LANDSCAPES
FORESTS
PEOPLE
INTEGRATED LANDSCAPE MANAGEMENT IN MOZAMBIQUE

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Integrated Landscape Management
MOZAMBIQUE
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Acknowledgments

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# Acronyms and Abbreviations

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANAC</td>
<td>National Administration for Conservation Areas</td>
<td>LAUREL</td>
<td>Land Use Planning for Enhanced Resilience of Landscapes</td>
</tr>
<tr>
<td>BIOFUND</td>
<td>Foundation for the Conservation of Biodiversity</td>
<td>MDTF</td>
<td>Multi-Donor Trust Fund</td>
</tr>
<tr>
<td>CBO</td>
<td>Community-Based Organization</td>
<td>MITADER</td>
<td>Ministry of Land, Environment and Rural Development of Mozambique</td>
</tr>
<tr>
<td>CA</td>
<td>Conservation Area</td>
<td>Mozbio</td>
<td>Conservation Areas for Biodiversity &amp; Development Project</td>
</tr>
<tr>
<td>CSO</td>
<td>Civil Society Organization</td>
<td>MozFIP</td>
<td>Mozambique Forest Investment Project</td>
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<tr>
<td>DGM</td>
<td>Dedicated Grant Mechanism for Local Communities</td>
<td>NGO</td>
<td>Non-Government Organization</td>
</tr>
<tr>
<td>FCPF</td>
<td>Forest Carbon Partnership Facility</td>
<td>NSDP</td>
<td>National Sustainable Development Program (of MITADER)</td>
</tr>
<tr>
<td>FNDS</td>
<td>National Sustainable Development Fund</td>
<td>PROFOR</td>
<td>The Program on Forests</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
<td>RBF</td>
<td>Results-Based Finance</td>
</tr>
<tr>
<td>GEF</td>
<td>Global Environment Facility</td>
<td>REDD+</td>
<td>Reduce Emissions from Deforestation and Forest Degradation</td>
</tr>
<tr>
<td>GoM</td>
<td>Government of Mozambique</td>
<td>ROAM</td>
<td>Restoration Opportunities Assessment Methodology</td>
</tr>
<tr>
<td>IDA</td>
<td>International Development Association</td>
<td>SUSTENTA</td>
<td>Agriculture &amp; Natural Resources Landscape Management</td>
</tr>
<tr>
<td>IFC</td>
<td>International Finance Corporation</td>
<td>USD</td>
<td>United States Dollars</td>
</tr>
<tr>
<td>ILM</td>
<td>Integrated Landscape Management</td>
<td>WWF</td>
<td>World Wide Fund for Nature</td>
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</table>
Foreword

At a time when an integrated approach to natural resource and forest management is gaining prominence worldwide, the Government of Mozambique places sustainable management of natural resources and forests as a priority in its governance efforts, as reflected in the Government’s Five Year Plan 2015-2019 and in the National Sustainable Development Program (NSDP).

Sustainable management of natural resources and forests contributes to improving the lives of rural communities. It also stimulates the national economy through promoting the development of sustainable value chains.

Our commitment is reflected in the governance instruments that our country has approved. This includes the approval of the SUSTENTA Project, which has the approach to integrate management of agriculture and natural resources, stimulate the economy and improve the quality of life of rural families. This will also help materialize and attain the objectives and targets of the NSDP.

We are aware that in order to achieve the multiple objectives of sustainable management of natural resources, Mozambique will have to go a long way, together with key stakeholders, such as the Private Sector, Civil Society Organizations, Academia, local communities and others.

To take this path towards sustainable, integrated and inclusive development through improvements in spatial planning and arrangements for the different land-uses in our country, we see the World Bank as one of our most important strategic partners – not only from a financial point of view but from a technical assistance and collaboration point of view.

Celso Correia
Minister of Land, Environment and Rural Development, MITADER
We are pleased to present this brochure that shows the World Bank Group’s dynamic Forests and Landscape Management portfolio in Mozambique, and the important role it plays for the country’s sustainable development.

The Government of Mozambique has recently taken bold actions to preserve and valorize its renewable natural resources, including forests, wildlife and land. Encouraged by this commitment, the World Bank harnessed the momentum and stepped up to the urgency of the challenges of degraded landscapes.

The Bank has supported the Government in mobilizing financing to take concrete actions to address deforestation, wildlife poaching and unsustainable fishing, restore degraded forest landscapes, increase agriculture productivity, enhance food security, strengthen land rights and land use planning, and improve the livelihoods for rural communities. This aligns directly with the goals of the World Bank’s Country Partnership Framework for Mozambique (FY17-21), which places emphasis on natural resource management and rural development through three pillars promoting diversified growth and enhancing productivity; investing in human capital; and enhancing sustainability.

This has become possible, as shown in this brochure, through an integrated portfolio of investments, technical assistance, analytical work and results-based finance, mobilizing different sources of financing. This innovative approach fostered cross-collaboration within the World Bank Group, helped deliver improved results on the ground, and accelerated the achievement of the Bank’s twin goals of ending extreme poverty and promoting shared prosperity. The interventions are crucial to Mozambique’s sustainable development and are also timely in contributing to international processes such as the implementation of the World Bank’s Forest Action Plan, the World Bank Africa Climate Business Plan, the Sustainable Development Goals as well as the building of capacity to meet priorities under the African Forest Landscape Restoration Initiative and the Bonn Challenge.

As we embark on a defining moment for Mozambique’s renewable natural resources, we take pride in being a key partner. We will continue to support the country’s leadership role in testing promising approaches that can be scaled up. The time to make significant progress on forests and natural resource management, is now.

Mark Lundell
Country Director for Mozambique, Comoros, Madagascar, Mauritius, and Seychelles, World Bank

Magda Lovei
Practice Manager, Environment and Natural Resources Practice, World Bank
The goal of the World Bank’s Integrated Landscape Management (ILM) Portfolio is to enhance the living conditions of rural communities and promote the sustainable management of natural resources in Mozambique.

