PROFOR

INNOVATION AND ACTION
FOR FORESTS

KNOW-HOW FOR
RESILIENT FOREST LANDSCAPES

2017 Annual Report

The Program on Forests (PROFOR) multidonor partnership, housed at the World Bank, generates innovative, cutting-edge knowledge and tools to advance sustainable management of forest resources for poverty reduction, economic growth, climate mitigation and adaptation, and conservation benefits.

FOREWORD

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Worldwide, forests are under mounting pressure largely due to changing land uses and variations in weather patterns induced by global warming. Increasingly, scientists warn that deforestation, forest degradation, extended droughts, forest fires and rising temperatures will push key biomes, such as the Amazon, to reach tipping points within the next 12-15 years, resulting in the collapse of vital services such as water and climate regulation. Thankfully there's reason for hope. Rebuilding resilient forest landscapes is possible if we double-down on our efforts to reverse deforestation and forest degradation.

This annual report on how PROFOR knowledge is informing resilient forest landscapes is thus timely. Through analytical work and evidence, PROFOR is responding to growing demand from governments for actionable information about how to maintain and build forest resilience, how and where to restore degraded forests, and how communities and economies can benefit from better forest management. This work informs implementation of the World Bank Group Forest Action Plan FY16-20 (FAP). The FAP, a five-year plan to help our client countries establish resilient and sustainable forest landscapes, also contributes to meeting the World Bank's corporate goals of reducing poverty and increasing shared prosperity in a sustainable manner.

Since the adoption of the FAP in 2016, World Bank commitments on forests have increased from US$1.8 billion (FY16) to US$2.3 billion (FY18). PROFOR has played a critical role in growing this portfolio through knowledge that shapes complex landscape programs, embeds forest-based solutions - what we call "forest-smart" approaches— in other sectors, and initiates engagement in key forest countries. In 2017 alone, PROFOR informed 89 World Bank operations and two government policies.

For example, in Mozambique, PROFOR analytical work contributed to a jurisdictional landscape program that leveraged a combination of financing tools, including climate finance. PROFOR support included a forest concession review, a forest governance assessment, identification of priority areas for restoration, and facilitation of knowledge-sharing across central and southern African countries that are home to the fragile Miombo woodlands. These assessments helped shape investments by the Forest Carbon Partnership Facility (FCPF), the Forest Investment Program (FIP), and the Dedicated Grant Mechanism, as well as more than US$80 million in International Development Association (IDA) investments in agriculture, natural resource landscape management, and biodiversity conservation operations.

Through its forest-smart programs, PROFOR is changing mindsets and non-forest sectors, such as infrastructure, transport and mining, are leading the implementation of forest-based solutions. In Haiti, where denuded mountain slopes have led to erosion upstream and extreme flooding downstream, PROFOR is helping to put in place a participatory watershed management planning process engaging with decision makers from the energy and agriculture sectors as well as communities to implement sustainable farming and charcoal production practices.

In Jamaica, for example, PROFOR is helping the government assess the economic value of coastal protection services provided by mangroves. These unique ecosystems effectively reduce the risks from natural disasters like hurricanes and floods by creating a buffer and reducing the force of waves. PROFOR analysis contributes to a community of practice within the Bank on nature-based infrastructure solutions, such as mangroves and coral reefs. The World Bank has more than 20 mangrove projects underway, initiated through various entry points such as disaster risk management, climate change, fisheries, agriculture and urban development.

Through its analytical work, PROFOR plays a critical role in opening dialogue with governments and other stakeholders on forests where the Bank has not been previously engaged or present for years. In Myanmar, a PROFOR forest sector assessment initiated a process for identifying opportunities for forest and mangrove restoration to help reduce ongoing conflict over natural resources and improve social inclusion. This work is informing the government's program for large-scale restoration and reforestation.

In 2017, an evaluation of PROFOR's work over the last five years found the portfolio to be impactful and cost-effective, influencing 71 World Bank operations and 18 national policies. Moreover, each $1 of PROFOR funding leveraged almost $70 of World Bank and other partners' funding. PROFOR's biggest impact areas are in forest governance, landscape restoration, forest-smart programs, and poverty interventions in forest areas.

