of formalising partnerships early. Delivery also demonstrated the need to adapt approaches for remote, low-capacity contexts (infrastructure, literacy and connectivity constraints). In addition, progress was strongest where government engagement and tenure work advanced; unresolved tenure issues and constraints on government participation slowed delivery.

Output Title	A shift to sustainable agriculture, linked to forest and wildlife protection, to provide new opportunities for access to national, regional and/ or international markets.		
Output number:	2	Output Score:	C
Impact weighting (%):	25%	Weighting revised since last AR?	N/A
Indicator	End of programme target	March 2026 logframe milestone	Final result achieved
2.1 Number of people trained in more sustainable techniques for agriculture value chains	5,920	3,840	2,845 (1,380 women)
2.2 Number of local agri-businesses with improved market linkages to producers	33	16	5 reported by LDP (1 independently verified by FM)
2.3 Number of private companies with improved policies or practices designed to reduce drivers of biodiversity and ecosystem loss	6	4	1

C1. Output activities and score

Output 2 focused on sustainable agriculture. Progress was uneven across countries, but there was substantive delivery in some areas.

In **Cambodia**, the project completed value chain scoping and assessments (cashew, livestock, rice), identified partners, and established systems to improve access to inputs and services. This included a Telegram-based platform to support service delivery, formal market linkage with IBIS Rice to enable organic rice producers to access premium markets and certification standards, establishment of a producer group, demonstration of climate-resilient practices through farmer field sites, and development of a traceability system with Conservation International. Capacity building reached 2,845 individuals by closure. Additional activities – including demonstration sites, exchange visits, and co-investment support for youth- and women-led enterprises – contributed to a diversified livelihood system. The LDP considered progress on Indicators 2.2 and 2.3 well advanced and likely to improve further had delivery continued.

In **Vietnam**, the project undertook preparatory and pilot activities, including value chain analysis, livestock training courses (212 participants), Training of Trainers covering animal health and husbandry practices, pilot models with 10 households, and coffee sector support to cooperatives for quality upgrading, branding, and market engagement. Early results included over 270 households verified under 4C deforestation-free coffee certification standards and strengthened cooperatives with increased participation and production, however overall indicator results remained low relative to expenditure due to the preparatory nature of work and constraints on approvals. The LDP considered the programme positioned for rapid scale-up contingent on MoU approval.

In **Lao PDR**, the absence of an MoU and the local team's strategic shift towards NTFPs (aligned to Output 1 rather than Output 2) constrained delivery against these indicators. Progress was therefore limited, and expenditure was correspondingly low outside of staffing costs. Foundational work included selection of priority agricultural products, formation of producer groups with a focus on governance and gender equality, establishment of demonstration plots, exchange visits, and early policy engagement linked to cassava.

Overall, delivery against March 2026 milestones for Output 2 was *off track*. Overall, expenditure under Output 2 appeared high relative to indicator delivery at closure, largely reflecting front-loaded investment in value chain analysis, systems development, and demonstration infrastructure – which were prerequisites for the training and scale-up measured in these indicators.

C2. Changes to output

No significant changes to the output were made throughout the year.

C3. Lessons and recommendations for future

Early closure meant there was insufficient time to establish farmer incentives (returns, risk mitigation, market guarantees) and therefore adoption and sustainability of the approaches remain unproven. Multi-livelihood strategies (e.g. cashew, rice, livestock) were judged to be appropriate but complex, requiring strong flexibility and coordination across operations and finance teams.

Scaling depends on enabling conditions (approvals, staffing, seasonal planning, water infrastructure, secure tenure) and adequate follow-up at village level to make training and demonstration plots effective. Farmer-to-farmer learning approaches (e.g. exchange visits) were found to be particularly effective, building trust and motivation for adoption. It was also noted that there could be scope to expand scalable extension approaches (e.g. farmer networks, social media, video) to increase reach, reduce costs and improve accessibility.