Landscape and Forest Management in Mozambique

In Mozambique, where the majority of the population live in rural areas, economies and livelihoods rely upon natural resources, such as forests, fisheries and healthy soils. These resources provide income to the government, vital services to local communities, and global benefits such as climate regulation and habitat for biodiversity.

With diverse ecosystems and rich natural resources, Mozambique is a country of opportunity. However, degradation, such as deforestation, wildlife poaching and overfishing, is threatening this potential.

In close partnership with the Government of Mozambique (GoM), the World Bank is supporting the Integrated Landscape Management (ILM) Portfolio, to promote sustainable rural development.

Primarily working across three landscapes: Zambezia, Nampula and Cabo Delgado, the Bank supports the ILM Portfolio in four key ways: technical assistance, on-the-ground investments, results-based finance, and analytical work.

Integrated Landscape Management

An Integrated Landscape Management (ILM) approach recognizes the inextricable links between forests, natural resources and the value chains that depend on them (such as agriculture, timber and tourism). Using a combination of policies and practices, the approach brings stakeholders together around a common vision to manage trade-offs across different land use sectors within a given area. ILM seeks to ensure an equitable and sustainable use of land to support rural livelihoods, while strengthening the health and resilience of the surrounding landscapes.
Cabo Delgado Landscape

**Total Area:** 4 million ha  
**Population:** 611,538  
**Rural Population:** 78.4%  
**Forest Area:** 1,756ha  
**Deforestation Rate:** 0.32%

The Cabo Delgado Landscape hosts a variety of key terrestrial and marine biodiversity habitats, each with different geographic features. The area includes the Quirimbas National Park, which is home to 135,000 people, as well as a rich array of terrestrial and marine fauna and flora, such as elephants, turtles, and miombo forests.

Working with civil society and community-based organizations, the ILM Portfolio is helping communities who depend on potentially destructive practices, such as slash-and-burn agriculture and charcoal burning, find alternative income-generating activities that decrease deforestation and forest degradation.
### Nampula Landscape

**Total Area:** 3 million ha  
**Population:** 926,621  
**Rural Population:** 79%  
**Poverty:** 49% below the poverty line  
**Forest Area:** 797,000 ha

Due to its fertile soils, high altitude and multiple river heads, the Nampula Landscape has great agriculture and forestry potential. Since many rural households still use traditional and often inefficient agriculture practices, the ILM Portfolio is helping to direct substantial private investments into agriculture and forest-based value chains, while supporting sustainable agriculture and forestry.

### Zambezia Landscape

**Total Area:** 6 million ha  
**Total Population:** 2,286,988  
**Rural Population:** 74%  
**Poverty Level:** 56% below poverty line  
**Forest Area:** 3,225 ha  
**Deforestation rate:** 0.62%  

Zambezia hosts forests and woodlands, agricultural lands and the Gile National Reserve, protecting several biodiversity hotspots. The ILM portfolio is helping to mitigate key threats to the landscape by strengthening forest management, increasing land tenure security, enhancing the agricultural sustainability and improving spatial planning. Due to high deforestation, rich biodiversity, and a large population, this landscape has been chosen as an Emissions Reduction Program Area under the Forest Carbon Partnership Facility’s Carbon Fund (see pg. 18).
Located on the southeastern coast of Africa, Mozambique boasts the longest stretch of Indian Ocean coastline on the continent, as well as extensive natural forest ecosystems. Fertile soils, vast coastal areas, diverse fauna and expansive forests support communities and economic growth, offering great potential to expand the sustainable development of the agriculture, forestry and tourism sectors.

Recouping from a decades long civil war, Mozambique is at a dynamic stage of economic development that could have a crucial impact on the future of the country. Despite a high economic growth rate in recent years, averaging 7.5%, more that half of the 25 million population still live below the poverty line.

Increasing rates of deforestation and overexploitation of fisheries, forestry and wildlife (see pg. 15), caused by poor management, along with growing climate constraints, are preventing local communities from fully realizing the economic value of their natural capital.

Addressing these challenges is paramount to a healthy future. Whether Mozambique will be able to harness its considerable resource wealth to reduce poverty and promote inclusiveness will depend upon strategic choices and actions that are taken now.
Finding Opportunities in Challenges

43% of the country is covered in forests.

$330 million USD are contributed to the economy every year by forests.

5.2 billion tCO₂ of carbon is stored in the country’s forests

22,000 people are directly employed in the forestry sector

23% of the country is covered by conservation areas

78% of the workforce is employed in agriculture

16 agricultural value chains have the ability to create sustainable increases in income and employment.

45% of land is suitable for agriculture

25% is contributed to GDP by agriculture

57% of green-house gas emissions are caused by land-use change

267,000 hectares of forests are lost every year due to deforestation

20% (only) of arable land is under cultivation and less than 5% of smallholder farmers use improved seeds and fertilizers.

50% of elephants were lost to wildlife trade between 2010-2015

50% is the risk of harvest loss in rainfed agriculture in most regions (some up to 75% risk)

$540 million USD in revenue was lost in illegal logging between 2005-2013

80% of CA management funds are provided by donors, only 1% of total revenue is provided by GoM.

3rd is where Mozambique ranks on the scale of most climate vulnerable countries in Africa
Advancing Rural Development and Sustainable Natural Resource Management

Mozambique’s rural communities are heavily dependent on natural resources. Thus improving livelihoods and sustainably managing natural resources requires an approach that addresses these issues collaboratively. The Bank encourages multi-sectoral interventions that recognize the close ties linking resource management and agricultural development.

**ILM Technical Assistance**

**ILM Programmatic Technical Assistance**

**Objective:** To strengthen the GoM institutional capacity (specifically FNDS* and other partners) in managing forests and landscapes while promoting rural development. This assistance is being provided under three major pillars:

- **Pillar 1:** FNDS technical assistance.
- **Pillar 2:** Analytical work to strengthen forestry management and climate change adaptation.
- **Pillar 3:** Strategic outreach and cooperation between Government, civil society and academia.

