## UK Blue Carbon Fund Annual Review 2024

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| **Title: UK Blue Carbon Fund** | | |
| **Programme Value £ (full life): £12.95m** | | **Date review drafted:** March 2025 |
| **Programme Code: ICF-PO008** | **Programme start date:** Dec 2018 | **Programme end date:** March 2026 |

**Summary of Programme Performance**

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| Year | **2018/19** | **2019/20** | **2020/21** | **2021, Jul-Dec** | **Jan – Dec 2022** | **Jan – Dec 2023** | **Jan – Dec 2024** |
| Overall Output Score | A | B | B | C | B | B | B |
| Risk Rating | Medium | Medium / High | High | High | Medium | High | High |

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| --- | --- |
| DevTracker Link to Business Case: | [Click here](https://devtracker.fcdo.gov.uk/projects/GB-GOV-7-ICF-PO008-UKBLUECARBONFUND/summary) |
| DevTracker Link to results framework: | [Click here](https://iatipublisher-prod.s3.amazonaws.com/document-link/414/2024_UKBCF_Logframe_Summary%20-%20for%20publication1751973027.xlsx) |

## A: SUMMARY AND OVERVIEW

**A1. Description of programme**

The Blue Carbon Fund (UKBCF) is managed by the Inter-American Development Bank (IDB). The programme aims to accelerate the development of the blue economy of four countries in Latin America and the Caribbean (LAC) – Colombia, Jamaica, Panama and Suriname – by catalysing and mobilising strategic public and private investments in the blue carbon sector and closely linked thematic areas such as sustainable fisheries, sustainable aquaculture, coastal zone management, payment for ecosystem services and eco-tourism. The project has also developed a standardised and regional Monitoring Reporting and Verification (MRV) mechanism for the blue carbon captured in mangrove forests for at least those countries within the UKBCF.

The UKBCF includes explicit aims to alleviate poverty through its activities via two main approaches. Firstly, through directly supporting livelihoods that either sustainably use local mangrove ecosystems, or those that don’t apply direct pressure to them, such as supporting the introduction of sustainable fisheries management, or sustainable charcoal production. Secondly, through conserving and restoring mangrove ecosystems, the programme aims to enhance the climate resilience of local communities and better protect them from extreme weather events which could cause loss of for example, assets, jobs, infrastructure. The target beneficiaries of the programme are the local communities associated with the project sites, including women and girls and other marginalised groups. Local community participation drives efforts to restore, protect and pro-actively manage local mangrove ecosystems in project intervention areas. In Colombia and Suriname, for example, local communities directly fed into the mangrove restoration action plan, to ensure their needs, and the most marginalised within those communities were prioritised.

The programme was launched in 2019 with a funding commitment from the UK Department for Environment, Food and Rural Affairs (Defra) of £12.95 million over seven years.

During 2024, Defra communicated to the IDB its decision to extend the programme up until March 2026. This decision was made following careful consideration of recommendations made in previous annual reviews and the programme review, and to ensure the live projects had sufficient time to deliver against their objectives before closing responsibly.

All projects within the UKBCF are now working towards concluding on or before this date. when the promissory note is set to expire. This creates an extension of six months from the original end date of September 2025. Defra is anticipating significant learning from the programme before it closes and is working with IDB on this as a priority in terms of sharing and communicating lessons, as well as ensuring a responsible transition is in place for communities.

Below is a summary of the current projects that make up the programme.

**Colombia**. **Project term: May 2021 – March 2026 (originally due to end November 2025)**

The objectives of the Colombia project are to:

* Recover and conserve highly biodiverse regional urban wetlands and integrate them into urban development processes.
* Strengthen the community’s management schemes for mangrove conservation and development of sustainable economic alternatives for local populations.
* Systematise the lessons learned to expand the initiative to a more significant number of coastal cities in Colombia.

**Jamaica**. **Project term: January 2020 – March 2026 (originally due to end November 2026)**

The project seeks to restore mangrove ecosystems in southern Clarendon to viable and healthy conditions and optimally functioning coastal forested ecosystems. In southern Clarendon, the south coast of Jamaica, more than 1,600 hectares of mangroves have been degraded due to prolonged drying from a reduction in freshwater inputs because of changes in land use for agriculture, aquaculture production, extreme weather events, coastal development, unsustainable livelihood practices, and impacts from human settlement. The interventions are expected to improve the sequestration capacity of these restored areas to store blue carbon and in turn, improve climate change resilience.

**Panama. Project term: May 2020 - January 2025**

This project aims to restore, protect, or enhance mangrove management, provide training and develop innovative financing mechanisms for mangrove conservation. The operation aims to elevate the importance of Panama’s coastal natural capital (mangrove ecosystems and related wetlands), the carbon they sequester and the biodiversity they support by shifting perceptions of their value and importance through a multi-pronged approach which includes:

* Delivering robust science that establishes a blue carbon baseline.
* Establishing economic valuation of the ecosystem services provided by mangroves and related wetlands.
* Building knowledge, awareness, and engagement with key stakeholders to drive action for the protection of these ecosystems.
* Supporting and strengthening policies that promote mangrove conservation and reforestation.

**Suriname**. **Project term: February 2022 – March 2026 (originally due to end July 2027)**

This project aims to improve mangrove management in Suriname by generating science-based evidence to inform future conservation/restoration efforts, leading to enhanced governance of these ecosystems and the promotion of sustainable livelihoods. Key elements of the project will include a comprehensive site characterisation and impacts assessment report, as well as the restoration and conservation of a significant area of mangrove ecosystem. This work will be underpinned by sustainable management work and community focussed capacity building to grow local capabilities.

**Monitoring, Reporting & Verification (MRV)**. **Programme term: August 2022 – March 2026**

**(originally due to end December 2027)**

Establishes a standardised and regional MRV mechanism for the blue carbon captured in mangrove forests for at least those countries that are beneficiaries of the UKBCF. It does this by collecting data through both remote sensing, including satellite imagery, and on the ground field measurements, to help develop region-specific parameters for the estimation of carbon stocks in mangroves. Projects will be able to:

* Improve the valuation of ecosystem services provided by blue ecosystems, including mangroves. This will enable the projects to develop baselines for mangrove conservations and restoration.
* Potentially include blue carbon data in the national NDCs, REDD+ schemes, SDG programmes, UNFCCC National Communications and carbon markets programmes.
* Utilise an MRV system for results-based payments under a reforestation programme.  There is a growing trend to support or encourage results-based actions for reforestation, conservation, or reduced deforestation efforts. In order to effectively participate in or take advantage of these types of efforts, a key element of the results-based payment scheme will be a fully functional MRV.

**Previous reviews**

Due to the outcomes of previous annual reviews, the programme was put on special measures from July 2021 to June 2022 whilst IDB and Defra examined the cause for the low scores. Several conditions were put in place, including the development and agreement of an ICF-aligned logframe.

It was agreed by Defra and the IDB that the approved 2022 logframe would be used substantively from Summer 2022. However, its effectiveness was reliant on reflecting the impact, outcome and output indicators at the project level, which it did not do. Due to the ongoing limitations of the logframe, it was projected that the next two annual reviews (Jan-Dec 2022 and Jan-Dec 2023) would experience similar reporting and data consolidation challenges, unless the logframe was further revised and strengthened.

In 2023 the logframe (Annex 1) was refreshed to address reporting issues and to ensure project-level indicators could clearly inform programme-level impact, output and outcome indicators. This annual review will be the third to use the 2023 refreshed logframe and the first to use it in ‘real time’, as the 2022 and 2023 annual reviews were conducted retrospectively.

Following three consecutive low scores in annual reviews (two Bs and a C), a more in-depth programme review was also conducted in 2023 alongside revision of the logframe (resulting in the delay to the 2022 and 2023 annual reviews), to determine whether the programme was underperforming or whether it was performing well but the results were not being reported accurately. Defra worked closely with IDB during this time, to collect evidence needed to assess the root cause of the performance issues. This report produced a series of recommendations that were provided to the IDB along with the conclusion that challenges with evaluation and reporting were in large part responsible for the programme’s poor performance in past annual reviews.

**This review**

The 2024 annual review was conducted in early 2025 by the Defra UKBCF programme team using data provided by IDB as part of their updates to the programme logframe, IDB project quarterly reports, as well as data collected by Defra through engagement with UK in-country advisors.

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

**Overview:**

Overall, the 2024 review for the UKBCF has scored a **B**. While this score remains unchanged from the previous Annual Review, significant progress has been and continues to be made across the UKBCF. The output scoring, like in 2023, remains strong and largely on target. Progress has also been made to address previously identified issues across areas such as gender equality and social inclusion (GESI), the protection of sexual exploitation, abuse and harassment (PSEAH) and risk management.

The programme in 2024 remained at a B score due to certain factors, which are addressed in more detail within this Annual Review. Namely, the programme remained ‘GESI unaware’, and whilst mitigations are in place to address this before the programme’s conclusion, this must be considered within the scoring process for this review. Additionally, the programme’s ability to measure its impact on poverty alleviation within target communities was low in 2024. Whilst more clarity on this is expected by the end of the programme, in 2024 details remained insufficient in this area.

**Outputs and Outcomes:**

The impact and outcome indicators of the programme demonstrate varying degrees of progress, ranging from a minority of indicators that have missed their targets, to the majority that have either met or substantially exceeded them. It should be noted that progress on certain indicators, such as Impact Indicator 2 (GHG emissions avoided or reduced at UKBCF sites), are challenging to fully anticipate and understand at this stage, due to a number of the projects only being set to report against these indicators in 2025 at the earliest (e.g. Suriname). While one outcome indicator has already moderately surpassed its programme level target and is demonstrating impact, we will not be able to fully gauge progress on others until 2025. However, progress can be demonstrated through using qualitative data. Examples can be shown through project activity that links to relevant outcome and impact indicators, and a selection of these have been outlined in Section B.2.

For the output indicators, the projects across UKBCF have largely met, moderately exceeded or substantially exceeded their targets in 2024. In some cases, this is where projects have reported these outputs later than planned, but for others it demonstrates how projects have gone above and beyond their original targets. Overall, UKBCF projects are demonstrating impact across their interventions, from producing research and management plans to empowering communities through training and the provision of ocean literacy activities. Targets for all the output indicators are largely on track to be delivered by the end of the programme. This also demonstrates the value of the refreshed logframe, highlighting the improved ability to translate project level activities via the reporting tool into measurable programme level overall outputs.