Output Title	More sustainable approaches taken to infrastructure and development projects, resulting in reduced environmental damage.		
Output number:	3	Output Score:	C
Impact weighting (%):	15%	Weighting revised since last AR?	N/A
Indicator	End of programme target	March 2026 logframe milestone	Final result achieved
3.1.1 Number of policymakers and decision-makers from government or non-government institutions trained	500	250	128
3.1.2 Number of policymakers and decision-makers from government or non-government institutions with improved awareness of biodiversity priorities	250	125	N/A activities begun but too early to report results
3.2 Number of governance arrangements, laws, policies, regulations changed by the programme to enhance biodiversity protection or sustainable use	15	6	N/A activities begun but too early to report results
3.3 Number of sites that have spatial land-use plans or development plans that incorporate biodiversity and ecosystem priorities, disaggregated by country/province	5	4	2

C1. Output activities and score

Delivery under this output focused on strengthening governance frameworks, supporting protected area management and planning, and engaging government stakeholders on conservation priorities.

In **Cambodia**, the project made targeted progress on protected area governance and strategic advocacy, including engagement on development pressures affecting protected areas. The project achieved concrete results in protected area governance: two Community Protected Areas (CPAs) [secured formal government approval](#) for 2025–2029 management plans, representing a direct and lasting contribution of the programme. A third CPA remains pending approval.

In **Vietnam**, progress against Output 3 indicators was constrained by delayed approvals and administrative processes. The project supported revision of operational regulations and development of a five-year management plan for the Western Nghe An Biosphere Reserve (WNABR), alongside a 10-year assessment workshop involving national stakeholders. A study tour for provincial officials supported peer learning from established biosphere reserve models.

In **Lao PDR**, Output 3 achieved relatively stronger strategic progress, particularly through alignment with government priorities. The project contributed to World Heritage Site (WHS) designation for Hin Nam No National Park and supported submission of a Tentative List nomination for Nakai Nam Theun National Park, signalling strengthened government engagement with conservation frameworks. Additional achievements included advancing the Hin Nam No–Phong Nha-Ke Bang transboundary management framework and developing an evidence base on infrastructure threats to protected areas.

Overall, delivery against March 2026 milestones for Output 3 was *off track*. However, there were some governance and institutional strengthening outcomes achieved, including approved management plans, strengthened planning frameworks, and progress on international conservation recognition. Performance against March 2026 milestones related particularly to longer-term policy influence and system-level change was constrained by delayed approvals, political sensitivities and early closure.

C2. Changes to output

No significant changes to the output were made throughout the year.

C3. Lessons and recommendations for future

Building effective relationships with government counterparts requires sustained time and investment, particularly at sub-national levels, and following restructuring. Strong communication, trust and relationships are required with provincial governments.

Global frameworks (such as World Heritage processes) can be effective entry points for elevating conservation priorities and securing attention and resources. However, policy and governance change typically requires longer timeframes than short project cycles allow. Infrastructure and development pressures pose ongoing risks, requiring proactive monitoring and engagement to balance conservation and economic priorities.

Output Title	Implementation of robust ecotourism policies and regulations, models and approaches resulting in increased benefits flowing directly through to communities.		
Output number:	4	Output Score:	C
Impact weighting (%):	10%	Weighting revised since last AR?	N/A
Indicator	End of programme target	March 2026 logframe milestone	Final result achieved
4.1 Number of local eco-tourism and related service businesses established or strengthened	4	3	N/A activities begun but too early to report results
4.2 Number of sites with sustainable tourism policies and plans	6	3	N/A activities begun but too early to report results
4.3 Number of tourists visiting site disaggregated by national/international	47,009	16,170	213 international visitors

C1. Output activities and score

Delivery under this output focused on laying the foundations for community-based ecotourism, including strategic planning, market assessments, stakeholder engagement, and early-stage product development. Most activities remained preparatory and did not move into full implementation prior to closure.