**FCPF* REDD+ Readiness Grant**

**Amount:** $8.6 million

**Time Frame:** 2013-2018

**Objective:** To strengthen national REDD+ readiness management, and support legal and institutional framework.

**Key Themes:** REDD+ institutional framework; technical assistance and strategy; capacity building.

In Mozambique, the Bank has a robust series of projects consisting of technical assistance, investments, results-based finance, and analytical work. Taking a multi-sectoral approach, these four categories are managed in unison, and can be thought of as a Portfolio of the Bank’s work and investments.

*National Sustainable Development Fund (FNDS)*

*Forest Carbon Partnership Facility (FCPF)*
## On-the-Ground Investments

<table>
<thead>
<tr>
<th>Project Title</th>
<th>Objective</th>
<th>Key Themes</th>
<th>Amount</th>
<th>Time Frame</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forest Investment Project (MozFIP)</td>
<td>To improve forest governance and promote sustainable forest and land management.</td>
<td>Forest governance; integrated landscape management; sustainable forest management.</td>
<td>$47 million (FIP: $22M, MDTF: $10M, IDA: $15M; + $4.5M from DGM)</td>
<td>2017-2022</td>
</tr>
<tr>
<td>Agriculture &amp; Natural Resources Landscape Management (SUSTENTA)</td>
<td>To integrate rural households into sustainable agriculture forest-based value chains.</td>
<td>Agricultural development; value-chains; land tenure; land rehabilitation.</td>
<td>$40 million (IDA)</td>
<td>2016-2021</td>
</tr>
<tr>
<td>Conservation Areas for Biodiversity &amp; Development (Mozbio)</td>
<td>To improve the management of conservation areas and enhance community living conditions.</td>
<td>Conservation; biodiversity; wildlife &amp; tourism, community development.</td>
<td>$46.3 million (IDA: $40M &amp; GEF: $6.3M)</td>
<td>2015-2018</td>
</tr>
<tr>
<td>Dedicated Grant Mechanism for Local Communities (DGM)</td>
<td>To enhance the ability of communities and CSOs to participate in sustainable landscape management and REDD+ processes at local, national and global levels.</td>
<td>The DGM is a community led stand-alone project operating operate at the national (focusing on capacity building and institutional strengthening) and landscape levels (focusing on implementation of community activities/projects). Designed by civil society and communities, it will be implemented by CSO partners and will complement MozFIP.</td>
<td>$4.5 million</td>
<td>2018-2022</td>
</tr>
</tbody>
</table>

*Civil Society Organization (CSO)*
Results-Based Finance

Results-Based Finance (RBF) is a form of financing, whereby the payments are provided upon the delivery of one or more predetermined outputs or results. The Bank has tested RBF in sectors such as education and health. In land-related sectors, the first innovative RBF operation is the Emissions Reduction Payments to Zambezia.

Zambezia Integrated Landscape Management Program (Emission Reduction Payments)

- **Amount:** up to $50 million (contingent on results)
- **Time Frame:** 2018-2025
- **Objective:** The Carbon Fund of the Forest Carbon Partnership Facility (FCPF), managed by the Bank, has made a commitment of up to $50 million USD to the Zambezia province, should the province be able to reduce the emissions of greenhouse gases from deforestation. In other words, the FCPF will pay Zambezia for success in mitigating climate change by reducing the ongoing high loss of forest cover. For this to happen, Mozambique is setting up a robust forest cover monitoring system which will allow them to report every year on how much deforestation happened in a certain area, and the associated CO2 emissions.

Once payments are triggered, the Bank will disburse them to the Government. Currently, the Government is reflecting on how these payments would be distributed to the local level, to reward those actors who contributed to generating the results, such as local communities, districts and private sector forestry and agriculture companies.
**Analytical Work**

Analytical work aims to deepen the knowledge of different stakeholder on the several issues covered by the ILM portfolio, such as land, forests, biodiversity, tourism and agriculture. Analytical work also strengthens the capacity of stakeholders, as it normally involves local academic or research institutions.

Two flagship current analytical pieces include:

<table>
<thead>
<tr>
<th>Vision and Strategic Agenda for Mozambique’s Forest Sector</th>
<th>Land Use Planning for Enhanced Resilience of Landscapes (LAUREL)</th>
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</thead>
<tbody>
<tr>
<td><strong>Time Frame:</strong> 2017-2018</td>
<td><strong>Time Frame:</strong> 2017-2019</td>
</tr>
<tr>
<td><strong>Objective:</strong> The Vision and Strategic Agenda for the forest sector aims to build a common set of objectives based on challenges, opportunities and trade-offs. This will be achieved through participatory analytical work and consensus building among a range of stakeholders, drawing upon knowledge and experience generated over the past years, national policies and investment options.</td>
<td><strong>Objective:</strong> Land-use planning is a key element of the ILM approach. As such, LAUREL aims to support integrated landscape management decision making by improving spatial data on land degradation and developing prototype platforms for simulating, evaluating and re-orienting land use and land use change processes.</td>
</tr>
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</table>
**ILM Portfolio Financing**

Under the ILM Portfolio, Bank funding to the GoM has increased substantially. By leveraging a range of financing sources, including: grants, global trust funds, concessional loans, performance based payments and the establishment of a new Mozambique-specific Multi-Donor Trust Fund, financing has grown from less than $5 million USD at the beginning of 2015, to approximately $200 million USD in 2017.
Multi-Donor Trust Fund for ILM

Recognizing the Bank’s leading role in the forestry and landscape sector, several development partners expressed interest in deepening collaboration in the forestry agenda by increasing their financial contribution. In response, the Bank created a Multi-Donor Trust Fund for Integrated Landscape Management (MDTF-ILM) in 2016, and has already received $15 million USD from the Government of Sweden.

The MDTF was created to support the GoM’s strategic efforts in reducing deforestation and environmental degradation, strengthening resilience to climate change, and improving rural livelihoods through an integrated landscape management approach.

As such, the ILM MDTF provides a vehicle to mobilize and channel additional partner resources to support and extend the Government’s ambitious efforts in the sector.