**Programme management:**

Programme operation and management were a somewhat mixed picture during 2024. Communication flows across the delivery chain continued to be a challenge from the perspective of Defra, as at times updates on risks and project progress remained ad-hoc. Improvements towards the end of the year were achieved around the flow of communications, particularly on specific areas after collaborative work between Defra and IDB including on risk management, and re-evaluation of the pipelined projects requesting investment. In 2024 the design and integration of GESI and PSEAH improved within the programme, with agreed action plans in place and identified actions underway - substantively, this included agreement between Defra and IDB to contract a consultant to undertake a review of GESI requirements across the programme.

**A3. Major lessons and recommendations for the year ahead**

Between the Programme Review and 2023 annual review, 16 recommendations were given to improve programme performance and impact. Annex 2 lists the remaining open recommendations as of the start of 2024 and provides a progress update against each to date. Status against these recommendations range from those that are completed, to a number which remain in progress or are yet to be started.

As the UKBCF enters its final year of delivery, the Defra programme team and IDB have discussed the remaining open recommendations and agreed six priority recommendations to focus on as part of this review. These are listed in **Table 1** below and contain a mix of existing recommendations that have been carried over from previous reviews, alongside a number of new recommendations.

During 2024 the Defra team also undertook the opportunity to review programme and project progress and proposed pipeline projects in light of the delays caused by the programme review and other external factors. This led to implications around programme level timelines which are covered in more detail in Section B.1.

Table 1: Recommendations identified for UKBCF as part of 2024 Annual Review

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **No.** | **Recommendation** | **Action to date** | **Next steps for 2025** | **Action lead** |
| 1 | Defra and IDB to continue to work closely to improve two-way communication around risk management and gain earlier visibility on risks and issues as they are identified across the programme. Build on the dedicated workshop on risk held in 2024 to further embed the flow of risk communication between Defra and IDB. | This builds on previous recommendations on this theme, and specifically the dedicated workshop on risk held in 2024 to further strengthen the flow of risk communication between Defra and IDB (See Section D). | Further embed risk management practice into monthly meetings between Defra – IDB, including the discussion of highest priority risks and mitigation strategies between delivery partners.  Further develop a culture of open communication and transparency around risk and joint working to minimise these. | Defra/IDB |
| 2 | Prepare for the independent end of programme evaluation. | Evaluations to date (by IDB and Defra) will be utilised for this recommendation. Additional actions to date that we will use include programme closure options, previous site visits by the IDB and Defra teams, as well as the Terms of Reference (ToR) and initial findings of the GESI consultants. | * Establish a formal ToR, which sets out the parameters of the evaluation and guiding research questions (ensuring alignment with OECD DAC evaluation criteria) * Procure supplier to undertake the evaluation to ensure initial work is started before the end of the year. * Ensure a focus on how learning and evidence from the programme can be disseminated and shared to relevant partners and stakeholders. | IDB |
| 3 | Promote a focus on management and prevention of SEAH | A management plan on SEAH has been developed and is in place for the programme (see Section G) | Once GESI consultant starts, collaborate on the delivery of the SEAH action plan. This will include evolving this plan into a joint-working document that Defra – IDB can co-deliver.  A site visit to the Colombia project in 2025 will also contain a focus on PSEAH, to help understanding of how this issue is addressed at a project working level. | IDB |
| 4 | Explore ways for UKBCF projects to enhance their legacy beyond the current funding period, either through alternative sources of funding, ensuring the development of longer-term impacts and publicising/sharing knowledge on the outcomes. | Initial discussions of ideas and plans have taken place at a steering group level. | Collaborate with IDB and executing agencies on plans for transition beyond UKBCF funding. Where relevant, explore potential sustainable finance mechanisms that could support projects beyond UKBCF programme timeline. Communicate impact and outcomes of the programme at relevant forums, including the UNFCCC COP30. | Defra/IDB |
| 5 | Review the programme Theory of Change to ensure it reflects latest programme activity, and all outcomes and outputs are accurate to 2025. | Section B outlines the context around the Theory of Change and work to date. | Defra to support IDB in making the necessary updates to the Theory of Change to ensure it reflects latest project activity, outcomes and impacts. | Defra/IDB |
| 6 | Ensure effective implementation of the Gender Equality and Social Inclusion (GESI) Action Plan. Newly recruited GESI consultant, hired by the IDB in 2025, will support the implementation of this plan. | A GESI Action Plan was designed and put in place during 2024. See Section F for more. | IDB GESI consultant will contribute to the implementation of this plan, namely through the delivery of a comprehensive review of how the programme has supported GESI outcomes to date, and recommendations for future practice. This review will be completed by the end of 2025. | IDB |

## B: THEORY OF CHANGE AND PROGRESS TOWARDS OUTCOMES

**B1. Summarise the programme’s** [**theory of change**](https://defra.sharepoint.com/:b:/t/Team569/EYKsnu69tPRGn-MDZaT7oTwBubyk9q4_JSeyjlktmKmhhg?e=qALZ5m)**, including any changes to outcome and impact indicators from the original business case.**

**Context**

The IDB initially developed a Theory of Change (ToC) in 2022 as a prerequisite for removing the programme from special measures designed to address poor performance, that had been put in place following the ‘C’ scored in the late 2021 Annual Review. During the Programme Review in 2023, the ToC underwent some revisions and adjustments were also made to the language to better reflect the current programme delivery. From that point forward, the updated version of the ToC (Figure 1) has been in use.

In response to the delays to the implementation of pipelined projects, due to the 2023 programme review and the Covid-19 pandemic, Defra and IDB undertook an evaluation of project and programme timelines in 2024 with the aim of confirming the best use of remaining funds. The exercise determined that several of the live projects would need lengthy extensions to achieve the intended outcomes.

The length of extension required was not supported by Defra for various reasons. The re-evaluation exercise included consideration of programme management resource, and the value and implications of commencing newly proposed pipeline projects, compared to investing further into existing projects to maximise their outputs and impacts. Given the inability to support an extension through to 2027, the decision was taken to reinvest into current projects.

By enhancing and investing in existing project outputs and activities, no subsequent major changes have been needed for the ToC and overall, it remains an accurate reflection of the Programme’s intervention. However, it is important to note that some points within the ToC currently lack connecting arrows. Some additional connections were originally planned to be made as further projects in the pipeline received their non-objection and came online. Following the re-evaluation exercise, combined with improvements in the programme’s performance, Defra agreed to extend the programme to March 2026, however, the pipelined projects would now no longer take place. The only project that has commenced following the development of the ToC is the Suriname project. Some minor revisions to the ToC may be necessary to ensure the work of this project is fully captured.

Previous Annual Reviews have recommended the need to undertake a more significant review of the ToC to better reflect poverty reduction as a key outcome of the programme. However, with a year left to run on the programme, this may not be the most effective way to achieve the desired updates to the programme and therefore a balanced approach will be taken (See Table 1 in Section A.3).

**Theory of Change and alignment with programme activity**

The programme’s overall impact aim is the increased resilience of mangrove ecosystems at UKBCF project sites. Resilience is built through activities that range from assessments of blue carbon that exist in these ecosystems, to building capacity within communities to integrate sustainable management. Ultimately these work towards outcomes that both support livelihoods within local communities and positive environmental outcomes through improved management, the mainstreaming of blue carbon considerations into development planning, climate resilience and mobilising additional finance.

The UKBCF aims to alleviate poverty primarily through direct support for livelihoods that either sustainably use local mangrove ecosystems, or those that don’t apply direct pressure to them. This links to ToC Outputs 2.2. and 2.3, and Outcomes 3.1 for example. Through conserving and restoring mangrove ecosystems, the programme also aims to enhance the climate resilience of local communities and better protect them from adverse weather events. While ecosystem resilience is a primary impact and outcome identified in the ToC, how this impacts local communities from a poverty alleviation perspective is more indirect and therefore challenging to measure. This, and the programmes impact on poverty more broadly, will be a key area for exploration in the end of programme evaluation in 2026.

Overall, the ToC remains relevant and aligns with programme activity. This is particularly true for the output indicators, where activities across all of indicators in the logframe align with those listed in the ToC (See Section for C for progress against Outputs). The programme evaluation that will take place upon the projects closure in March 2026 and commissioned by the IDB will provide a full insight into whether the outcomes and impacts outlined in the ToC have been realised. As is outlined in Section B.2, quantitative data from an outcomes and impact indicator perspective is limited at this stage, as a number of projects expect to collect this upon their conclusion. Therefore, qualitative data on outcomes and impacts are relied on to demonstrate progress and continued alignment with the ToC. Qualitative information that reflects progress against outcomes and impacts identified in the ToC are outlined in Section B.2.

**Logframe**

Three years into UKBCF programme operation and project implementation, during which time there was a focus on governance, project indicators and programme reporting, the programme was not able to aggregate results against the programme's targets. Annual and programme reviews identified weaknesses in reporting against the logframe, indicating issues with how results were being measured and communicated, rather than with the programme design itself. This led to the reworking of the logframe in 2023.

The reworked logframe is designed to better illustrate the impact of UKBCF projects against programme objectives. To complement the newly refreshed logframe, Defra worked with IDB on the creation of a project reporting tool, which is designed to support downstream delivery partners with their reporting against the adjusted logframe.