In **Cambodia**, the project made progress in establishing a strategic and operational basis for ecotourism in Virachey National Park (VNP). This included development of a VNP ecotourism roadmap, guidelines for Destination Management Companies, and completion of an Ecotourism Assessment focused on Community Protected Areas (CPAs). Participatory ecotourism plans were developed for five CPAs, supported by branding centred on Indigenous Peoples-led tourism and early promotional activities (e.g. social media engagement). These activities collectively established a clear strategic foundation and planning framework for ecotourism development. However, implementation of tourism enterprises and service delivery had only just begun at the time of closure. Visitor numbers recorded under Indicator 4.3 (213 international visitors and an estimated 7,000 domestic visitors) represent a baseline, rather than results attributable to project interventions. Performance in Cambodia is therefore assessed as below expectations on indicators, but with progress on enabling conditions.

In **Vietnam**, activities focused on capacity building, market assessment, and early product development. The project supported participation of Indigenous Peoples and local communities in promotional events, reaching approximately 1,500 people, and delivered stakeholder workshops to build readiness for ecotourism development. Technical outputs included an assessment of private sector engagement (e.g. birdwatching tourism potential). A birdwatching product in Chu Mom Ray National Park progressed to confirmed pilot operation, with a tourist trail

established. While these activities demonstrate movement from analysis to early implementation, most indicators were not achieved by March 2026.

In **Lao PDR**, progress centred on policy review, planning, and identification of tourism opportunities. The project conducted a regulatory review highlighting gaps in benefit-sharing mechanisms for IP&LCs, completed attraction inventories, and mapped transboundary tourism potential between Him Nam No and Phong Nha-Ke Bang. Participatory planning was undertaken for public-private partnerships to support village-level ecotourism initiatives, though these remain pending government approval. Additional outputs included communications products (e.g. video, social media content) to support destination promotion.

Overall, Output 4 delivered an analytical and planning foundation, but limited implementation and no reported indicator achievement by the March 2026 milestone. This reflects the sequencing of activities (analysis before implementation), combined with constraints including remoteness, limited infrastructure, regulatory barriers, and early project closure.

C2. Changes to output

No significant changes to the output were made throughout the year.

C3. Lessons and recommendations for future

Community-based ecotourism requires a clear operating entity and business model with defined ownership and leadership. Remote, hard-to-access sites require differentiated value propositions, targeted marketing, and/or integration into broader travel routes. Regulatory and access constraints (e.g. restricted zones, border areas, security permissions) can significantly limit tourism viability and require early planning and coordination with authorities.

Capacity of protected area authorities and communities to plan, operate and market tourism is often limited and requires sustained investment in skills, governance and service delivery. Upfront investment is typically necessary (infrastructure, training, marketing), which communities cannot finance alone, making private sector partnerships and benefit-sharing arrangements important. Genuine engagement of Indigenous Peoples and Local Communities (IP&LCs) is essential, as limited involvement reduces authenticity, community benefit, and long-term sustainability of ecotourism initiatives. In remote border areas, viability may require premium market positioning, strong local champions, long-term capacity investment and simplified access arrangements.

Output Title	Improved protected area management that recognises the rights of local communities and supports local livelihood development.		
Output number:	5	Output Score:	N/A
Impact weighting (%):	25	Weighting revised since last AR?	N/A – targets not agreed
Indicator	End of programme target	March 2026 logframe milestone	Final result achieved
5.1 Change in protected area management effectiveness	TBC	TBC	3 METT4 assessment conducted but no evidence to assess change in effectiveness
5.2 Number of illegal incidences (wildlife/logging/deforestation/fishing) per km-square surveyed during patrols	TBC	TBC	0.0013
5.3 Number of rangers and community patrollers trained	TBC	TBC	214

C1. Output activities and score

Delivery under this output focused on establishing baseline biodiversity data, strengthening protected area management systems, and building capacity for monitoring and adaptive management across the landscape. Although progress could not be measured against indicators due to a lack of baselines, substantial preparatory work was completed, providing a foundation for future delivery.