The MDTF has two funding windows:

1. **Recipient Executed Activities**, allocated to MITADER to co-finance the MozFIP Project;
2. **Bank Executed Activities**, allocated to the Bank to provide technical assistance, capacity building and analytical work to support MITADER’s efforts.

Sweden is very pleased to deepen its collaboration with MITADER and the World Bank is a key partner in this process. We also hope that the MDTF can become a mechanism to coordinate further donor support in a transformative and efficient manner to better advance Mozambique’s efforts.

- Olov Atterfors, First Secretary, Embassy of Sweden in Mozambique

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<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Instrument</th>
<th>Amount (USD)</th>
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<tbody>
<tr>
<td>IDA</td>
<td>Grant &amp; Concessional Loan</td>
<td>$95 million</td>
</tr>
<tr>
<td>GEF</td>
<td>Grant</td>
<td>$6.3 million</td>
</tr>
<tr>
<td>FCPF</td>
<td>Grant</td>
<td>$8.6 million</td>
</tr>
<tr>
<td>FIP</td>
<td>Grant and Concessional Loan</td>
<td>$24 million</td>
</tr>
<tr>
<td>DGM</td>
<td>Grant</td>
<td>$4.5 million</td>
</tr>
<tr>
<td>PROFOR</td>
<td>Grant</td>
<td>$0.3 million</td>
</tr>
<tr>
<td>MDTF</td>
<td>Grant</td>
<td>$15 million</td>
</tr>
<tr>
<td>FCPF Carbon Fund</td>
<td>Results-based Payment (paid upon performance)</td>
<td>$50 million</td>
</tr>
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</table>

**TOTAL ≈ $204 million**
Working Together: World Bank and the Government of Mozambique

Agricultural growth, rural development, energy use and natural resource management are inextricably linked. To collaboratively manage these sectors, the GoM established the Ministry of Land, Environment and Rural Development (MITADER) in 2015.

MITADER then created The National Sustainable Development Program (NSDP), to promote rural development activities, and the National Sustainable Development Fund (FNDS) to finance these activities.

These institutional arrangements clearly demonstrate Mozambique’s commitment to addressing the challenges of promoting rural development through the sustainable management of natural resources.

Through the ILM Portfolio, the Bank has been working closely with MITADER to support the NSDP and FNDS work in strengthening rural development and natural resource management.

SUSTENTA Project Launch

The Launch of the Agriculture and Natural Resource Landscape Management Project (SUSTENTA), in Ribaue district, Nampula, on February 19, 2017 was attended by over 3,000 people.

Attendees included local communities from each district, government representatives, members of the private sector, and several other partners.

The high turn-out at the launch demonstrated a wide interest in the project.

*SUSTENA project launch, from the left: The World Bank Country Director, Mark Lundell; Governor of Nampula, Victor Borges; President of Mozambique, Filipe Nyusi; Minister of MITADER, Celso Correia; Administrator of Ribáue, Emanuel Impissa.*
The GoM National Sustainable Development Program

The Government’s National Sustainable Development Program (NSDP) aims to promote rural economic, social and environmental development, through land and natural resource management.

Providing basic services and training, as well as strategic investments, the NSDP supports local economies and communities, and will help to improve climate change resilience.

Implemented by MITADER, the NSDP works in close partnership with other Ministries, provincial and district governments, service providers, NGOs, the private sector and other stakeholders.

The NSDP follows five strategic priorities:

- **Energy**: Providing the rural economy with sustainable energy solutions
- **Water**: Supplying rural communities with access to clean water
- **Training & technology**: Investing in new technologies and providing training
- **Market linking**: Developing infrastructure to enhance access and mobility in rural areas
- **Financing**: Building a diversified, job creating economy through financial stimulus

The ILM Portfolio supports the Government’s strategic objectives. In particular, but not exclusively, the following three initiatives:

<table>
<thead>
<tr>
<th>Standing Forests</th>
<th>Mozbio Program</th>
<th>Terra Segura</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enabling sustainable forest management to deliver benefits to local communities and the national economy.</td>
<td>Bringing benefits from protected area management and wildlife protection to a local and national scale.</td>
<td>Strengthening land administration and management focusing on access, registration and information to benefit rural communities.</td>
</tr>
</tbody>
</table>
In a progressive and innovative effort to streamline project implementation and address institutional challenges, MITADER created the National Sustainable Development Fund (FNDS). Closely linked to the objectives of the NSDP, the FNDS works to increase rural incomes, while supporting climate change resilience and protecting forests and wildlife. The Bank is providing technical support to the FNDS to strengthen strategic planning and policy reform analysis, as well as advise on how to leverage international and national climate financing opportunities.

**The National Sustainable Development Fund**

**The mission and vision of FNDS is to promote, finance and manage sustainable development initiatives in rural areas in Mozambique.**

*In the next 15 years, FNDS aims to be a national and international reference in promoting sustainable initiatives that lead to structural changes in the productive bases of rural areas.*

- FNDS Mission Statement

**“By managing all internationally funded projects under one unit, projects that would otherwise be implemented separately can be managed collectively. We also reduce transaction costs, increase efficiency and avoid administrative burden, leaving more time for technical implementation.”**

- Momade Nemane, Coordinator for the international projects unit, FNDS

**“By helping to improve operational capacity through monitoring and evaluation, communication and outreach, and social and environmental safeguards, we hope that the FNDS can leverage international finance resources and support effective implementation of initiatives aligned with national priorities.”**

- André Aquino, Senior Natural Resources Management Specialist, World Bank, Mozambique
**FNDS Department of Projects Management**

At the central level, FNDS has established a department dedicated to managing projects, including those financed by the Bank. The Bank is working closely with the Department of Projects Management, which has successfully integrated what was previously a collection of separate sectorial projects, under one administrative area.

The Department is now responsible for all activities within international projects, including technical supervision and coordination, project planning, communication, safeguards management, procurement, financial management, monitoring and reporting.