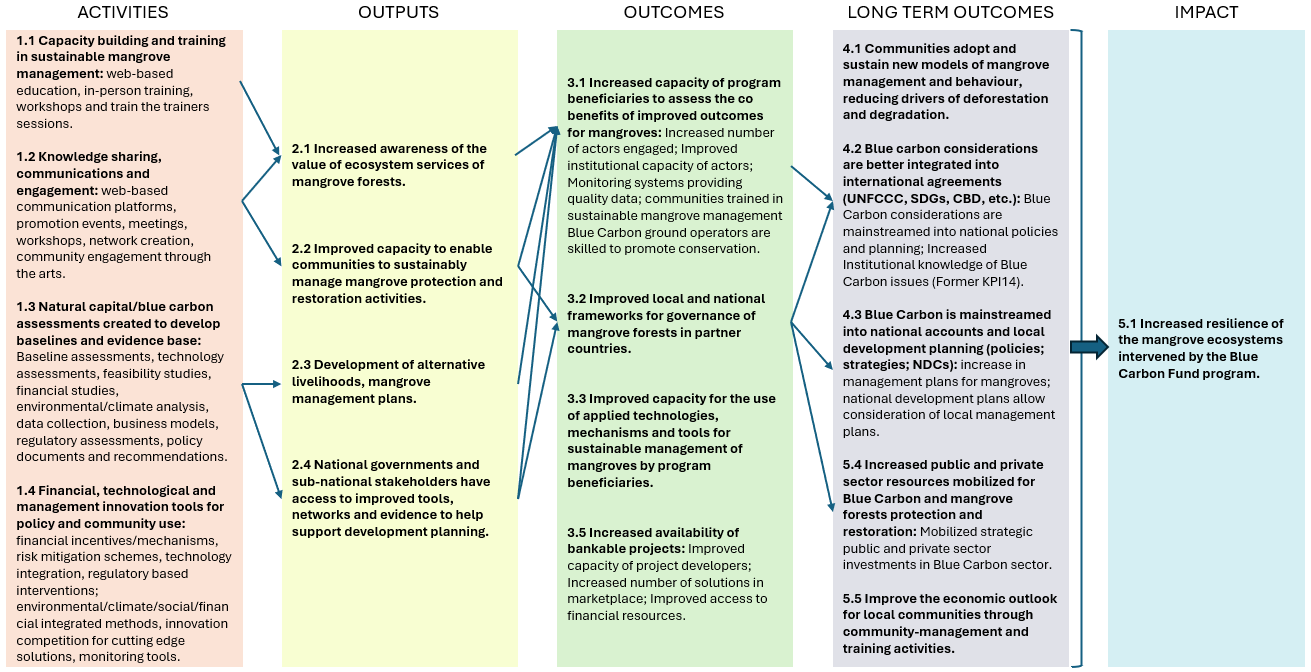
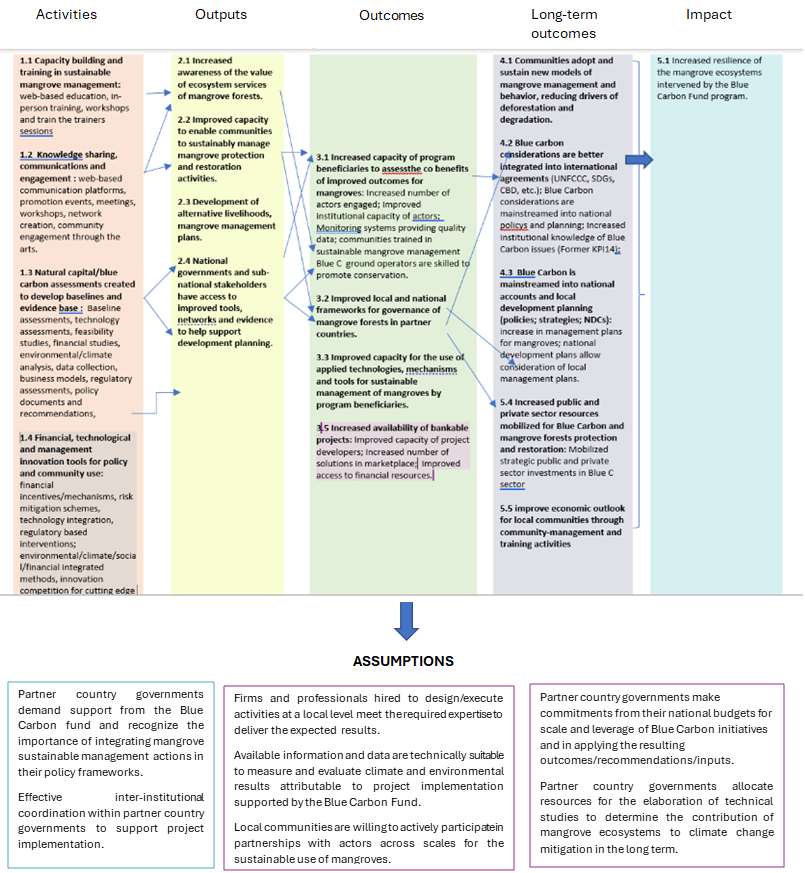
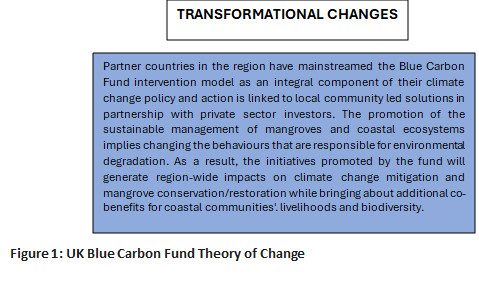
The impact of this work was tested in the programme’s annual review of the same year. Encouragingly the output scoring in the logframe showed progress against the majority of the outcomes, therefore demonstrating the improved ability to track project and programme impact. The output scoring for 2024 showed a slight decrease in the number of output indicators measured to be either meeting or exceeding their target, which is explored in section B2.

**Programme evaluation**

IDB plan to commission an independent evaluation of the programme once the programme has closed in 2026. The IDB have established a first draft of the scope and objectives of this evaluation for Defra’s feedback. This draft approach will be developed further during 2025, using outcomes of past evaluations, risks, issues and successes, before being finalised and a supplier procured.

The end of programme evaluation will draw on the OECD-DAC evaluation criteria to look for evidence of relevance, coherence, effectiveness, efficiency and sustainability in project execution. Specific research questions will therefore be broadly grouped across these themes. They will include questions around the effectiveness of project execution, value for money and ultimately programme outcomes and impacts, including on the environment, poverty, gender and social inclusion. The report on the programme’s impact on GESI will be an important piece of evidence used to inform the final evaluation.

The evaluation will begin in early 2026, with findings expected within three months of the programme closure date (31st March 2026). This will run in parallel to the completion of Defra’s own programme completion review which will be published at a similar time.



**Figure 1**: UK Blue Carbon Fund Theory of Change

**B2. Describe where the programme is on/off track to contribute to the expected outcomes and impact. What action is planned in the year ahead?**

In this annual review, the output indicator scoring (as outlined in full in Section C) shows that when measured against the new logframe, two thirds of the targets have either been met or exceeded, with three – one third of the indicators – underperforming against their 2024 targets (1.3, 2.3 and 4.1). Some issues with the logframe also appear to remain, with a number of indicators only being reported on by a small proportion of the projects.

Defra believes the lack of quantitative reporting on outcomes and impacts in 2024 is down to issues with the logframe and certain definitions within it rather than a lack of progress on the outcomes and impacts of the programme. For example, Impact Indicator 2 (GHG emissions (MtCO2eq) avoided or reduced at UKBCF sites) has reported zero in the logframe, however the feedback from the IDB and executing agencies, is that this is as a result of differences in the way this metric can be measured which don’t align with the standards defined in ICF KPI 6, to which this impact indicator is linked, rather than that no progress has been made. Based on the progress made on other indicators, GHG emissions will have been avoided or reduced to some extent, however it is disappointing that the programme won’t be able to accurately demonstrate the progress made in this area, through the logframe.

Similarly with regards to Impact Indicator 1 and Outcome Indicator 1.1, the IDB have reported that the achievements under this indicator can only be reported at the end of each project, as they are linked to the completion of all activities and interventions. Therefore, although this is also reporting zero in the logframe, we are expecting a significant increase in the next logframe update as the project in Panama fully closes and other projects end by March 2026.

Outcome 2.2 demonstrated continued strong performance in 2024, contributing nine government, private sector, and / or non-profit organisations with an improved awareness in blue carbon. All nine of these were achieved through the MRV project, which held a number of engagement and training events with UKBCF project delivery partners and stakeholders, improving blue carbon awareness and capacity. These nine organisations exceeded the 2024 target of seven, and brings the cumulative total achieved (22) against this outcome over the total programme target (17).

An overview of the Impact and Outcome indicator data is listed below in **Table 2**.

Table : Impact and Outcome Indicator scoring, UK Blue Carbon Fund 2024

|  |  |  |
| --- | --- | --- |
| **Impact title: *Increased resilience of the mangrove ecosystems intervened by the Blue Carbon Fund Programme*** | | |
| **Impact Indicator** | | **Progress** |
| 1 | Total area of mangrove forest (ha) where deforestation and degradation has been avoided or restored  (Links to ICF KPI 8) | Achieved in 2024: 0  Planned for 2024: 39054 ha  *Note: 2024 target now set to be met in 2025 due to Panama project’s short-term extension.*  Total / cumulative achieved: 620 ha  Target by end of programme: 44,054 ha |
| 2 | GHG emissions (MtCO2eq) avoided or reduced at UKBCF sites  (Links to ICF KPI 6) | Achieved in 2024: 0  Planned for 2024: 0  Total / cumulative achieved: 0  Target by end of programme: 9738 MtCO2eq |
| **Outcome 1 title: *ICF-IDB program is successful in contributing to biodiversity conservation, sustainable use of natural resources and climate change adaptation and mitigation. This creates the incentive for others to act towards these goals.*** | | |
| **Outcome Indicator** | | **Progress** |
| 1.1 | Hectares (ha) of mangrove forest under sustainable management as a result of UKBCF support  (Links to ICF KPI 17) | Achieved in 2024: 0  Planned for 2024: 0  Total / cumulative achieved: 0  Target by end of programme: 650 ha |
| **Outcome 2 title: *ICF-IDB program delivers positive outcomes for communities by incorporating blue carbon considerations into national policies and development planning*** | | |
| **Outcome Indicator** | | **Progress** |
| 2.2 | Number of government, private sector and non-profit organisations with an improved awareness in Blue Carbon. (as shown through surveys) | Achieved in 2024: 9  Planned for 2024: 7  Total / cumulative achieved: 22  Target by end of programme: 17 |

In lieu of significant quantitative data at this stage, qualitative data can be used to assess progress against impact and outcome indicators. See below qualitative examples from regular reporting, which demonstrate continued progress:

* In line with outcomes focussing on integrating blue carbon considerations into national planning and considerations, the Panama project contributed new data for the government to support local management of mangrove ecosystems around Tocumen Airport. The project also provided numerous policy briefs to government stakeholders on areas such as natural capital valuation and Parita Bay conservation, which have been used to inform sustainable management of the areas in the future.
* Projects are demonstrating progress against outcomes which focus on bringing areas of mangrove under sustainable management (such as 1.1 in the logframe). Sustainable management strategies are now in place across the Panama project sites but not yet reflected quantitively against this indicator in the logframe. However, project reporting confirms that the Parita Bay Conservation Plan is already in place as result of UKBCF work; and the plan actively guided local conservation efforts in 2024. As noted previously, this outcome will also support Impact Indicator 2 in the logframe.
* Outcomes focussing on mobilising greater public and private investment and awareness in blue carbon are being realised in Jamaica through the establishment of private sector partnerships with two local major private entities, both of which are now providing financial support to the programme. Progress is also seen in Colombia through the design of a governance model for a public-private partnership for the project site, which will offer a sustainable institutional mechanism to support long-term ecosystem restoration.
* In Colombia and Suriname, local community participation is driving efforts to restore, protect and pro-actively manage local mangrove ecosystems. For example, local communities surrounding Ciénaga de Mallorquín in Colombia directly fed into the mangrove restoration action plan, ensuring both environmental and community needs are met. This demonstrates outcome level progress against relevant indicators in the ToC and logframe.