Baseline biodiversity surveys were completed across all seven sites. This was supported by the development of standardised operating procedures, enabling harmonised monitoring approaches across the Annamites.

Capacity building was also a key focus. Training Needs Assessments were completed in all three countries, and 214 rangers and community patrollers were trained in biodiversity monitoring techniques and SMART patrolling systems. A SMART capacity assessment identified implementation gaps and developed a management framework for improving adaptive monitoring and patrol effectiveness, which was disseminated internationally.

Complementary governance and effectiveness tools were also introduced. In **Vietnam**, Management Effectiveness Tracking Tool (METT-4) assessments were completed across three sites, generating baseline data on protected area management and supporting adaptive management approaches. Progress on METT-4 was initiated in **Cambodia** and will continue with alternate follow-on funding. The project also contributed to broader conservation frameworks, including progress towards IUCN Green List processes in **Lao PDR** and **Vietnam**, and facilitated transboundary collaboration between **Cambodia** and **Vietnam** through joint government engagement.

Overall, Output 5 established a robust evidence base, monitoring systems, and initial capacity for adaptive management. Results were not captured against indicators due to the timing of activities.

C2. Changes to output

No significant changes to the output were made throughout the year.

C3. Lessons and recommendations for future

Establishing baselines and effective biodiversity monitoring requires significant front-end investment that may not translate into immediate indicator results. Standardised survey methods and shared protocols are essential for comparable data and landscape-level analysis. Data collection capacity can often outpace analysis capacity – while rangers can collect field data, there are significant gaps in skills and systems to analyse, interpret, and apply findings to management decisions, which can limit the use of data for decision-making.

Tools such as SMART require sustained capacity building to support threat analysis and adaptive planning, not only effort tracking. Human resource constraints and staff turnover can limit delivery and sustainability. Data sharing and coordination are essential but require formal agreements and systems. Operational risks (equipment loss, disasters, seasonality) highlight the need for contingency planning and flexible implementation. Sustained conservation outcomes require predictable long-term investment beyond initial cycles, including staffing, equipment maintenance and repeated surveys. Community-based and co-managed conservation requires stronger institutional capacity, including coordination between patrol systems, and investment in governance, financial management, and technical skills at community level.

D: RISK

D1. Overview of risk management

LM project risks were monitored through a landscape risk register which was reviewed regularly through monthly Landscape Working Group meetings (which included Defra, the Fund Manager and F&F). Relevant updates were fed into the BLF programme level risk register, with any risks assessed as approaching or exceeding appetite escalated promptly to the Senior Responsible Owner (SRO) and discussed through the BLF Quarterly Programme Board.

Risk management in the Lower Mekong programme focused on a small number of persistent and interrelated risks. These included delays in securing permissions and licenses to operate; uneven host government engagement across Cambodia, Lao PDR and Vietnam; implementation delays linked to recruitment, procurement and administrative requirements; and safeguarding and reputational risks associated with work in remote and politically sensitive settings. In the final phase, the risk profile shifted to reflect the challenges associated with early closure.

Risk appetite:

The project operated within Defra's standard ODA risk appetite, which remained unchanged throughout delivery. This involves:

- Greater tolerance for strategic and contextual risks inherent in complex, fragile operating environments; and
- Low tolerance for safeguarding, reputational, and financial/fiduciary risks

Risks that came close to risk appetite:

A small number of risks approached the upper limits of Defra's risk appetite:

- **Strategic and contextual risk:** The most significant risk throughout delivery related to securing and maintaining licences to operate across all three countries. Despite overarching government-to-government agreements, obtaining project-level permissions proved slower and more complex than anticipated, particularly in Lao PDR and Vietnam. This resulted in prolonged delays, uneven delivery across the landscape, and the need for workarounds to progress activities in-country. These challenges were further compounded by differences in governance systems, shifting political priorities, and constraints on engaging government partners.
- **Delivery and operational risk:** Implementation was slowed by procurement requirements, recruitment timelines, and complex BLF fund management processes, which the LDP felt were not always well aligned with local operating realities. This created delays in mobilisation and compressed implementation windows, particularly where permissions were received late.
- **Safeguarding and reputational risk:** The operating context included remote, low-capacity environments and vulnerable communities. Maintaining safeguarding standards required sustained oversight and robust systems. Reputational risks were also present

where programme delays or perceived inequities in benefit distribution affected relationships with government or communities. These risks were managed through established safeguarding systems, grievance mechanisms and ongoing engagement with partners.

Changing and emerging risks following early closure

Following the decision to close the programme early, the risk profile shifted to reflect the challenges of responsible exit in a complex setting. The most significant emerging risks were:

- **Reputational risk:** Programme closure increased reputational risk with host governments, delivery partners and communities, particularly where expectations had been raised but not fully realised. The risk of reduced trust and future engagement was identified as a key concern. To mitigate this, Defra, the FM and delivery partners prioritised clear and consistent communication, including explaining the reasons for closure and managing expectations on continuation. Closure workshops with government partners and community stakeholders were undertaken where possible to maintain relationships, and Defra worked with Embassies to confirm continued UK Government commitment in the region.
- **Delivery continuity and sustainability risk:** Early closure created risks that emerging livelihood models, partnerships and governance processes would not be sustained. Many interventions were at an early stage and required further support to become viable, particularly livelihood and value chain activities. Delivery partners sought to mitigate this by securing alternative funding in selected sites and transferring knowledge, plans and materials to government and local partners where possible. At the time of closure, alternative continued funding was possible at a reduced scale for Virachey, Pu Mat and Hin Nam Mo National Parks. However, residual risk remains that benefits will not be sustained at the intended scale.
- **Financial and fiduciary risk:** Accelerated closure required the rapid completion or cancellation of activities, reallocation of budgets, and management of outstanding commitments. There was also a risk associated with asset management and ensuring appropriate transfer or use of equipment and materials. This was mitigated through application of standard financial controls, reconciliation processes, and adherence to approved exit plans, including maintaining up-to-date asset registers and agreeing a clear, auditable asset transfer process, focused on value for money and sustainability.
- **Programme delivery risk (staffing and knowledge loss):** Uncertainty associated with early closure created a risk of loss of key staff and institutional knowledge before programme completion. Mitigation measures included prioritising retention of critical staff through to closure, securing documentation and data, and supporting transitions where alternative roles or funding were identified.

Safeguarding mitigation following project closure

Fauna & Flora's exit strategy ensures that safeguarding risks continue to be mitigated beyond project closure, in line with the approved Exit Plan and the Do No Harm principle. While there

were no outstanding safeguarding incidents at the time of closure, mechanisms remained in place to manage any late-emerging concerns, including the continuation of grievance redress mechanisms within project sites and ongoing safeguarding responsibilities embedded within delivery partner organisations. Where activities continue under alternative funding, safeguarding systems and responsibilities have been retained as part of those programmes. These arrangements ensure continuity of safeguarding oversight, accountability, and safe reporting pathways beyond the programme's lifetime, although with reduced coverage where activities have ceased.

E. PROGRAMME MANAGEMENT: DELIVERY, COMMERCIAL & FINANCIAL PERFORMANCE

E1. Summarise the performance of partners and Defra, notably on commercial and financial issues.

Narrative reporting

Fauna & Flora submitted quarterly narrative reports in line with BLF reporting processes, setting out activities undertaken, progress against workplans, and key delivery constraints. Reporting consistently highlighted structural challenges affecting delivery, including delays in securing permissions, uneven progress across Cambodia, Lao PDR and Vietnam, and the phased nature of implementation. These factors were reflected in progress against milestones, with delivery often remaining at preparatory or pilot stage.