**Provincial Landscape Management Units**

At the provincial level, the GoM has established the Provincial Landscape Management Units. These units coordinate and monitor project implementation progress at the provincial level and coordinate with district authorities. Each unit is composed of one provincial coordinator, and staffed with administrative support and three to four technical specialists (in infrastructure, forest, agriculture, biomass energy, land, and sustainable development).

The units play an important role in bringing together stakeholders around relevant issues in the landscape and help to foster cooperation across projects, activities and actors. They also help the multi-stakeholder forums in each of the three landscapes (Zambezia, Nampula and Cabo Delgado) in developing their annual Strategic Action Plan to monitor activities and track performance against clear targets. Each action plan is developed in a participatory manner to create ownership and awareness amongst all landscape stakeholders.
Implementing a ILM Approach:

*Working with different land-uses, stakeholders and tools on the ground*

The ILM Portfolio utilizes a collaborative and inclusive cross-sectoral approach to project implementation. In practice, this approach is best described through three areas: Land-Uses, Stakeholders, and Implementation Tools (see pg. 27). Partnership with national and local governments, community groups, academia, civil society, and the private sector ensures a broad and multi-disciplinary impact.

By employing key implementation tools, the Bank’s activities are specifically adapted to and drawn from Mozambique’s diverse array of land-uses and stakeholders.
From the pristine coasts of the Indian Ocean, to the savannas of the Miombo woodlands, Mozambique hosts a mosaic of ecosystems. Defined geophysically and politically, these areas can be categorized into three key landscapes: productive lands (agriculture and forests), conservation areas and natural forests.
Investing in Infrastructure

A 2016 study conducted in partnership by the Bank and GoM, shows that expanding feeder roads and investing in small-scale irrigation infrastructure could boost productivity in the agriculture and forestry sectors.

Under the ILM Portfolio, the Bank is supporting feasibility and design studies in these areas, with the goal of establishing and maintaining 250 ha of irrigation schemes and 260 km of rural roads in the northern part of the country.

“Expanding small-scale irrigation and feeder roads are essential for Mozambique to enhance commercial land use, while protecting community lands and biodiversity. Through these initiatives, private land owners can intensify and diversify their crop production, as well as benefit from an improved connection between the production areas and agricultural market centers.”

- Mark Austin, Program Leader, for the Environment and Natural Resources Practice, Mozambique

Productive Lands (Agriculture and Forestry)

Mozambique’s agricultural productivity is low, resulting from a lack of new technologies and inputs adoption, poor agronomic knowledge and limited rural infrastructure.

Although about 45% of Mozambique is suitable for agriculture, less than 15% is currently cultivated. With an average of 1.3 ha of subsistence agriculture per individual holding, approximately 3.9 million households are cultivating an area of only 5.1 million ha out of a potential 36 million ha of arable land.

Smallholder farmers’ show only modest integration into the country’s value chains, with only 2.9% using improved seeds and 4.6% using fertilizers.

Through the ILM Portfolio, the Bank is supporting Mozambique in realizing this significant growth potential by assisting with productivity expansion and increasing the efficiency of agriculture and forest-based value chains.
A tourism boat docks near a lodge in Bazaruto National Park.

Conservation Areas

Mozambique’s extensive system of Conservation Areas cover 23% of the country’s surface and are critical to the protection of forests and biodiversity.

Through the Mozbio program, ILM Portfolio supports the management and functioning of both high potential tourism parks and more remote terrestrial areas.

This support includes the construction and rehabilitation of infrastructure, provision of equipment and training to administrators, support of wildlife monitoring and law enforcement operations and community engagement.

Mozambique’s unique biodiversity and conservation areas offer many untapped opportunities for nature-based tourism, particularly around the country’s marine areas. Tourism activities have been shown to spur positive development for communities and create local conservation incentives, improving natural resource protection.
Investment and Revenue in Conservation Areas

Community Nature-Based Tourism in Bazaruto National Park

In Bazaruto National Park, the ILM Portfolio is supporting tourism development, which will provide an important revenue for conservation, economic growth, and rural poverty reduction. Established in 1971, the Park includes six islands and their surrounding waters, an important area for the protection of dugong and turtles, as well as extensive coral reefs, which are home to an array of marine life. As well as developing small-scale fisheries and mariculture, the Bank is helping to build a tourism concession. When completed, this area will become a source of rural employment and provide local incentive to support biodiversity conservation.

Preserving Environmental Services in Gilé National Reserve

The Gilé National Reserve is a remote area with limited infrastructure.

Although deforestation and wildlife trade have decreased the Park’s once rich biodiversity, the Reserve’s forests still generate significant local and global environmental services, such as carbon sequestration and water purification.

Through on-ground support, the Bank is helping to improve enforcement efforts to halt illegal logging and deforestation, as well as working with local partners and communities to improve rural livelihoods.

The Bank is working closely with the international NGO Etc Terra, to promote conservation and improve agricultural practices, biomass energy and community law enforcement in over 1200 households.

Antonio Curasse in Malema, Pebane, is one of the 1200 households enrolled in the Kohiwa (meaning “I am aware of” in Lomwe). The cashew market information service provides information on prices and market evaluations. Mr Curasse is also receiving seedlings as part of an agroforestry scheme.

“...We are now receiving market information by SMS and technical advice on how to combine crops such as cashew and sesame.”

- Antonio Curasse. (Etc Terra)
Natural Forests

With its vast forest resources, there are many opportunities for Mozambique to balance the preservation of natural areas, with commercial development.

The ILM Portfolio supports work in natural forests through the REDD+ Readiness Project and Mozambique Forest Investment Project (MozFIP).

REDD+ Readiness Projects
The GoM received a $8.6 million USD grant from the Bank’s FCPF* to help prepare the country to participate in a future, large-scale, system of positive incentives for REDD+.

The grant has allowed Mozambique to achieve a number of milestones, including the establishment of: a national and landscape level REDD+ Technical Unit (UT-REDD+); a National REDD+ Strategy; Reference Emission Levels; Measurement, Reporting, and Verification systems; and REDD+ national management arrangements, including environmental and social safeguards.