While it is a challenge that quantitative data is limited on outcome and impact indicators, with only one year left to run on the programme, it is not practical to make wide-ranging changes to the logframe at this point. However, some minor adjustments may help the programme to better report on the work that is being done. This, along with a revised list of recommendations from the 2023 annual review and the 2023 programme review, are more thoroughly covered in section A3.

**B3. Justify whether the programme should continue, based on its own merits and in the context of the wider portfolio**

The output indicator results show that the programme is largely meeting the targets set in the revised 2022 logframe. Additionally, there remains strategic value to working with and through IDB, particularly in LatAm and Caribbean region where they bring deep knowledge, strong networks and have a positive reputation. In addition, the IDB have a real focus on the ocean and are driving forward a number of nature finance commitments, such as work in association with other multi-lateral development banks to standardise approaches to tracking nature-related finance.

Coupled with the high resource burden of managing the programme and following careful consideration and consultation of recommendations made in previous annual reviews and the programme review, the decision was made in 2024 not to extend the programme further than March 2026. This is when the current projects and promissory note are now set to expire, creating an extension of six months from the original end date of September 2025. We are anticipating significant learning from the programme before it closes, and we are working with IDB on this as a priority in terms of sharing and communicating lessons, as well as ensuring a responsible transition is in place for communities.

## C. DETAILED OUTPUT SCORING

**Summary of overall project progress from 2024:**

By the end of 2024, the IDB had recorded that $5,441,801.61 (56%) of the approved total budget had been disbursed. Each project is at a different stage of delivery, with Panama closing in early 2025, Jamaica, MRV and Colombia in delivery, and Suriname in early initiation phases.

* **Panama:** The project is due to close in March 2025 after a no-cost extension was granted to allow the project to enhance the impact of its final deliverables. The project is on track to complete its targets, with the final report – which is also presented as a policy brief – due to be submitted in March 2025. Once completed, the project will have brought 36,000 hectares of mangrove habitat area under sustainable management and conducted a successful ocean literacy campaign which has reached hundreds of students and members of the public through topical educational exhibits and school engagement.
* **Jamaica:** The project progressed across all components during 2024. Implementation of restoration activities began in mangrove area two, but implementation in areas one, three and four remain due to the slower than anticipated procurement processes. Other deliverables such as the sustainable charcoal study are delayed but remain ongoing, and stakeholder engagement continued and was particularly valuable following the impact of Hurricane Beryl in 2023.
* **Colombia:** 2024 saw progress across both Colombia UKBCF components. In Ciénaga de Mallorquín a proposal for a governance model for a public-private partnership to implement activities to restore mangrove ecosystems was designed, taking into consideration the political-administrative situation and legal conditions. Three pilot projects were also submitted and approved for delivery to support the mangrove ecosystem in various ways. Component two saw the completion of the mangrove zoning study in Caimanera and Guacamayas, and the action plans are now being implemented. A monitoring report characterising the hydrobiological resources of the protected areas was also approved.
* **MRV:** By the end of 2024, the MRV project had met its training targets through numerous workshops held across the Caribbean and Latin American region, completed a key technical note on the methodologies of above ground blue carbon assessments, and started implementation of their project awareness campaign.
* **Suriname:** The project was officially launched in 2024. Although the project is delayed by 10 months from its eligibility date, it is poised for a significant acceleration of progress in early 2025. Major procurements for key roles to deliver the project progressed in late 2024. In early 2025 it was agreed that the project would reduce its scope to free up and focus resources on delivery of component one (the site characterisation and impacts assessment) in parallel with restoration activities over the remaining period of the programme.

**Case Study – Panama**

The Panama project, delivered by Audubon, works across both Parita Bay and Panama Bay to restore and conserve mangrove ecosystems. The project is bringing large swathes of mangrove ecosystem under sustainable management and empowering local communities to actively participate in and support this work. The project is doing this through working directly with local community (e.g. through workshops and consultations) and businesses to inform the design of the approach to managing these areas. For example, the Parita Bay Conservation plan, which will be finalised in early 2025, balances the conservation of critical habitats with the local aquaculture and salt production businesses that use the area.

This year several pieces of work within the Panama sites also focussed on knowledge dissemination and raising awareness of the importance of mangrove ecosystems with both local and international audiences.

For example, the project’s travelling exhibition “Mangroves: Allies Against Climate Change” Had a strong youth engagement focus. In total, 1471 students from 17 schools visited and learned about the importance of mangrove habitats for biodiversity and the people that depend on them. It is set for its final stop when it is hosted at the Biomuseo (Panama’s national natural history museum) in early 2025.

A school’s programme was also delivered as part of the project. The Aulas Verdes Programme during 2024 focussed on enabling students to explore topics such as biodiversity, food security, mangroves and the Bay of Panama. 600 students were also able to visit the Biomuseo to reinforce these themes.

A person touching a book shelf

AI-generated content may be incorrect.

Attendee at the "Mangroves: Allies Against Climate Change" exhibition

A group of people walking in a row

AI-generated content may be incorrect.

Attendees at the "Mangroves: Allies Against Climate Change" exhibition

**Feedback from British Embassy in-country advisors**

To support this review relevant Foreign, Commonwealth, and Development Office (FCDO) advisors posted in-country at British Embassies were consulted on the UKBCF projects based in their region or country of focus. A summary of responses is provided below.

* **Panama:** Emphasis was placed on the valuable role the Panama UKBCF project has played in highlighting the UK’s support of projects of this type in the country and broader region. The project has received positive coverage in country across traditional and digital media, and it is reported to have had significant impact, particularly from a perspective of ocean literacy, knowledge dissemination and community empowerment.
* **Jamaica:** In-country delivery partners (IDB and University of West Indies) were viewed favourably, and project managers were highly respected across relevant stakeholders. The project has an established and positive reputation in-country and aligns with national policies and goals. A short Defra field visit to South Clarendon in 2025 also noted the strength of the technical and science-based approach taken on the project, as well as the significant scale of environmental achievements to date.
* **Colombia:** The Colombia British Embassy (BE) advisors shared that the projects in country were delivering impact against poverty alleviation and environmental related outputs. They noted that the new pilot projects approved in late 2024 have strong potential to enhance gender inclusive outcomes. BE advisors raised that the IDB could improve in the area of risk communication and raising identified risks earlier to HMG, to support in their mitigation. This corresponds with this review’s recommendation to continue to improve communication on risk across the delivery chain (see section A). Specific risks and issues relating to the Colombia projects are explored in Section D.
* **Suriname:** British Embassy advisors for Suriname conveyed the promising nature of the project but also highlighted the adverse effects of the earlier than anticipated project closure. The project was reported to have real potential for poverty alleviation, gender inclusion and local livelihoods, given the relationship between the mangroves and local fisheries. The mangrove restoration work will be scaled back due to the amended project timelines, and a study on the local ecosystems will now take place in parallel. As part of recommendation four listed in Section A.3, the programme team will be looking at opportunities for new support for this project, to enhance its legacy beyond the lifetime of the UKBCF programme.

**Detailed output scores:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Output Title** | Assistance provided to improve the flow of ecosystem services of mangrove forests in targeted countries | | | |
| Output number: | | 1 | Output Score: | ***A*** |
| Impact weighting (%): | | 40% | Weighting revised since last AR? | No |

|  |  |  |
| --- | --- | --- |
| **Output Indicator** | | **Progress** |
| 1.1 | Number of project sites (#) with an estimated blue carbon baseline scenario | **Exceeded**  Achieved in 2024: 1  Planned for 2024: 0  Total / cumulative achieved: 4  Target by end of programme: 5 |
| 1.2 | Number of physical and biological assessments (#) of targeted areas produced | **Exceeded**  Achieved in 2024: 4  Planned for 2024: 2  Total / cumulative achieved: 9  Target by end of programme: 11 |
| 1.3 | Number of restoration/conservation management plans developed, adopted and implemented (#) | **Under target**  Achieved in 2024: 1  Planned for 2024: 3  Total / cumulative achieved: 9  Target by end of programme: 8 |

**C1. Briefly describe the output’s activities and provide supporting narrative for the score.**

**1.1:** Although not planned for 2024, the target for this indicator was met for the Panama project in Parita Bay. This completed planned work from 2023 that was delayed and is the reason why an output was delivered in 2024 when there was none planned. In Panama the database for the Bay was completed which includes information on above ground biomass and belowground carbon, nutrients and greenhouse gas emissions.

The Programme remains on track overall to meet its target under this indicator, as both Colombia and Jamaica have already met their targets, and the Suriname project is due to complete its baseline in 2025.

**1.2:** Significant progress was made across this output over 2024. The Jamaica project reported three biological assessments of targeted areas were completed. Subsequently, the project has been granted the permits from the national authority to start restoration activities.

The Panama project reported one assessment against this indicator upon the completion of its *‘Birds as indicators of carbon and ecosystem health’* report. The results of this innovative study will support and inform management of the mangrove ecosystem and were presented to key authorities and stakeholders in a workshop at the end of 2024.

Overall, output 1.2 exceeded the annual target for 2024 due to the completion of delayed outputs in Jamaica. Both Panama and Colombia projects have now achieved their target for this output. Cumulatively this output is on track to meet its target of 11 assessments by the end of the programme, subject to the completion of delayed assessments in both Suriname and Jamaica.

**1.3:** While this output is marked as under target for 2024, cumulatively the programme has surpassed its target due to earlier than planned implementation of management plans across project sites. Colombia, Jamaica and Panama have now met their targets for this output and are implementing comprehensive management plans.