I would like to take this opportunity to thank PROFOR donors for supporting the program and its effective portfolio. Your ongoing commitment to PROFOR is critical in our collective effort to build resilient forest landscapes. Empowered with knowledge and tools, we can continue to make a difference.

ABBREVIATIONS AND ACRONYMS

AFR   Africa

Bank   World Bank

CIFOR   Center for International Forest Research

CPF   Collaborative Partnership on Forests

CTNPF   close-to-nature planted forest

CY   calendar year

EAP   East Asia and Pacific

ECA   Europe and Central Asia

FAP   Forest Action Plan FY16–20

FIP   Forest Investment Program

FLEG   Forest Law Enforcement and Governance

FY   fiscal year

GDP   gross domestic product

HDD   Hidden Dimensions of Poverty (data set)

IUFRO   International Union of Forest Research Organizations

LCR   Latin America and the Caribbean region

LSMS   Living Standards Measurement Study

M&E   monitoring and evaluation

MNA   Middle East and North Africa

NDC   Nationally Determined Contribution

NTFP   non-timber forest product

PATS   Project Activity Tracking System Results

SAR   South Asia

SCF   Strategic Climate Fund

SFM   sustainable forest management

TF   trust fund

All dollar amounts are U.S. dollars unless otherwise indicated.

CONTENTS

WHY FOREST RESILIENCE?

Over half of agricultural land is moderately or severely degraded; every year, **more than 12 million hectares lose their productive uses.**
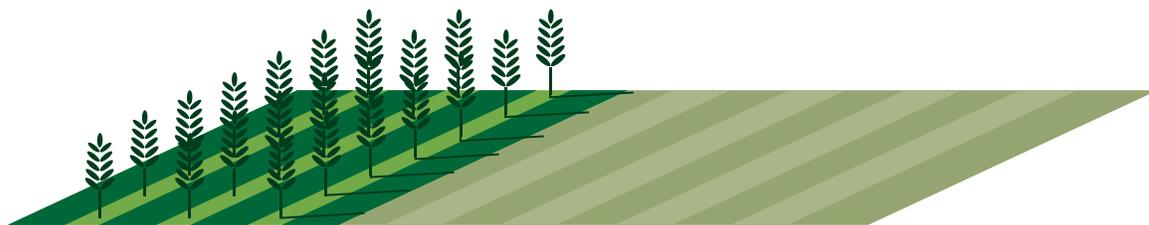
An estimated **350 million hectares have been deforested,** and another **500 million hectares** of secondary and primary tropical forests have been degraded.

Loss in forest cover affects **30% of the global poor**

30%

Declining or low ecosystem health affects **50% of global poor**

Forest resilience—"the ability of forest ecosystems to return to a pre-condition state following a disturbance, including maintaining its essential composition, structures, functions and process rates"[1]—is fundamental to the well-being of the people, economies, and ecosystems that depend on and are inextricably linked to forests.

Forests provide a critical carbon sink, absorbing nearly a third of fossil fuel emissions, with the potential to absorb even more. Unfortunately, forest resilience is challenged on many fronts: deforestation, degradation, fires, population growth, shifting consumption patterns, illegal logging, and climate change.

Recent findings underscore the threats forests face and the implications of those threats for people and the planet: tropical forests may be a net source of carbon emissions due to forest degradation reducing carbon in standing forests.[2] In 2016, global tree cover loss reached a record 29.7 million hectares, a 51 percent increase from 2015.[3] Forest and landscape degradation carry a heavy price tag, costing about 4 percent of gross domestic product (GDP) in Burundi, 2.5 percent of GDP in India,[4] and 5–10 percent of GDP in Ghana.[5] The impact on the poor is especially pronounced.

PROFOR's research in the Philippines reveals that certain rural communities derive 7 percent of their annual cash income from selling forest resources, and are heavily dependent on forest ecosystem services like water regulation and erosion control.