MozFIP Project
The GoM has developed a Forest Investment Plan to serve as a guiding document for the implementation of the National REDD+ Strategy. MozFIP was designed based on this Forest Investment Plan.

Working with all stakeholders, MozFIP and the ILM Portfolio collaborate on forest management activities that reduce deforestation and promote rural development. With support from the Bank, Mozambique has achieved a number of significant milestones and the GoM has already set in place several bold actions in the sector (see: GoM Forest Management Milestones).

* Forest Carbon Partnership Facility (FCPF)
**Working with Government to Improve Sustainable Forest Management**

In recent years, there have been signs of GoM commitment to sustainable forest management, with bold steps for reform in the sector and plans to fight deforestation and promote rural livelihoods through the sustainable use of forest resources. The following are two examples of how the Bank is working with the GoM in natural forests:

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**Operation Tronco**

In February 2017, cross-ministerial teams visited border controls, ports, log yards and forest concessions to ascertain the legality of timber and assess operator compliance. This peaceful operation led to massive timber seizures, hefty fines and sounded a clear alert as to the GoM’s commitment to sustainable forest use.

Actions such as these are essential in halting illegal resource exploitation and accelerating conservation. The Bank is supporting this agenda through technical assistance and policy advice to strengthen forest management.

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**Forest Concession Models**

Together with MITADER, the Bank will pilot a range of forest concession models. Using new allocation systems, the models include government issued “forest certifications”.

It is hoped these certifications will lead to increased values for timber and non-timber products, thus increasing forest operator incomes.

There will also be additional support to update and implement forest management plans and increase the technical capacity and investment in regeneration, reforestation, and protection activities.

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**GoM Forest Management Milestones:**

- Preparation of a National REDD+ Strategy (Nov 2016).
- Development of social and environmental safeguards.
- National Forest Inventory in 5 provinces to assess the institutional, social and political context, and thematic drivers of deforestation and degradation.
- Adoption of a new forest definition (30% cover).
- Suspension of licenses to exploit ironwood.
- Nationwide audit to verify compliance of forest operators with national standards and logging requirements.
- A 5-year moratorium on issuing new logging concessions and simple licenses.
- Introduction of a log export ban to increase local timber processing and create jobs.
- Establishment of the National Agency for Environmental Quality Control to oversee forest, land and environment law enforcement.
Mozambique’s landscapes are home to a variety of stakeholders, all with different land-use goals and priorities, from smallholder farmers and local communities, to government and commercial enterprises. The Bank works to achieve benefits for forests and communities by strengthening governance, increasing dialogue and participation of stakeholders in forest and land use decisions, and building institutional capacity of forest authorities to improve forest management.
Government

Under the ILM Portfolio, the Bank works closely with district, provincial and national governments through the provision of technical and financial support that builds capacity and ensures government officials are well equipped to deal with the challenges of sustainable land management. Examples include:

**Forest monitoring:** Through MozFIP, the government will develop a much-needed forest information system to increase transparency and access to data. The Bank is working with MITADER and the private sector to develop a national forest certification system.

**Forest concessions:** MITADER is receiving support to reform its forest concessions system, making production forestry more efficient and sustainable.

**Protected area management:** Through MozBio, the Portfolio is strengthening the management capacity of the National Administration for Conservation Areas (ANAC).

**Community management:** In alignment with MITADER’s rural development goals, the Bank supports community-based forest enterprises to add value to forest resources and promote income generation amongst rural communities.

**Law enforcement:** With Bank assistance, MITADER is strengthening forest law enforcement as part of its effort to curb illegal logging.

**Project management:** The ILM Portfolio is supporting the provincial arms of the Department of Projects Management (see pg. 25).

**Capacity building:** Portfolio activities are building capacity within The Directorate of Forests to verify forest inventories and management plans. The Bank also supports the National Directorate of Land and National Directorate of Land-Use Planning and Resettlement in strategic planning, governance, technical policy assistance, and operations implementation.

Under the MozBio program, the ILM Portfolio is helping the GoM strengthen management of Conservation Areas. Activities focus on improving the capacity of local government management in areas such as reporting, decentralizing budget planning and execution, and procurement of goods and services. MozBio is also working to increase financing and support to Conservation Areas through alternative income generating activities, such as sustainable nature-based tourism.
Community and Civil Society

Local communities are at the core of integrated and sustainable natural resource and forests management. The ILM Portfolio ensures that communities who rely on land resources for their livelihoods are benefitting from Bank supported activities through benefits such as skills training and improved availability and access to new technologies. Community-supporting initiatives include climate smart agriculture, market access, food security, employment and sustainable energy.

The Dedicated Grant Mechanism for Local Communities

The Dedicated Grant Mechanism for Local Communities (DGM) is a globally funded initiative through the Forest Investment Program.

By providing funding to countries addressing the direct and underlying drivers of deforestation and degradation, the DGM aims to reduce forest loss by putting project design and funding decisions in the hands of the communities.

In Mozambique, the Bank is facilitating close collaboration between the GoM, communities and civil society to prepare a $4.5 million DGM grant. The DGM grant will finance activities at the national and local level:

**NATIONAL LEADERSHIP**

A steering committee assisted by the National Executing Agency

**Responsability:** To provide oversight and channel resources into appropriate areas.

**Outcomes:**
- Improved community “voice”
- Enhanced advocacy
- Greater knowledge and experience exchanges

**LOCAL LEADERSHIP**

Natural Resource Management Committees, CSOs and CBOs*

**Responsability:** Identify local market value chains, participate in community-level monitoring and peer learning, and communicate proposals for improvement to NSC and NEA.

**Outcomes:**
- Increased landscape collaboration
- Reduced forest loss and enhanced livelihoods
- Increased community capacities

*Civil Society Organizations (CSOs) and Community Based Organizations (CBO)

“*The DGM has created a platform where we can share and discuss incentives and opportunities that are important for us forest dependent communities to improve our livelihoods.*”

- Angelina Siadrede, NSC vice-president and community representative from the Natural Resources Management Committee of the Macombia district, Cabo Delgado.
Engaging Civil-Society and Academia

Civil Society Organizations (CSOs) and academia are key partners of the Bank, and their knowledge, wide networks and convening power are crucial complements to the Bank’s work. The ILM Portfolio works closely with CSOs and academic institutions to ensure they are engaged in the design and implementation of forestry and land-use interventions, through activities such as forest operator and civil society training, governance assessments, and concession evaluations. CSOs and academia are also key drivers in putting together Mozambique’s Forest Sector Vision and Strategic Agenda, which will help to align key stakeholders around shared objectives for forest land use.