In Jamaica, action plans have been designed with associated engineering plans, which will be implemented with further resources. The Jamaica restoration plan is ongoing in two of the four mangrove areas. Restoration activities in the remaining three areas (including Peake Bay) are set to be undertaken in 2025.

Suriname’s management plan has been delayed due to the later than planned start of the project but is expected to be completed by the end of the programme.

**C2. Describe any changes to this output during the past year, and any planned changes as a result of this review.**

There are also currently no plans to make any additional changes to this output, or any of the output indicators between this AR and the next one, especially as the programme looks to gather evidence and conclude by March 2026.

**C3. Progress on recommendations from the previous AR (if completed), lessons learned this year and recommendations for the year ahead**

The recommendations included in the 2023 Annual Review do not specifically address this output and are captured in detail as part of section A3 (above).

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Output Title** | Capacity building to enable communities to fully realize the co-benefits of improved outcomes in mangrove protection. | | | |
| Output number: | | 2 | Output Score: | ***A*** |
| Impact weighting (%): | | 20% | Weighting revised since last AR? | No |

|  |  |  |
| --- | --- | --- |
| **Output Indicator** | | **Progress** |
| 2.1 | Number of people (#) trained in sustainable use of mangrove resources. | **Exceeded**  Achieved in 2024: 932 (553M / 375F / 14N)  Planned for 2024: 352  Total / cumulative achieved: 1804  Target by end of programme: 2071 |
| 2.2 | Number of community-based projects for the protection of mangroves implemented (#) | **Met**  Achieved in 2024: 1  Planned for 2024: 1  Total / cumulative achieved: 4  Target by end of programme: 7 |
| 2.3 | Number of sites where a community resource monitoring protocol is in place | **Under target**  Achieved in 2024: 0  Planned for 2024: 1  Total / cumulative achieved: 1  Target by end of programme: 2 |

**C1. Briefly describe the output’s activities, and provide supporting narrative for the score.**

**2.1:** Projects that set targets for this indicator are well advanced and are close to reaching their set targets.

During 2024 the Panama project held workshops with 892 individuals (356/40% of whom were women). The workshops were made up of local communities, academia, NGOs, and government authorities, which provided information on the local mangrove ecosystems and the management plans developed by the project.

In 2024 the MRV project trained 40 individuals on monitoring mangroves and measuring blue carbon. Sessions included demonstrations of the new methodology for the assessment of above ground blue carbon, as well as practices across projects on the below-ground methodology. Workshops which included theoretical and field training, were held across the Caribbean and LATAM region with participants from UKBCF executing agencies, government entities and non-governmental organisations. Of the 40 individuals trained 19 (or 47.5%) were women.

The Colombia project will now report against this indicator at the end of the project, as its indicator is associated with the number of mangrove forest-dependent people whose livelihoods have been protected or improved in the Ciénaga de Camaineras and Guacamayas as a result of Conservation International's intervention. Suriname is also now scheduled to complete its training by the end of the programme – instead of in 2024 as originally planned – as the implementation phase of the project is just beginning.

**2.2:** In 2024 community-based projects aimed at supporting the protection of mangroves were implemented as planned in Panama. For example, the *Aulas Verdes* environmental education programme – which concluded at the end of 2024, see Case Study above for more (Section C).

More broadly, output 2.2 is on track to meet its target of seven projects implemented by the end of the Programme, with Colombia making progress on the final three which are due to be in place by the end of 2025.

**2.3:** In Jamaica, the target was met with the initiation of the monitoring and evaluation (M&E) plan in 2023. This is an ongoing piece of work and will be a continuous process throughout the life of the project. The plan sets out the project’s data collection strategy and focus areas for monitoring, ranging from environmental conditions of the landscape and micro-invertebrates to social conditions such as economic value and sustainability.

In Colombia, Conservation International proposed a new community monitoring resource focussed on characterising hydrobiological resources of the protected areas at the project sites. This new approach will strengthen local businesses and provide valuable information to project stakeholders on the value chain and barriers within this. Due to this change, Colombia now expects to report against this output at the end of the programme in 2026.

Note: The target for indicator 2.3 changed from three to two during 2024 as the Panama project no longer expects to report data against this target.

**C2. Describe any changes to this output during the past year, and any planned changes as a result of this review.**

There are currently no plans to make any additional changes to this output, or any of the output indicators between this AR and the next one, especially as the programme now looks to gather evidence and conclude by March 2026.

**C3. Progress on recommendations from the previous AR (if completed), lessons learned this year and recommendations for the year ahead**

The recommendations included in the 2023 Annual Review do not specifically address this output and are captured in detail as part of section A3 (above).

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Output Title** | Assistance provided to develop and improve local and national frameworks for governance of mangrove forests in partner countries | | | |
| Output number: | | 4 | Output Score: | ***A*** |
| Impact weighting (%): | | 40% | Weighting revised since last AR? | No |

|  |  |  |
| --- | --- | --- |
| **Indicator(s)** | **Milestone(s) for this review** | **Progress** |
| 4.1 | Number of policy, technological, financial and regulatory assessments undertaken through the program (#) | **Under target**  Achieved in 2024: 0  Planned for 2024: 1  Total / cumulative achieved: 1  Target by end of programme: 2 |
| 4.2 | Number of Knowledge Sharing platforms (#) established under the ICF program | **Met**  Achieved in 2024: 6  Planned for 2024: 6  Total / cumulative achieved: 19  Target by end of programme: 20 |
| 4.3 | Number of knowledge products/ policy documents produced and shared (#) among Blue Carbon ground operators, enabling multi-stakeholder engagement. | **Exceeded**  Achieved in 2024: 31  Planned for 2024: 11  Total / cumulative achieved: 148  Target by end of programme: 55 |

**C1. Briefly describe the output’s activities, and provide supporting narrative for the score.**

**4.1:** This output indicator is below target for 2024. The remaining two technical notes under this indicator will be completed as part of the ongoing implementation of the Jamaica project’s monitoring and evaluation work (See Output Indicator **2.3**). While delayed, as this work is ongoing and is in place for the lifetime of the project, the programme expects to reach its cumulative target of two assessments in 2025 (this timeframe was committed to as part of the Q4 reporting for 2024). The Colombia project reported their relevant assessment against this output in 2023.

**4.2:** This output indicator’s target was met for 2024, with one knowledge sharing platform being established under the programme in Suriname and five within the MRV project.

In Suriname, the project launch event included an aim to raise awareness nationally about the importance of mangrove ecosystems and the objectives of the partnership with UKBCF. The Suriname project overall was marginally under its target of two in 2024 but is due to advance progress on this in 2025 by establishing additional platforms. With the project now fully underway and having reviewed the risk register, Defra cannot foresee reasons at present why this target would not be met.

The MRV project met its target on this indicator for 2024. In person workshops were held in Panama, Jamaica and Colombia, complemented by further virtual sessions across UKBCF programme countries to train participants on monitoring, reporting and verification of blue carbon. One of these included a regional workshop hosted by the University of West Indies, which brought together experts to discuss the MRV work and compare perspectives from projects across the UKBCF. Further knowledge sharing platforms are expected in 2025.

Overall, this output is on track to deliver against its target by the close of the programme.

**4.3:** The Panama and the MRV projects both produced policy and knowledge documents in 2024 that are tracked against this output indicator.

Panama reported 30 products, however these are outputs that were due to be delivered in previous years (0 were planned for Panama in 2024). These products include local experts from the project who presented and attended the 2nd National Mangrove Symposium at the University of Panama. The symposium included contributions across the broader region and brought together around 100 participants. A total of 24 webinars, workshops and meetings were also conducted, engaging 723 participants from NGOs and community-based organizations. Outputs in 2024 under this indicator also include the completion of a rapid ecological assessment of Panama Bay report, and the completion of a National Chapter of the Global Mangrove Alliance in Panama, which will support and strengthen policies that incentivise mangrove restoration. The project concluded with a successful closing event in December 2024, held at the Biomuseo. The event brought together collaborators, partners, and beneficiaries to showcase key products, results, and the overall impact of the project on the country.

The MRV project submitted a technical note for publication on the methodology for carbon stock assessment within mangrove ecosystems using the Terrestrial Lazer Scanner. The paper outlines the innovative approach taken to measuring carbon stock and will therefore be an important contribution to the existing published literature on this theme. Other knowledge products are expected in 2025, such as scientific papers which relate to the outputs of the technical workshop that took place in 2024. Defra will work with IDB with the aim of publishing these papers.

Cumulatively the programme has significantly exceeded its target already for the Programme, with 148 products completed by the end of 2024 (with a total programme target of 55). The Jamaica project is also due to complete remaining technical notes that will contribute to this indicator by the end of 2025.

**C2. Describe any changes to this output during the past year, and any planned changes as a result of this review.**

There are currently no plans to make any additional changes to this output, or any of the output indicators between this AR and the next one, especially as the programme now looks to gather evidence and conclude by March 2026.

**C3. Progress on recommendations from the previous AR (if completed), lessons learned this year and recommendations for the year ahead**

The recommendations included in the 2023 Annual Review do not specifically address this output and are captured in detail as part of section A3 (above).

**D: RISK**

**Overview of risk management**

Risk governance over 2024 was a primary focus, given the recommendations around the need to improve communication of risk across the delivery chain that were highlighted by the Programme and 2023 Annual Review. To address this, Defra organised a risk workshop with experts and programme managers from both Defra and the IDB. The workshop aimed to raise awareness and improve familiarity with expectations and processes for tracking risk. This has ensured delivery partners are clear of what is required from a risk management perspective and encouraged greater transparency in sharing and mitigating risks. The IDB also attended a broader delivery partner knowledge exchange day, organised by Defra’s ODA Hub team, which included sessions on risk management and communication.

While the workshop helped to improve expectations around risk management within the programme, challenges do remain. Due to resource constraints on both sides and inconsistent communication during 2024, the communication and tracking of risk remained ad-hoc at times. Towards the end of 2024 and in early 2025, efforts to prioritise communication of risks and issues have led to more consistent exchange of risk information. For example, risk is a standing agenda items and discussed at Defra and IDB monthly programme update meetings, and key project level risks are being communicated via quarterly reports by the IDB. To maintain this progress, this review has carried over the recommendation (see section A) to continue building on the consistency and clarity of communication of programme and project level risks across the delivery chain.

During 2024 the risk appetite for the Programme was assessed and is laid out in **Table 3** below.