Maintaining and rebuilding forests' resilience is increasingly a priority for governments and the planet. PROFOR knowledge is helping to identify policies and practices that protect pristine forests, restore degraded forests, and promote the sustainable management of productive forests.

The World Bank Group's Forest Action Plan FY16–20 sets out how forests contribute to the World Bank Group goals of reducing poverty and increasing shared prosperity in a sustainable manner. The FAP identifies forests' role in bolstering resilience for ecosystems and rural economies

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1   Martin Scheffer (2009), *Critical Transitions in Nature and Society*, Princeton University Press.

2   Baccini, A. et al. (2017), "Tropical forests are a net carbon source based on abofeground measurements of gain and loss," Science (October): Vol. 358, Issue. 6360.

3   Weisse, Mikaela. "Global Tree Cover Loss Rose 51 Percent in 2016." World Resources Institute. October 23, 2017. http://www.wri. org/blog/2017/10/global-tree-cover-loss-rose-51-percent-2016

4   Malavika Vyawahare (2018), "Land Degradation Cost India 2.5% of Its GDP in 2014–15," *Hindustan Times* (Feb. 19). https://www. hindustantimes.com/environment/land-degradation-cost-india-2-5-of-its-gdp-in-2014-15/story-r5I0Kpv3qBJdeJw3PWsuHO.html.

5   Ghana News Agency (2014), "Environmental Degradation Costs Ghana 5–10% of GDP," Ghana Web (Oct. 13). https://www. ghanaweb.com/GhanaHomePage/NewsArchive/Environmental-degradation-costs-Ghana-5-10-of-GDP-330056.

and communities. In particular, the FAP highlights the importance of maintaining or restoring forest health to provide safety nets for vulnerable local communities and to build resilience to climate shocks.

In 2017, PROFOR's analytical work and programs in support of FAP implementation contributed to a better understanding of forest resilience and innovative approaches and tools to help understand the risks at hand, manage complex trade-offs, enable forest restoration, and strengthen forest governance. PROFOR knowledge helped governments to develop integrated landscape programs, identify forest-smart solutions, and advance Nationally Determined Contribution (NDC) programs.

In Brazil, PROFOR is sounding the alarm on some very worrying tipping points. Modeling of forest degradation, fires, droughts, and climate change trends, conducted in partnership with Brazilian universities, suggests that the Southern Amazon is at risk of losing its resilience to severe climatic events and human impacts. Within the next 15 years, this valuable ecosystem may reach a tipping point due to widespread fires and droughts as the global temperature warms another degree Celsius.

In Indonesia, PROFOR is assisting the government with a strategy and action plan to restore, manage, and develop lowland and peat areas prone to fire and haze. PROFOR-financed technical assistance focuses on assessing trade-offs linked to the development of lowland areas, including estimating subsidence of peat domes. Large peat areas are quickly subsiding, seriously affecting oil palm and forest plantations as they become susceptible to flooding.

In China, PROFOR is identifying best practices to help the country achieve its NDC commitment under the Paris Accord, which is to increase its forest stock volume by 4.5 billion cubic meters over 2005 levels. PROFOR is helping to integrate and mainstream best practices on biodiversity and social inclusion considerations into the multibillion-dollar forest restoration program.