Partnering with Civil Society

In 2016, the Bank partnered with the World Wide Fund for Nature (WWF) to pilot the PROFOR Forest Governance Assessment in Zambezia and Cabo Delgado.

Bringing together government, private sector, universities and CSOs, the assessment highlighted governance challenges and suggested improvements to be supported under MozFIP.

Working with Academia

“With financial and technical support from the Bank, Zambezia’s local university UNIZAMBEZE organized the first Mozambican Scientific Conference on Agroforestry Systems in October 2016.

The conference brought together over 200 researchers, students, politicians, civil society and private sector representatives to discuss scientific topics, from crop production and productivity, to conservation and climate change.”

- Dinis Gimo, Director of FEAF-UNIZAMBEZE
Private Sector

The private sector is a key catalyst in diversifying and strengthening the economy, and as such, the ILM Portfolio is providing technical assistance in areas such as management plan implementation, silviculture and reforestation, forest inventories and value-added timber processing. With the help of the Bank, MITADER is increasing the power of the private sector by supporting agriculture and forestry value chains in areas where large enterprises are willing to partner with small land-holders. Additionally, the Bank and the GoM are working to design various financing tools that encourage sustainable and inclusive private investment.

Investing in Public-Private Partnerships

The International Finance Corporation (IFC), a part of the Bank Group, is providing investment and advisory support to Portucel, a leading pulp and paper producer, with the plan to establish a $3 billion USD sustainable eucalyptus plantation in the Zambezia and Manica provinces.

Under the ILM Portfolio, the Bank is supporting this investment through the MozFIP project, which promotes a planted forest grant scheme. Through the development of large scale eucalyptus plantations, the investment aims to assist 130,000 rural individuals, and improve food security for 24,000 households.

Supporting Community Forest Concessions

The World Bank, through the FCPF, will support the reinvigoration of a community forest concession in Nipiode, Zambezia. The program will facilitate technical assessment of natural forest resources, improve technical capacities, support business development, improve the rehabilitation and recovery of timber processing equipment, and build effective partnerships between the community and private sector to manage commercially valuable forest resources. The aim is to re-orientate the concession toward steady, sustainable levels of harvesting, with a secure market and an emphasis on developing diverse income generating opportunities from the central timber value chain.

“Alongside the eucalyptus plantations, the investment aims to improve agricultural conditions and create well-functioning agribusiness supply chains to link small land-holders with markets.”

- João Lé, CEO, Portucel.
Tools are a selection of methodologies, guidelines and strategic support that the Bank provides to assist in achieving sustainable landscape and forest management.

These tools can be broken into four categories:
- Spatial Planning;
- Partnership Strengthening;
- Stakeholder Engagement;
- and Finance Disbursement.
**Restoration Opportunities Assessment Methodology (ROAM)**

Partnering with the International Union for the Conservation of Nature (IUCN), the Bank has adopted ROAM to assist stakeholders in identifying priority areas for restoration and draft implementation plans.

Using ROAM, communities, government and civil society can work together to restore the ecological functions of landscapes such as sustained food production and the regulation of healthy water flows. Furthermore, the GoM is working to prioritize areas and enable the restoration of one million hectares of deforested and degraded land by 2020.

In helping to implement ROAM, the ILM Portfolio is assisting with Mozambique’s national priorities under the African Forest Landscape Restoration Initiative and the Bonn Challenge.

**Forest Information System**

A collaboration between the Bank and GoM, this system will provide updated information on forest licensing, management plans, inspection and law enforcement. It will also report on land-use change and carbon emissions based on current GIS and on-ground forest monitoring data. This comprehensive and accessible database is essential for management, transparency and accountability.

With expected completion by the end of 2017, the Forest Inventory is undertaken by national technicians, half of whom are women. Several trainings have been held in the provinces of Maputo, Nampula and Inhambane to guarantee quality of measuring and reporting.
Spatial Planning Database

The Bank assisted the GoM in developing an online spatial planning database to keep track of all stakeholders and activities within each landscape, facilitating the successful implementation of all investments. Additionally, The Bank helped with spatial analysis and the production of maps, using geospatial data and participatory criteria, to prioritize activities across the landscapes.

Community Land-Use Planning

The ILM Portfolio supports the national land administration system in strengthening management and information sharing across district, provincial and national level institutions. This work will support community land tenure by helping to issue delimitation certificates, preparing land-use plans and building capacity to allow communities more control in land and natural resource planning.

Knowledge Exchanges

Knowledge exchanges broaden understanding, improve skills, and offer lessons from those with experience in similar fields. The ILM Portfolio has supported three knowledge exchanges, with more planned in the future. In May 2017, Mozambique and Brazil signed a Bank-supported MoU, to promote south-south cooperation and implement a series of field visits and training and coaching agreements for continued collaboration in sustainable rural development. Knowledge exchange examples include:

Malawi

2017: Representatives from FNDS and Provincial MITADER Directorates visited Malawi to learn about successful models of conservation agriculture, agroforestry systems and exploitation of non-timber forest resources.

Brazil

2015: Exchanged information and experiences on sustainable forest plantations.
2016: Discussed best practices and learned about community empowerment.
2017: South-South knowledge exchange to Bahia.

Mozambique

Country Director Mark Lundall at the MoU signing between Brazil, Mozambique and Bank. (Embassy of Brazil 2017)
Multi-Stakeholder Platforms for Sustainable Development

Stakeholder platforms provide opportunities for engagement, discussion of trade-offs and participatory decision-making amongst stakeholders. Supported by the ILM Portfolio, these platforms are the first of their kind in Mozambique and provide opportunity for government, civil society, private sector, academia and communities to sit together to discuss natural resource related issues. The outcome is a strong, common vision for land management.