Table : Risk categories assigned to the UKBCF programme in 2024

|  |  |  |  |
| --- | --- | --- | --- |
| **Risk Category** | **Appetite** | **Set by** | **Date Set**   (DD/MM/YY) |
| Strategy and Context | Open | Programme Responsible Officer (PRO) | 05/03/25 |
| Delivery and Operational | Cautious | PRO | 05/03/25 |
| Financial and Fiduciary | Cautious | PRO | 05/03/25 |
| Project and Programme | Cautious | PRO | 05/03/25 |
| Reputational | Cautious | PRO | 05/03/25 |
| Safeguarding | Cautious | PRO | 05/03/25 |

Risk types that were tracked during 2024 ranged from project and programme associated risks, to those linked with fiduciary management, strategy and context and safeguarding. These remained broadly consistent with risk types identified throughout 2023, with mitigation measures being progressed on several fronts to address these. The most severe risks identified this period related to the ability of projects to deliver impact by the end of the project, given the pause while Defra and IDB assessed the best use of remaining project funds. This remains an ongoing risk and one that will be tracked closely during 2025.

Risks remained to ensuring GESI and SEAH standards are fully integrated across the programme. The risk focussing on GESI remains ‘High’ due to the programme’s continued status as GESI unaware. However, this was reduced from the rating of ‘Very High’ identified in the 2023 Annual Review, due to the progress made on GESI over 2024, namely the implementation of an action plan on this theme. The risk around SEAH provisions is listed as ‘High’ due to a lack of reporting on this area to date. Successful implementation of the action plan during 2025 will lead to this risk being lowered.

**Top risks from 2024**

Top risks, mitigations and assessment of whether they are within the programme’s defined risk appetite for 2024 are listed in **Table 4** below.

Table 4: Overview of top risks in 2024 for UKBCF

Impact and likelihood based on a scale of very low > low > medium > high > very high.

| Risk | Category | Likeli-hood | Impact | Inherent Risk | Mitigation | Residual Risk |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |
| A risk that minimum ODA standards on Gender Equality and Social Inclusion (GESI) are not met due to not being a prominent enough in project design and delivery. | Project/ Programme | Medium | High | High | * GESI outcomes are anticipated for UKBCF and recognized as co-benefits of project components. * While these will be tracked and reported through the IDB annual report, the IDB and Defra also agreed to enhance the accessibility of the logframe and review indicators to better highlight contribution to GESI. * During 2024 a GESI action plan was designed to identify areas where improvements could be made and GESI considerations better incorporated into the programme. This includes the hiring of a GESI consultant within IDB to focus on these issues. The terms of reference for these consultants were agreed at the end of 2024. * The consultants will be hired in early 2025.   **Within risk appetite** | Medium |
| There is a risk that poor understanding of SEAH on the part of IDB, and a lack of communication at all levels, leads to a SEAH incident not being properly reporting to Defra or effectively managed | Safeguarding | Medium | High | High | * Defra have developed a SEAH action plan, and this has been communicated with IDB. * IDB has been asked to communicate this to with downstream partners and ensure there is a good understanding around SEAH risks and processes for reporting SEAH concerns at all levels. * Stronger SEAH language has been incorporated into the Defra / IDB Admin Agreement based on language in IDB’s internal policies and guidance; and relevant SEAH policies of downstream partners have been shared with Defra. * GESI consultants hired by the IDB will also include a focus on SEAH, to support delivery of the action plan. * Defra will continue to follow up to ensure good understanding exists at all levels.   **Within risk appetite** | Medium |
| There is a risk that delays in Colombia pilot projects result in them not completing on time, not delivering results | Delivery and Operational | Medium | Medium | Medium | * Defra provided the non-objection for the three pilot projects in early December 2024. Defra were made aware in January 2025 however that the projects had still not received the written confirmation required to hire staff and commence the projects. * The risk was raised with IDB to seek assurances on the projects commencing. IDB flagged the timeline was due to regular bank process for financial clearance, and it was given in mid-January.   **Within risk appetite** | Medium |

**E: PROGRAMME MANAGEMENT: DELIVERY, COMMERCIAL & FINANCIAL PERFORMANCE**

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

The 2022 and 2023 annual reviews highlighted ongoing cooperation challenges between the IDB and Defra. The decision by Defra to not approve the full proposed project extensions and for the programme to end in March 2026 added further complexity in the second half of 2024.

Issues with consecutive B Annual Review scoring and revisions to the logframe have been addressed elsewhere (see section B). Notwithstanding these improvements to the logframe, the 2022 & 2023 annual reviews also achieved a ‘B’, with the programme considered to be underperforming based on the lack of progress recorded against previous recommendations, programme output indicators and delays in project delivery. The 2023 programme review more thoroughly outlines some of the reasons for this underperformance. There were clear improvements made in the project and financial reporting between the 2022 and 2023 annual reviews, and these continued into 2024.

Due to both the 2022 and 2023 annual reviews being published behind schedule, in quick succession and not long before the publication of this review, lack of progress recorded against previous recommendations as published in the last review is likely to continue to be an issue. Defra has considered the lack of time available to address recommendations factor in the rating for this review. In addition, and as demonstrated in Section C, there have been improvements to the delivery of programme output indicators, with the majority either meeting or exceeding their targets as the programme catches up on missed targets from previous years.

With only a year left to run on the programme, Defra have reviewed and prioritised the recommendations that can be achieved in the next year, and that have the potential for the biggest positive impact on the programme in section A3 of this review.

In 2024 there continued to be some challenges in connection with communication and understanding between all parties. These included shared understanding around GESI and PSEAH, and in early 2025 work has started to be undertaken to remedy this through more frequent and consistent engagement at the level of programme managers.

**Paris Alignment**

UKBCF aligns with the Paris Agreement. It delivers high positive impacts for the climate, nature, and biodiversity by providing financing and capacity building to developing countries to mitigate climate change, strengthen resilience and enhance abilities to adapt to climate impacts.

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

Value for Money (VfM) analysis assesses whether the benefits of an intervention outweigh the costs, and therefore the programme is a reasonable use of public money.

This VfM analysis is a qualitative assessment of the 4Es: economy, efficiency, effectiveness and equity. A quantitative analysis cannot be done due to missing data in the most recent logframe, meaning benefits cannot be monetised to provide a benefit-cost ratio. The analysis draws from available logframe data, a supporting narrative to the logframe and case study material.

**Business Case VfM Modelling**

As outlined in the previous 2023 annual review, the UKBCF Full Business Case (2018) contained a Benefit-Cost Ratio (BCR) analysis, based on three of the indicative eight projects proposed. The analysis included the following monetised benefits:

* Greenhouse gas emissions sequestered or avoided
* Non-carbon ecosystem services
  + Coastal protection
  + Food provision

The following un-monetised benefits were also considered:

* Additional ecosystem services beyond coastal protection and food provision
* Impact of additional jobs on the local economy

The monetised benefits were then compared against a series of monetised costs, to produce the Benefit-Cost Ratio. These costs were:

* Investment costs
* Leveraging costs
* Management costs
* Staffing costs
* Opportunity cost of foregone investments
* Leakage (deforestation relocated to other areas)

The business case appraisal produced a BCR estimate of 11.5, with a Net Present Value (NPV) of £198.8m. Following the new Defra VfM framework, this represents a “Very High” VfM.

As with previous annual reviews, we have been unable to test the monetary benefits achieved by the programme to date. This is because more impact data is required for a full VfM analysis. Jamaica is the only country that has reported against Impact Indicator 1 (hectares of mangrove forest where deforestation and degradation has been avoided or restored) and only Colombia has reported against Impact Indicator 2 (GHG emissions avoided or reduced at UKBCF sites).

Results against these indicators will ultimately form the basis of a comprehensive BCR analysis, as they will allow us to estimate the monetary benefits associated with carbon emissions and ecosystem services as in the Full Business Case.

Given the conclusions from this Review and the 4 Es Assessment below, it is unlikely that the programme achieves a BCR as high as 11.5. However, it is not possible to reach a conclusion on this without more complete impact data.

**Economy**

Economy asks whether the programme's inputs are being purchased at a fair price. As discussed in the previous annual review, the IDB and Defra have established processes to ensure checks in spending are in place.

There have been several unexpected delays to the programme at project-level, for example, in Jamaica, delays in hiring consultants meant a delayed sustainable charcoal production plan. A separate project in Jamaica experienced delays due to higher hiring costs than were originally anticipated, and high security costs due to a higher-security risk area. Similarly in Suriname, a project had a lengthy delay due to the recruitment of a Project Manager and Financial Expert. Whilst these insights do not necessarily indicate that inputs are being purchased at an unfair price, if input costs are higher than originally expected and cause delays, this may negatively impact the efficiency and effectiveness, and therefore the overall VfM of projects. For example, this is the case at present in Jamaica. Due to unexpected financial budget constraints, restoration activities could be delayed or temporarily suspended, which might affect the project’s targets and potential for impact.

**Efficiency**

Efficiency assesses the process by which the programme’s inputs translate into expected outputs. There is mixed evidence of the efficiency of UKBCF. On the one hand, the logframe shows that UKBCF is on track or above target for the majority of output indicators. This indicates that the delays and issues with UKBCF’s economy may not be negatively impacting outputs, which is positive. Furthermore, there have been some improvements in communication between Defra and IDB since the last annual review.

On the other hand, only an average of 56% of funding has been disbursed so far across six UKBCF projects, varying between 92% and 6%. This difference reflects that some projects started much later than others. The Suriname project, where only 6% of funding has been disbursed so far, was only launched in July 2024. However, as UKBCF is expected to close in March 2026, the project will need to accelerate spend to disburse funds in time for closure. In terms of VfM, this poses a significant risk if funds do not get disbursed in time as projects, and UKBCF as a programme, may not be able to achieve the outcomes and impacts intended.

**Effectiveness**

Effectiveness assesses whether the programme’s outputs are achieving its intended outcomes and impacts, which are: the removal of greenhouse gas emissions, the mangrove area conserved and restored, the mangrove area under sustainable management, and the number of organisations with improved blue carbon awareness.

The logframe indicates that UKBCF has not met all its target outcomes and impacts; impact indicator 1 (total area of mangrove forest where deforestation and degradation has been avoided or restored), impact indicator 2 (GHG emissions avoided or reduced at UKBCF sites) and outcome indicator 1.1 (hectares of mangrove forest under sustainable management as a result of UKBCF support) have not met their targets. However, on current trajectory and due to the way a number of these projects report their data, it is expected that the targets for these indicators will be met by the programme’s closure. Outcome indicator 2.2 (number of government, private sector and non-profit organizations with an improved awareness in Blue Carbon) has exceeded the target.