This report provides more examples of how PROFOR is contributing to knowledge for resilient communities, ecosystems, and economies, and helping to equip governments to address the major challenges ahead.
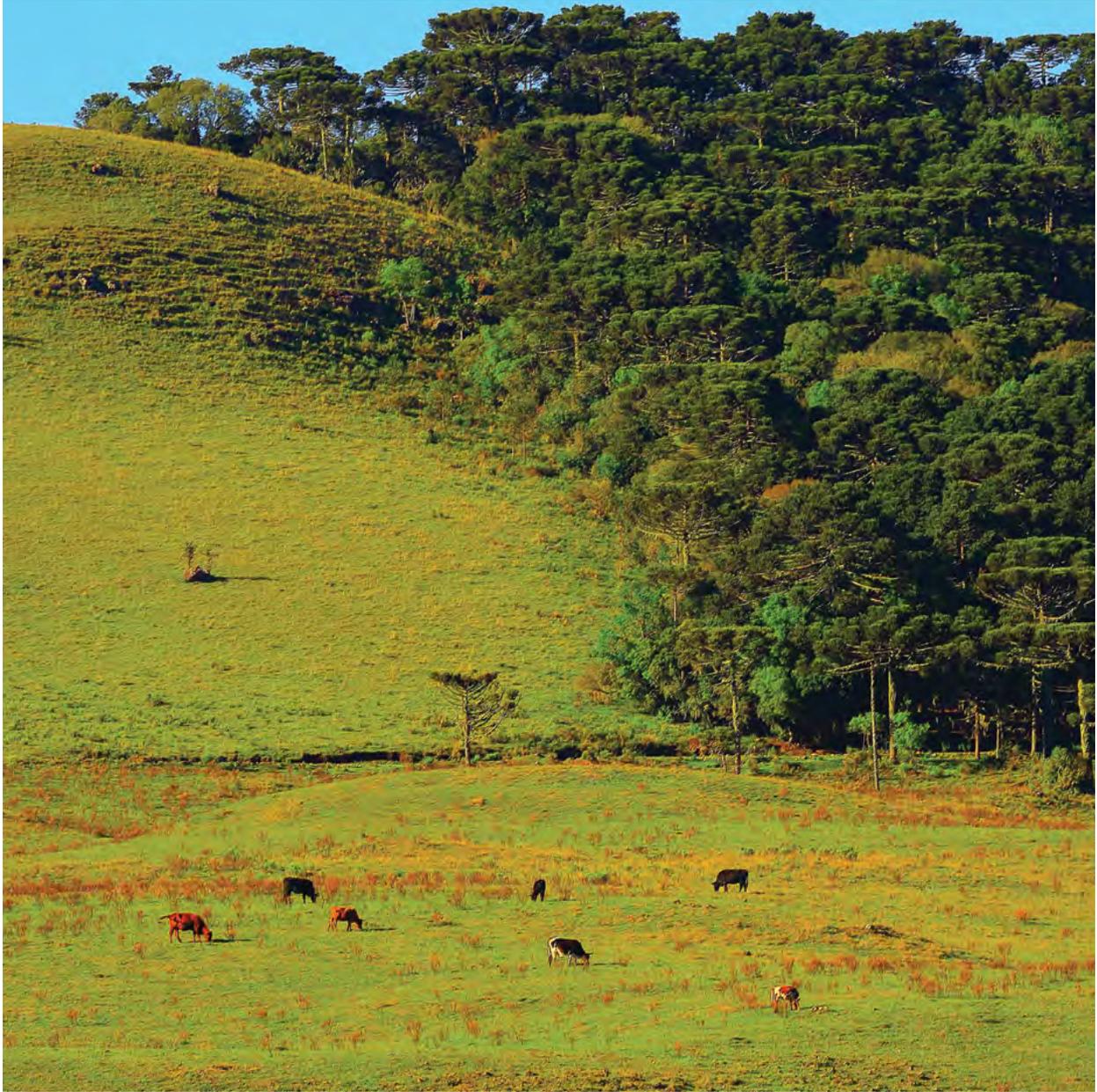
PROFOR IN 2017 BY THE NUMBERS

In 2017, PROFOR's portfolio consisted of 64 activities, 16 of which closed and 21 of which were new.

Disbursements and outstanding commitments in 2017 totaled $15.2 million. This is 16 percent higher than the 2016 level—and a record level for the program. This increase is consistent with the programmatic approach PROFOR adopted for cross-sectoral, forest-smart initiatives that are normally larger in volume. Administration, communications, and program management expenses remained constant compared with previous years, totaling $0.84 million (6 percent of disbursements and commitments).