There were some challenges with the timing and completeness of reporting. The FM identified weaknesses in early data quality and reporting accuracy. This required iterative review and resubmission, supported by FM feedback and targeted capacity building to improve understanding of reporting requirements and evidence standards. Overall, narrative reporting provided a reasonable account of activities and constraints, but required strengthening in data quality, verification and consistency, particularly early in delivery.

Financial reporting

Quarterly financial reporting was submitted alongside narrative reports in accordance with BLF processes, including provision of actual spend and forward forecasts each quarter. Overall, financial performance reflects a programme that incurred front-loaded costs and variable spend profiles due to delayed implementation, rather than weaknesses in core financial systems, although forecasting precision was constrained by shifting programme conditions.

The BLF FM led financial monitoring processes linked reported expenditure with delivery progress, and reviewed reports against workplan activity and forecasts as part of payment and assurance processes. There was no evidence of misuse of funds identified and cases were addressed through programme controls and monitoring.

Forecasting accuracy was affected by several structural factors described in this report, including:

- Delays in securing permissions and slow mobilisation.
- Pauses in baseline data collection associated with ODA budget decisions.
- Subsequent early closure of the programme.

Monitoring activities

Monitoring of the LM project focused on active engagement, in-country presence, and structured technical and risk oversight, supported by the FM and IndEv.

In-country engagement and field visits were undertaken by the Landscape Coordinator, UK Government officials, and Fund Manager representatives. These included technical monitor and finance monitor visits, which reviewed delivery progress, safeguarding controls, financial management practices and asset registers, and provided direct challenge and assurance to Defra.

E2. Assess the VfM of this output compared to the proposition in the Business Case, based on performance over the past year

VfM assessment from the economic case

The Lower Mekong business case set out a strong value for money proposition, underpinned by a quantitative appraisal alongside a broader assessment of economic, environmental and social benefits expected to materialise gradually over the full seven-year implementation timeline and continue beyond the lifetime of the programme. The central economic appraisal estimated that the preferred option would deliver a **Benefit-Cost Ratio (BCR) of 6.4** under the primary funding scenario, indicating high potential value for money. When additional (secondary) funding was included, the BCR remained strong at **5.4**, with sensitivity analysis suggesting a range of **4.0–6.7**. The Business Case also explicitly noted that this was a partial BCR analysis, capturing only a limited subset of monetised benefits – primarily greenhouse gas emissions reductions and incremental income gains. A wide range of additional benefits, including biodiversity conservation, ecosystem services, governance improvements and equity outcomes, were not monetised but also expected to accrue over the medium- to long-term.

VfM assessment at project closure

At closure, the LM project demonstrates reasonable value for money within the constraints faced. However, the shortened delivery period and limited opportunity to realise the full scale of benefits envisioned in the original business case constrain the VfM assessment. While the business case anticipated that some benefits, such as livelihood and income improvements, would begin accruing during programme implementation, a significant proportion of the programme's overall value for money case depended on longer-term biodiversity, ecosystem and climate outcomes that were expected to build over time, including beyond the life of the programme. As such, it has not been feasible to update the quantitative appraisal for this PCR. In addition, the programme's VfM profile was inherently front-loaded, with set-up and inception costs incurred prior to benefits being realised. Early closure therefore meant that these costs were incurred but the corresponding benefits had not yet materialised at scale.

As such, at landscape level, early closure limits Defra's ability to fully assess and realise the VfM anticipated in the original business case. However, at the overall BLF portfolio level, the decision to streamline and consolidate the BLF in fewer landscapes in the context of a significantly reduced UK ODA budget is expected to **protect the BLF's overall VfM**. Concentrating remaining reduced resources in fewer landscapes increases the likelihood of achieving meaningful scale and realising the intended benefits, rather than spreading funding thinly and diluting effort and impact.