“The Zambezia Platform assists in managing differing views and potential conflicts between actors. When the Platform organized a visit to Portucel’s plantation project area, it led to a better understanding of the company’s work in relation to surrounding communities, and involved discussions on the kind of market and technical assistance that Portucel can provide. The Platform has also facilitated a dialogue on illegal logging the Gile National Reserve.”

- Daniel Maula, President of RADEZA and co-founder of the Zambezia Platform

Matching Grants for Community Development

Together with ANAC, the Bank has developed a community-driven matching grants scheme, interlinking biodiversity conservation and forest management. Through this scheme, communities are actively involved in the identification, design and implementation of projects benefiting their livelihoods. Matching grants are accompanied programs designed to strengthen local sustainable natural resource management capacity (see: Improving Livelihoods into the Future on pg 44).
**Tools: Stakeholder Engagement and Finance Disbursement**

**Matching Grants and Partial Credit Guarantee Scheme**

With technical assistance, Small Emerging Commercial Farmers and Micro, Small and Medium Agribusiness Enterprises submit inclusive business plans to the FNDS for financing under a Matching Grants Scheme. The beneficiary then matches this financing through a combination of savings and resources from financial institutions. A Partial Credit Guarantee has been established to reduce the risks of financial institutions when engaging with the beneficiaries.

**Foundation for the Conservation of Biodiversity (BIOFUND)**

BIOFUND is a private foundation that manages both an endowment fund, generating a long-term stream of revenues to finance biodiversity conservation, and specific project funding. The Bank has contributed to the endowment fund (GEF funds), supports operational costs, and has recently started disbursing funds to conservation areas through the BIOFUND. The Bank expects to strengthen its work with the BIOFUND in the future.

**Performance-Based Grants for Small and Medium Landholders**

This innovative scheme will offer performance-based grants for plantation establishment and the restoration of priority zones within the beneficiary’s area. Payments will be paid retrospectively, if the work is carried out in accordance with the approved Forest Management Plans. To ensure success, the scheme will provide a range of practical training for small-medium growers.
Moving Forward

Improving Livelihoods for the Future

One year after the community driven matching grants scheme was launched, it is supporting projects in four of Mozambique’s Conservation Areas.

With more than 5,000 direct beneficiaries, the scheme is expected to reach 11,000 people across the country in the coming years.

In the Maputo Special Reserve, for example, the community grant projects will improve water access for people, livestock and horticulture, long after the Bank-supported projects have finished.

Leveraging the Power of the Knowledge Bank

The ILM Portfolio demonstrates how the World Bank Group acts as a knowledge bank for cross-sectoral cooperation and information sharing.

Working with the IFC to collaboratively address forest and landscape issues, for example, the ILM Portfolio has facilitated the piloting of public and private sector solutions for forest management, and identified successful business models for the community management of ecosystem services and production support schemes.

Furthermore, a partnership between the ILM Portfolio and the Bank’s Water and Transportation Practices has enabled critical solutions for linking forest landscapes to watershed management and irrigation, as well as expanding road networks to increase market access for farmers.

Integrated partnerships such as these are critical to successful and lasting forest and landscape management.

Moving forward, the ILM Portfolio will not only foster these existing relationships, but continue to look for further opportunities to share knowledge and collaborate with sectors both within and outside of the World Bank Group.

Opening ceremony of community projects in Maputo Special Reserve, which are implemented by Peace Parks Foundation and Joaquim Chissano Foundation with support from the Bank.
Delivering Transformational Change

Integrated landscape management activities under the ILM Portfolio are first piloted on a manageable landscape scale, to be sure of achieving concrete results on the ground, before being scaled-up and replicated in other areas.

Looking to the future, the ILM Portfolio plans to continue this landscape level approach, integrating management of the different stakeholders and geographies, and utilizing the selection of available tools, to implement fair and sustainable landscape management practices.

The challenges ahead will be to build and sustain a level of capacity that can implement and deliver these ambitious goals. With strong partnerships and a system of integrated management, Mozambique has great potential to continue to transform landscape and forest practices for the better, bringing economic growth and development across the rural regions, while protecting the country’s precious natural resources.

**GOAL:** Enhance the living conditions of communities through the sustainable use of forests and other natural resources.
Challenges

Although the ILM Portfolio has made great progress and seen many successes in strengthening Mozambique’s landscape and forest management, it has not been without its set backs. Through the implementation of the Portfolio’s work and activities, the Bank is actively addressing the following challenges:

Stakeholder engagement and participatory reform:

The Government needs to be careful when advancing politically sensitive agendas such as reforms in forest governance, addressing deeply entrenched issues of wildlife poaching, changes in land use planning, and the promotion of commercial reforestation. The Bank is helping ensure activities are inclusive of all stakeholders by assisting the Government with stakeholder consultations (with an emphasis on community consultations), facilitating buy-in schemes, and ensuring the development of reforms and activities are done peacefully and effectively in a participatory manner.
Technical and management capacity at a national and local scale:

The Government’s management and technical capacity has not increased at the same rate as the introduction of new funds and tools. Ongoing technical gaps and management capacity can lead to implementation delays in the short term. The Bank is addressing these challenges through its complementary technical assistance and support to Government entities and other key stakeholders.

Working with limited counterpart funding:

Mozambique’s current fiscal environment and limited financial resources poses sustainability issues and strong dependence on donors. This is exacerbated by the limited revenue currently generated by natural resources. However, it is hoped that revenue in areas such as nature-based tourism, private sector cooperation, and sustainable forest management will increase in the future.

Capturing lessons learned:

Risks are inevitable with innovative implementation models such as those used in the ILM Portfolio, making it critical to closely monitor implementation and interim results so investments can be adjusted as needed. To learn from past experiences and strengthen the implementation of future investments, the Bank is working to improve the collection of data and build monitoring capacity in the forest and landscape sector to ensure the continual capturing of “lessons learned”.