The portfolio was implemented across the four PROFOR themes: governance, financing sustainable forest management, livelihoods, and cross-sectoral coordination (see figure 1). The portfolio reflected a slight decrease in volume from the previous year in activities related to cross-sectoral cooperation and an increase in tasks related to governance and financing sustainable forest management. Grouped by primary theme, there were 20 activities related to livelihoods, 19 related to cross-sectoral, 15 under governance, and 10 in the area of financing sustainable forest management (SFM).[6]

Geographically, activities implemented in the Latin America and the Caribbean region (LCR) region accounted for 16 percent of disbursements and commitments. Those carried out in East Asia and the Pacific (EAP) accounted for 12 percent, with the remaining activities spread across Africa (AFR), South Asia (SAR), Europe and Central Asia (ECA), and the Middle East and North Africa (MNA) (see figure 2). Multiregional or global activities accounted for 50 percent of disbursements and commitments—a slightly lower level than that of the previous year—indicating the continuing emphasis on programmatic activities focused on more than one region.

Figure 1. 2017 Commitments by Theme

- 24% Livelihoods
- 18% Governance
- 11% Financing SFM
- 47% Cross-sectoral
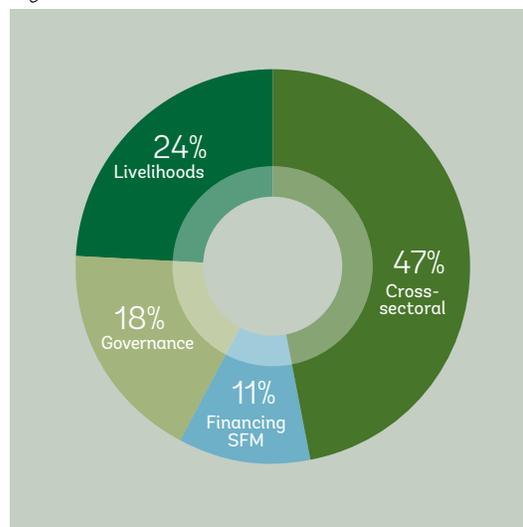
Figure 2. 2017 Commitments by Region

- 3% MNA
- 4% ECA
- 7% SAR
- 8% AFR
- 12% EAP
- 16% LCR
- 50% Multi-Region

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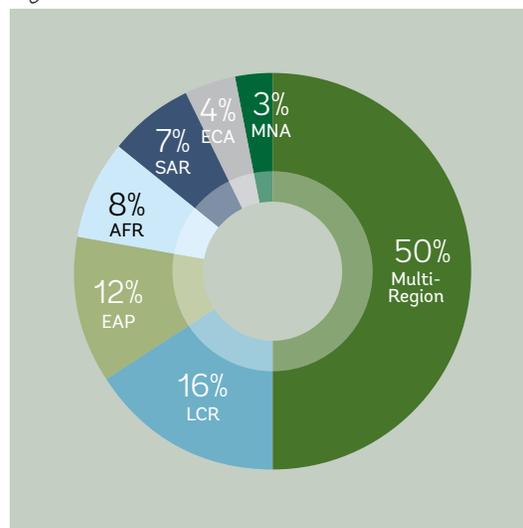
6   The activities are classified according to a primary affiliation with one of PROFOR's four thematic areas. However, activities frequently have elements that extend beyond the primary theme into one or more of the other themes.

RESILIENT FOREST COMMUNITIES

PROFOR is developing tools and approaches to strengthen the evidence base and better understand how good forest management contributes to the resilience of forest communities. The following are a few examples of this work.

UNDERSTANDING FORESTS AND POVERTY

Underpinning PROFOR's forest-smart program on poverty is the PRIME Framework, a new conceptualization of how to propel the forest-dependent poor onto a sustainable path toward prosperity. This approach has helped to clarify what is known about forests' contribution to poverty reduction, where the knowledge gaps lie, and how to systematically organize interventions around key interventions: productivity (P) of land and labor; community, household and women's rights (R) over forests and land; complementary investments (I) in institutions and public services integral to economic development; increase access to markets (M) for timber and/or non-timber forest products (NTFPs); and enhance and regulate ecosystem services (E) so that benefits accrue to the poor. PROFOR is going the extra mile to ensure this information is as accessible as possible to researchers and decision makers: it is available through a published journal article, "What Is the Evidence for the Contribution of Forests to Poverty Alleviation? A Systematic Map Protocol." as well as through an interactive e-book, "What Do We Know About Forests' Contribution to Poverty Alleviation?"