Economy

Overall, economy for the LM project improved as delivery progressed but remained constrained by front-loaded staffing costs and delivery delays. Early spend was heavily concentrated in staffing and set-up, reflecting extended inception, delays to permissions and slow mobilisation of activities. While this pattern is typical of complex landscape programmes, the short delivery window limited the programme's ability to rebalance cost structures toward more outcome-driven expenditure. Procurement systems were compliant and well controlled but also identified as slow and complex, which delayed implementation and limited the efficient deployment of resources.

- Staff costs reduced from 91% to 64.9% of delivery costs, indicating a shift from a staff-heavy inception phase towards more delivery activity.

Efficiency

Efficiency shows a mixed and uneven trajectory, with improvements in some areas but deterioration in others due to implementation constraints.

Positive efficiency trends:

- Cost per person trained in agriculture value chains fell significantly from £441 to £95–162 per person, indicating strong gains as delivery moved from design to implementation.
- Cost per ranger trained dropped sharply from ~£12k to £298 per person, reflecting substantial upfront investment in training needs assessments and curriculum development in the previous reporting period that was not repeated in FY25/26.

Negative or mixed trends:

- Cost per person trained in livelihoods increased from £113 to c.£186–394 per person, suggested to be due to additional complexity of training interventions.
- Cost per business supported remained high at around £105k per business, reflecting that a relatively small number of enterprises supported and the fact that many market system interventions were still at an early stage when the programme closed.

These trends reflect underlying delivery constraints highlighted elsewhere the PCR:

- Some activities remaining at an early stage and not reaching the scale anticipated in programme design, limiting economies of scale.
- Interruptions and delays, requiring redesign or fragmented delivery.
- Early closure, preventing efficiency gains from being realised over time.

Overall, efficiency improved where delivery became repeatable, but deteriorated or remained weak where activities were complex, small-scale, or disrupted.

Effectiveness

Effectiveness evidence is partial. Outcome-level indicators could not be reported on at this stage, due to the reasons set out above and because baseline data collection was not completed. Despite this, the project delivered strong outputs. For example, as detailed above:

- Thousands of individuals were reached through training (e.g. 4,832 trained in agriculture value chains; 214 rangers trained),
- Early outputs in livelihoods, governance and conservation were delivered.

These outputs demonstrate activity and underpin longer-term impact but could not mature into outcome-level results within the shortened delivery window. As a result, the causal chain from inputs to outcomes underpinning the original BCR cannot be robustly evidenced at closure.

Equity

Equity performance is partially demonstrated at output level, for example:

- Women comprised c.45–46% of beneficiaries (up slightly from 44.7%), indicating broadly balanced reach, though with persistent underrepresentation in some areas (e.g. ranger training).
- IPLC beneficiaries reached ~99.7–100%, demonstrating strong targeting of intended groups.
- Over 3,500 women received training, and targeted support was provided (e.g. women farmers, handicrafts, livelihood inputs), with clear GESI integration in programme design.

However:

- Equity metrics are based on output participation (training/outreach) rather than outcomes.
- Structural barriers (e.g. gender imbalance in protected area roles) were only partially addressed within the programme timeframe.

Overall, equity design and targeting were strong, but results remain unproven beyond participation metrics.

Overall assessment

The LDP PCR demonstrates that:

- Economy improved modestly but remained constrained by front-loaded staffing costs and high overheads;
- Efficiency was uneven, with strong improvements in repeatable activities but weak performance in complex or scaled interventions;
- Effectiveness cannot be demonstrated, due to absence of outcome data and truncated delivery; and
- Equity was well targeted but only evidenced at output level.

Taken together, the evidence shows sound controls and credible early delivery, but insufficient time and scale to realise or evidence value for money at outcome level as anticipated in the Business Case.

Date of last narrative financial report	March 2026	Date of last audited annual statement	BLF Fund Manager financial monitoring concluded June 2026
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