However, this may reflect issues with reporting and data collection, rather than with projects themselves. IDB has communicated that it has been challenging for project team leaders to adopt reporting guidelines, meet donor requirements and deliver timely and high-quality data. These comments indicate that challenges with the logframe and reporting persist, despite efforts to improve data collection described below and elsewhere in this annual review. IDB has provided additional guidance to the logframe, and they expect indicators to meet targets, or at least report on them, by the time the projects close.

It is important to note that in 2023, alongside an in-depth programme review of the UKBCF, IDB carried out an additional iteration of the logframe. The refreshed logframe aimed to address existing monitoring issues and ensure project-level indicators could effectively inform programme-level impact, output and outcome indicators.

For impact indicator 1, it is anticipated that targets will be reached and reported at the end of each project. The target for Panama for this indicator has been adjusted to 36,000 hectares instead of the initial 68,000, to reflect the actual area of mangroves present in the project pilot sites, which was confirmed by the project mapping. This demonstrates good learning and flexibility to adapt to project needs. To note, Panama’s figures do not reflect the exact definition of the indicator; Panama reports on the number of hectares benefitting from policy improvements resulting from project actions, rather than hectares directly restored or protected. This reflects further issues in the logframe in that this reporting for Panama would be better captured under outcome indicator 1.1 (hectares of mangrove forest under sustainable management as a result of UKBCF support).

For impact indicator 2 and outcome indicator 1.1, achievements will be reported at the end of projects, as they are linked to the completion of all activities and interventions under the UKBCF projects. Outcome indicator 2.2 is above target.

Furthermore, the pause in the pipeline of projects in 2024 may be detrimental to the intended outcomes and effectiveness of UKBCF. In the first half of 2024 there was a pause on project level approvals whilst the programme was in performance measures. IDB have reported that the delay made it difficult for projects to plan adequately as they were unsure of available resources, and that these delays may put outcomes at risk.

Wider issues are also limiting UKBCF’s effectiveness such as, extreme weather events, in Jamaica.

Overall, the effectiveness of UKBCF is difficult to assess. One outcome (2.2) is above target, however the progress of other impacts and outcomes are still unknown. Although programmes are expected to report at closure, this is not optimal for programme management as recommendations and guidance cannot be provided based on previous results until the projects are completed, which is potentially harmful to the effectiveness of UKBCF if learning cannot be implemented.

**Equity**

Equity assesses whether a programme sufficiently addresses gender, diversity and social inclusion challenges, and whether it contributes to poverty reduction. The UKBCF logframe does not have any GESI specific indicators and data disaggregation on GESI is limited. As mentioned in the previous annual review, output indicator 2.1 (number of people trained in sustainable use of mangrove resources) was planned to be disaggregated, which is reflected in the logframe, but data has been disaggregated inconsistently throughout the programme’s lifetime. The disaggregated data collected in the past for certain projects does show an almost equal split between male and female beneficiaries for this indicator, however there is no disaggregated data for 2025 and out of the 35 possible data points for disaggregated data, only three are available. This makes it difficult to truly assess if activities included in this indicator promote GESI. A GESI consultant is in the process of being hired, however they are unlikely to start until April 2025 and will provide end of programme support and help understand UKBCF’s data and impact on GESI, rather than influence programme design on GESI.

The ability of the UKBCF programme to measure the impact it is having on alleviating poverty within target communities is also limited. This is identified as stemming from the programme’s original design. It should be acknowledged that UKBCF aims to take an intersectional approach to poverty reduction and employs two intervention mechanisms – supporting the creation of alternate livelihoods and building climate resilience – which in theory can lead to poverty reduction. However, subsequent indicators that measure the impact of these interventions on poverty reduction are not reflected in the programme’s monitoring and evaluation tools.

The UKBCF logframe does not have any specific indicators that capture poverty reduction impacts. Output indicator 2.1 is the only people focused indicator, but it does not specify that the people trained are necessarily poor. There is some qualitative case study material on the impact of UKBCF on local communities at a project level. The Colombia project seeks to promote community business models and sustainable livelihoods, for example by developing a community management model for the collection, characterisation and use of marine litter to promote the circular economy and generate productive opportunities that benefit both the environment and local community. Likewise, the Jamaica project contacts residents from the local community for project work such as the clearing and opening of channels. However, in both cases the effect on poverty is difficult to assess without understanding the income levels of the local communities. If the local communities are not poor, although the intervention is positive from a social inclusion perspective, this is not necessarily conducive to poverty reduction. Without proper local context assessments, the success of these interventions on poverty reduction is based on assumptions. More efforts should be made to collect data and understand the socioeconomic status of the local community beneficiaries. The Executing Agency in Jamaica is in the process of compiling this data.

This lack of information means that the performance of UKBCF’s equity is unknown. Similarly to the conclusion of the UKBCF’s effectiveness, not knowing the success of UKBCF’s GESI at this stage of the programme could be detrimental as recommendations and learning may not be incorporated by programme closure in March 2026. To help alleviate this risk, during 2025 two gender equality and social inclusion experts will be recruited to support the UKBCF programme by IDB. These experts will work to collect what available quantitative and qualitative data there is across the UKBCF projects to help build understanding of the programme’s impact in these areas ahead of its closure in 2026. Furthermore, a site visit is planned for 2025, and evidence of poverty reduction is expected to be a major focus of this visit. This will also support the full programme evaluation in 2026, within which an assessment of UKBCF’s impact on poverty alleviation will be carried out.

**Summary**

In conclusion, the VfM of UKBCF is difficult to assess due to the lack of results data, however it is unlikely that the programme’s BCR is 11.5 as originally estimated in the initial business case. Results recorded in the logframe do not align with the results achieved on the ground as for many indicators IDB has explained the results will be reported once the programme’s close. This is an issue for VfM as the programme cannot implement learning to improve using previous results data. Where information is available, it gives mixed evidence of the performance of UKBCF. Although most outputs are above or on track to meet targets, which indicates good VfM, on the other hand there have been unexpected delays at project level, and for some projects a substantial amount of funding has not been disbursed. Therefore, while the IDB anticipates that most outcome and impact indicators will be achieved, progress may be hindered by the project pause in 2024 and remains contingent on a rapid acceleration in funding disbursements. If funding is not disbursed, it is unlikely that the programme will meet its targets. Where available, gender disaggregated data shows an equal distribution of beneficiaries, and there is evidence of projects being socially inclusive, however data on GESI, and particularly poverty reduction, is weak. An updated BCR should be possible after programme closure in March 2026 but until this point the VfM and BCR of UKBCF remain largely unknown.

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| Date of last narrative financial report | 01/03/2024 | Date of last audited annual statement | 31/12/2022 |

**F: GENDER EQUALITY AND SOCIAL INCLUSION (GESI)**

The UKBCF programme needs greater emphasis on GESI within its delivery, evaluation and learning approach. Currently the programme is scored as ‘GESI unaware’, with the target of reaching a score of at least ‘GESI sensitive’ by the end of 2025. Building on the 2023 UKBCF annual review recommendation, in 2024 a GESI action plan was developed with the aim of detailing the steps needed to better integrate these themes into programme delivery. The action plan (detailed in the 2023 Annual Review) was developed in collaboration with the IDB and Defra’s GESI leads.

The action plan was drafted with the recognition that GESI considerations were not explicitly built into the programme’s original design or the Defra/IDB Administrative Agreement in 2019. Objectives for gender equality and safeguarding were considered implicit in delivery and based on IDB’s Environmental, Social & Governance policy at the time. Therefore, the plan aims to build understanding of how UKBCF is currently integrating GESI within its overall objectives, as well as to improve the measurement of the impact of current projects on this theme. Where possible, appraisal will also be conducted for projects that have closed as part of the programme’s final evaluation.

This GESI action plan provides a starting point for integrating gender equality and social inclusion considerations into the UKBCF. The plan focusses on analysing what programme activity to date has achieved within the context of the GESI theme and ultimately identifying a series of learnings and recommendations for similar and future projects. The plan will be reviewed and updated periodically to reflect the evolving context and best practices in GESI integration.

Throughout 2024, it was agreed with IDB that to deliver this GESI action plan effectively over the time remaining of the programme, dedicated resource would be needed. Budget was therefore allocated to the hiring of a GESI consultant within IDB to lead on the delivery of the UKBCF GESI action plan. At the end of 2024, the terms of reference for this role were drafted and agreed between Defra and IDB.

Once onboarded in early 2025, the consultant will focus on a range of work to support the programme to become ‘GESI sensitive’ by the end of 2025. These include the development of a GESI monitoring and evaluation framework for the programme, to assess the programme’s impact to date on this theme. The framework will be used to appraise projects within the programme to better understand key gender and social gaps or barriers addressed by each project, the actions taken to overcome them, and the metrics used to measure progress. This work will support the overall programme evaluation in 2026 and assessing the impact of the UKBCF on gender equality and social inclusion.

**G: SEXUAL EXPLOITATION, ABUSE AND HARASSMENT (SEAH)**

The UKBCF programme needs greater emphasis on assessing and mitigating SEAH risks. As such, a specific recommendation is listed in the UKBCF 2023 and 2024 Annual Reviews to address this need.

To start this process, Defra developed an outline SEAH Action Plan in 2024 and expanded this substantially in early 2025 with a more detailed plan and list of actions for the remaining time that the programme has.

The SEAH Action plan aims to ensure the UKBCF operates with the highest ethical standards, protecting beneficiaries, staff, volunteers, and other stakeholders from SEAH. The changes made in early 2025 reviewed and expanded on what was already in place, to ensure the plan adequately reflects UK minimum requirements on safeguarding standards and reporting.

By communicating the SEAH Action Plan with executing agencies, the IDB can help encourage alignment across the delivery chain and ensure all contributors are familiar with Defra safeguarding requirements.

In Spring 2025, the GESI consultant for the programme was hired by the IDB, and part of their role will involve leading some areas of work around SEAH. The workplans designed by the consultants to guide their focus areas will factor in the UKBCF action plan on SEAH. Work will include ensuring all of the executing agencies have a thorough understanding of SEAH and how to safely report any concerns. They will also look to understand how protection against SEAH has and is approached across each UKBCF project to date, and ultimately recommendations for future action.