Other forest and poverty tools are demonstrating their usefulness at the country level. In Turkey, PROFOR funded a survey using the Living Standards Measurement Survey (LSMS) forest module to learn more about the socioeconomic status of forest villagers, their dependency on forest resources, and the factors leading to high levels of out-migration. The subsequent report recommends taking steps to diversify incomes, invest in value-added activities, and implement a national forestry inventory. In the follow-up, the PROFOR Forest-SWIFT tool, a high-frequency data collection method developed to provide timely, quick, and accurate data on poverty and forest dependence, is helping to track changes in these communities.

In Georgia, PROFOR supported an assessment of linkages between forest use, vulnerability to natural hazards, and household well-being, also using the LSMS approach. The

survey results from 950 households found that forests and forest products play a surprisingly important role for households' income when analyzed through *imputed* income, with almost half of participating households collecting or selling forest produce. For poor households, income from forests constituted roughly a third of their total income; for the non-poor, the share was only 2 percent. These findings will hopefully influence pro-poor policies that increase forest-based incomes.

Similar surveys will be undertaken in Armenia, Argentina, Liberia, and Tunisia where the tools are being adapted to national contexts. For instance, the Armenia activity will have a strong focus on fuelwood, livelihoods, and gender aspects, while the Argentina survey will have questions on forest tenure, market accessibility for forest products, and social inclusion. In Liberia, the LSMS forestry module will be rolled out to more than 3,000 households, and will yield information on household dependency on forests.
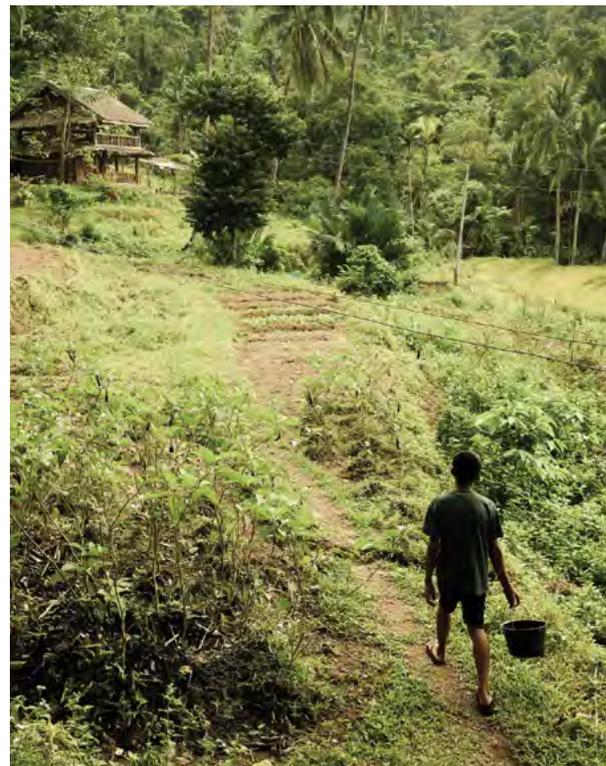
While there is a general understanding that many poor, rural communities depend directly on ecosystem services from forests, PROFOR's research is helping to make a clear economic case for policy makers. A study in the Philippines used natural capital accounting techniques to demonstrate how critical forests are to communities' resilience—and how much more costly it would be to provide water and erosion-control infrastructure if forests were lost.

In Cambodia, PROFOR's work includes an assessment of investment options for livelihoods, such as NTFPs and ecotourism, that strengthen community resilience, protect natural resources, and promote green growth. In a first-of-its-kind impact evaluation of Mexico's national payment for ecosystem services (PES) program, PROFOR-supported analysis confirmed that financial incentives can spur higher participation in forest management activities and build greater community social capital.

FORESTS AND POVERTY IN SUB-SAHARAN AFRICA

In Sub-Saharan Africa, PROFOR is supporting a geospatial analysis or forestry and poverty issues based on the forthcoming Hidden Dimensions of Poverty data set (HDD), which contains district level data for global environment and natural resource indicators, geographical variables, monetary and asset-based poverty measures, and measures closely correlated with poverty, such as children's health and GDP. The analysis created poverty-environment maps for 30 African countries, which are helping to raise attention about forest-poverty interactions and trends and identify priority locations and issues for deeper analysis. Moreover, this mapping work is helping to inform national efforts to move from conditions of degraded landscapes with low productivity and high poverty to a state with better productivity, sustainable livelihoods, and more equitable sharing of benefits. The results of the spatial analysis have been integrated and used in the preparation

of several analytical country strategies in Africa, including the Central African Republic, Ghana, Kenya, Liberia, Senegal, and Somalia.

Early findings from the forthcoming *Hidden Dimensions of Poverty* publication provide insights into the relationship between poverty and degraded lands and forests and the importance of pro-poor growth. At least 100 million people live in locations where both the environment is severely degraded and poverty has either stagnated at 30% or risen beyond that. There is a positive correlation between pro-poor development and environmental sustainability; development that doubles the speed of poverty reduction slows deforestation by 24 percent and slows carbon emissions by 35 percent.

GENDER INCLUSION FROM DESIGN TO DELIVERY

Only by supporting all forest stakeholders can communities truly become more resilient to development challenges, including a changing climate. PROFOR's gender program facilitates the inclusion and implementation of clear, gender-related objectives and actions in forest landscape projects from the design stage. To do this, PROFOR provides a range of resources and tools aimed at aiding forest project and program developers to be more gender-responsive. These include a practical brief with suggestions on potential gender-targeted actions and indicators, along with a guidance note describing the types of gender-responsive activities and actions for reaching, benefiting, and empowering women in forest-related projects and investments. These resources were used in the recent design of Côte d'Ivoire's

Forest Investment Program, funded by the Strategic Climate Fund (SCF) under the Climate Investment Funds (CIF). It is unique in being one of the first large forest operations that explicitly includes targets and budgeted actions aimed at addressing gender gaps, identified as opportunities for improving the impacts of the project.

SECURING FOREST TENURE RIGHTS

Secure tenure is widely recognized as an essential foundation for achieving a range of rural economic development goals. Forest tenure rights, especially those of traditional communities through communal rights, have long been recognized as critical for forest conservation and sustainable forest management. They are also essential for forest restoration. However, the importance of tenure is underestimated and remains insecure across forest areas in many low- and middle-income countries, undermining development objectives and creating risks of negative impacts on communities. PROFOR's work in this area is geared toward raising awareness and guiding governments, project teams, decision makers, and civil society in addressing forest tenure challenges at the outset, so that project outcomes are not negatively affected.

A new analytical framework is being collaboratively developed with a range of forest landscape actors, who will be able to use the framework to design interventions that more effectively understand and identify pathways to define the bundle of rights around forest tenure and rights, thus enhancing the impacts of their projects and programs.

RESILIENT FOREST ECOSYSTEMS

Resilient forest ecosystems bounce back from stresses such as fires, droughts, and floods; provide a carbon sink essential to managing our global climate; and offer habitat for biodiversity.

However, forest loss and degradation beyond the operational carrying capacity—a threshold for biomass harvesting that, once crossed, impacts resource renewability and forest ecosystem services—undermine forests' resilience. PROFOR knowledge supports forest restoration actions, climate mitigation goals, and fire management initiatives, with the goal of rebuilding forest resilience.