Work has also been undertaken to improve understanding of SEAH safeguarding throughout those delivering the programme. In spring 2025 the administrative agreement between Defra and the IDB was updated to include strong requirements around SEAH reporting, and the inclusion of IDB’s SEAH policies within the agreement. As part of this process, a light touch review of the safeguarding policies for executing agencies was also undertaken and these were used to feed into the SEAH Action Plan for the programme, as well as the workplans for the GESI consultants once their contract begins.

Later in 2025, Defra will also look to review the updated Central Assurance Assessment of the IDB, conducted by the FCDO in line with HMG’s approach for appraising the bank. The findings of this will be used by the UKBCF programme team once this work has been completed.

This work complements broader cross government efforts to encourage alignment on SEAH amongst Multilateral Financial Institutions (MFIs). For example, in 2023, FCDO, on behalf of 15 shareholders, wrote to several MFIs including the IDB, to propose introducing common aligned language on key minimum safeguarding standards and reporting of PSEAH cases into formal funding templates. Conversations with IFIs on PSEAH reporting and data are continuing.

**H: ANNEXES**

### Annex 1 – UKBCF Logframe 2024

[**See an overview of the 2024 UK Blue Carbon Fund logframe by clicking here**](https://iatipublisher-prod.s3.amazonaws.com/document-link/414/2024_UKBCF_Logframe_Summary%20-%20for%20publication1751973027.xlsx)[[1]](#footnote-2)

### Annex 2 – Recommendations

A number of recommendations were provided in the 2023 Annual Review and full [UKBCF Programme review](https://iatipublisher-prod.s3.amazonaws.com/document-link/414/UK-BCF-Programme-Review-%28Redacted%29-202501300401201745551142.pdf)[[2]](#footnote-3). These are tracked in the below tables with progress to date against each.

**Programme Review**

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| **Programme Review recommendation** | **Action to date** | **Recommendation closed (Y/N)** |
| Test the programme level logframe to ensure it is fit for purpose | In 2023 the logframe was comprehensively tested and then refreshed to address reporting issues and to ensure project-level indicators could clearly inform programme-level impact, output and outcome indictors. This refreshed logframe was used as part of this Annual Review (as well as retrospectively as part of the 2023 Annual Review) | **Yes** |
| IDB – Defra to formalise annual and quarterly reporting requirements | Reporting requirements are formalised, and understanding is established across IDB and Defra on format and timing of reports. As of the end of 2024 quarterly and annual reporting has improved and is regularly provided by the IDB. Understanding of what is required between IDB – Defra is now clearer. | **Yes** |
| Establish a joint Defra – IDB SharePoint site | A joint SharePoint site has been established which is accessible for both Defra and IDB.  Further work is needed to better integrate relevant documentation onto this site and embed regular collaborative use as part of day-to-day operations of the programme. | **Yes** |
| Development of a formal risk register to communicate risk status | Defra have an established proactive risk register which is used to track risk status. This is updated at the least monthly, and risk status is also reviewed at IDB and Defra programme meetings.  The IDB provide a formal register of risks at least quarterly via project reports which details specific issues they are tracking. These are updated as risks develop and mitigations put in place. | **Yes** |
| Introductions between the IDB and EAs with in-country BPF regional staff | Introductions have been made between IDB and EAs with in-country BPF regional staff. | **Yes** |
| Collaborative revision of the governance structures via the Programme Management Manual to improve ways of working and communication | Governance structures have been collaboratively revised and agreed upon between the IDB and Defra. For example, quarterly project reporting timelines are in place, and steering group meetings are held on a regular basis to review progress and programme status.  Given the refreshed implementation of governance structures, and the limited remaining time on the programme, the project team decided a revision of the Programme Management Manual will not be a priority for the final year of the programme. Governance structures will be kept under review, and if they are judged to become ineffective, this recommendation will be revisited. | **Yes** |
| Inclusion of UK Aid logo on external product outputs | The UK Aid Logo has been distributed to project and delivery partners. Tracking of external publications and promotion of UKBCF projects is done by the IDB as part of its regular quarterly reporting to Defra. Defra continue to review this reporting and the consistency of use of the UK Aid logo. The use of the logo remains inconsistent across delivery partners and support will be provided as needed by Defra to better integrate relevant branding. | **Yes** |

**Annual Review 2023**

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| **2023 Annual Review recommendations** | **Action to date** | **Recommendation closed (Y/N)** |
| Defra to work closely with the IDB to improve two-way communication around risk management and gain earlier visibility on risks and issues as they are identified across the programme. Through a dedicated workshop on risk (recommend as a virtual session) Defra and IDB to agree common understanding on scale of severity of risks and issues, how and when matters are escalated and what level of detail should be communicated to Defra. These details should be maintained in a formal risk register to owned and updated by IDB. | The 2023 Annual Review demonstrated the progress that had been made under this recommendation, with specifically the risk focussed workshop taking place in 2024.  The risk section of this review (Section D) evaluates the latest position on risk management within the programme. As it has been deemed that progress is still being made in this area, this recommendation will be carried over into this report and will continue to be a focus for 2025. | **No** |
| For 2024, the IDB and Defra should collaborate to ensure effective implementation of Gender Equality and Social Inclusion (GESI) principles within the UKBCF and agree on a final GESI Action Plan. The IDB should assume primary responsibility for design and implementation of the GESI Action Plan. This includes allocating resources, establishing clear timelines, and designating GESI focal points within the implementing teams. IDB should consider employing a dedicated consultant to support integration of the GESI action plan and reporting against GESI targets as part of the programme’s final evaluation. | A GESI action plan has now been designed and implemented (Section F).  Necessary resource has been allocated for the delivery of this action plan, with the terms of reference for a GESI consultant being agreed by Defra and IDB in 2024.  Early 2025 will see the onboarding of the GESI consultant and implementation of the action plan. GESI will remain a focus in 2025, and therefore a relevant recommendation has been added within this review to reflect this priority area. | **Yes** |
| Defra will work with IDB to conduct a Sexual Exploitation, Abuse and Harassment (SEAH) audit for the IDB programme – as part of the Blue Planet Fund’s overarching commitment to SEAH risk management – in line with Defra’s aim to develop a common approach to PSEAH amongst International Financial Institutions (IFIs). | SEAH will remain a focus going forward into 2025 via the delivery of the SEAH action plan. The action plan incorporates this specific recommendation around a SEAH audit.  There was progress across the action areas listed in the SEAH plan during 2024 (See Section G for more information). For example, as a result of the UK Government writing to several Multilateral Financial Institutions (MFIs) in 2023, including the IDB, to propose introducing common aligned language on key minimum safeguarding standards and reporting of PSEAH cases into formal funding templates*.*  This recommendation will be carried over into this review for continued focus throughout 2025. The action plan will be tailored into a more collaborative document that can be worked on between IDB and Defra to progress the action areas. | **No** |
| Improve communication and mutual understanding of programme objectives through the revision of the Programme Management Manual. A collaborative revision of the PMM will bring the two parties together to discuss their respective objectives and expectations, and to develop a shared understanding of how to achieve the programme's goals. The revisions should include a codified set of expectations for the programme to increase transparency and accountability between the IDB and Defra. | Governance structures have been collaboratively revised and agreed upon between the IDB and Defra. For example, quarterly project reporting timelines are in place, and steering group meetings are held on a regular basis to review progress and programme status.  Refer to Programme Review recommendations above for more detail. | **Yes** |
| As part of the revision to the PMM and the logical framework, IDB and Defra should collaboratively review the projects in the pipeline that have been delayed in starting due to the Programme Review. Their objectives, timeframe for delivery and ability to support the recommendations here should be assessed before Defra provide a non-objection and the projects are initiated by IDB. | In 2024 a project pause was put in place to review existing programme work and explore how remaining funding should be prioritised for the remaining timeline of the UKBCF. This evaluation exercise resulted in a decision to further invest into existing UKBCF projects to enhance their impact and focus areas, and no longer invest in new pipeline projects.  This means no further pipeline projects were in place during the remainder of 2024. | **Yes** |
| Defra should undertake a due diligence assessment of the IDB, in line with UKHMG approach to appraisal for the Bank: The programme was approved in 2018 and as such, due diligence appraisal should be updated alongside the SEAH audit and revised approach to risk management with the IDB. | The FCDO are conducting an updated Central Assurance Assessment of the IDB in early 2025, in line with UKHMG approach for appraising the bank. The findings of this will be used by the UKBCF programme team going forward.  A SEAH audit is listed as part of the UKBCF’s SEAH action plan. | **Yes** |
| IDB and Defra should update the Theory of Change to strengthen the programme’s links to GESI and poverty alleviation. | This recommendation will be amended in this Annual Review. Due to the limited time remaining on the Programme before closure, the updated recommendation will focus on ensuring the UKBCF Theory of Change reflects latest programme activity via targeted amendments.  Better incorporating poverty alleviation and GESI into programme operations remains a high priority for the programme. Given the short time remaining on the programme, Defra has opted to focus instead on embedding these themes into delivery rather than undertaking major reforms to the Theory of Change. The GESI action plan for example embeds this theme and will work to better understand relevant impacts within the programme, and Defra will prioritise it in 2025. Similarly for poverty alleviation, work will be undertaken to better understand links to poverty and livelihoods over the remaining period of UKBCF and as part of preparations for the programme closure evaluation. | **Partial** |
| The UKBCF recognises the link between healthy blue carbon ecosystems and poverty alleviation for coastal communities. The IDB's Annual Report could be strengthened by including:   * Disaggregated beneficiary income data. * Case studies of livelihood improvements (job creation, increased fishing income). * Details on women's and other marginalised group empowerment initiatives. | This review will be published ahead of the publication of the IDB’s UKBCF 2024 Annual Report. The IDB report will be reviewed on its publication in line with the previously given feedback listed in this recommendation. | **Yes** |

1. https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fiatipublisher-prod.s3.amazonaws.com%2Fdocument-link%2F414%2F2024\_UKBCF\_Logframe\_Summary%2520-%2520for%2520publication1751973027.xlsx&wdOrigin=BROWSELINK [↑](#footnote-ref-2)
2. UK Blue Carbon Fund Programme Review (12/01/2024), https://iatipublisher-prod.s3.amazonaws.com/document-link/414/UK-BCF-Programme-Review-%28Redacted%29-202501300401201745551142.pdf [↑](#footnote-ref-3)