FOREST RESTORATION

By investing in commercial reforestation, Colombia has the opportunity to boost all-around resilience. A PROFOR study highlights that, with sufficient investment in reforestation, Colombia can create thousands of permanent jobs, support the local forestry sector, reduce pressures on natural forests, and contribute to national climate change goals.

In Latin America, PROFOR advanced understanding of how close-to-nature planted forests (CTNPFs) can provide economic, environmental, and social benefits. An analysis of six CTNPF cases identified best practices that were shared with policy makers in Argentina, Brazil, Ecuador, and Paraguay. These findings were incorporated into the $90 million Poverty, Reforestation, Energy, and Climate Change (PROEZA) project in Paraguay, which is financed nationally and by the Green Climate Fund.

In Brazil, PROFOR is helping to assess the economic viability of native forest species plantations in the state of São Paulo. Such plantations have the potential to restore degraded pasture, offset illegally sourced timber from the Amazon, and improve the livelihoods of small farmers. To date, the analytical work has confirmed that there is potential for a large market for wood products from native trees in Southern Brazil, given certain prerequisites: (i) a clear legal framework to assure farmers that timber can be used commercially, and (ii)

adequate financing arrangements. In addition, PROFOR is assessing knowledge gaps for restoration activities at a national level along the timber value chain. This work is informing a strategy for the Brazilian Coalition on Climate, Forests and Agriculture, a multisector partnership between hundreds of private and public entities, to reach the national restoration targets.

In Mozambique, where the government has committed to restoring 1 million hectares of deforested and degraded area by 2030, PROFOR applied the Restoration Opportunities Assessment Methodology (ROAM) to determine priority areas for forest restoration at the district level, calculate costs and benefits, and consider finance and investment options. Such tools enable decision makers to make informed choices that build—rather than undermine—resilience through policies that restore degraded lands to productive use and avoid degrading intact forests.

CLIMATE CHANGE

All Central American countries have identified forestry as a key sector in their NDCs. PROFOR is helping these countries deliver on their commitments through support for regional dialogue, institutional capacity building, and developing implementation plans and associated monitoring systems.

The Mexico Low-Carbon Rural Development activity is providing an in-depth analysis of national land use programs and expenditure reviews, helping to advance the government's ambitious plan to integrate forest and agricultural programs, transforming forestry into a competitive and socially inclusive sector that boosts the rural economy.

PROFOR's analytical work on the impact of climate change on forest and rangeland ecosystems in the Middle East and North Africa helped to improve the awareness of policy makers. It also engaged different stakeholders in the climate debate in the lead up to the United Nations Framework Convention on Climate Change COP-22 in Marrakech.

FIRE MANAGEMENT

Addressing forest fires requires an understanding of the range of activities and drivers that are causing fires to occur more frequently and with more intensity, and of the financial and ecological impacts. This knowledge is essential to identifying priorities for restoring forests lost to fires.

In India, PROFOR convened an international workshop on best practices in forest fire prevention and management practices in November 2017. The workshop identified relevant lessons from experience in several countries as well as recommendations on a potential national action plan to address forest fire issues in India. Sessions covered a wide range of topics, including early warning and forecasting systems, forest fire prevention, forest fire response and suppression, institutional coordination, and forest fire impacts.

As noted in the earlier section "Why Forest Resilience?," PROFOR partnered with universities in Brazil to model the impacts of forest degradation, fires, droughts, and climate change trends in the Southern Amazon. The analysis identified a range of practical policy recommendations for preventing and combating forest

fires and better managing the Amazon's agricultural frontier. Recommendations include better planning of land use to protect intact forests while allowing commercial activities to take place; incentives to encourage agriculture practices that lower the risk for wildfires; and investment in fighting forest fires. These findings have been shared through regional workshops, and further dissemination is planned in Brazil and internationally.

Increases in forest fires due to climate change are a global threat; only by working across countries and sectors will it be possible to achieve resilience and restoration goals. As a first step to inform action on forest fires, PROFOR is teaming up with the International Union of Forest Research Organizations (IUFRO) to establish a state of knowledge on forest fire issues, including priorities, threats, baselines, and possible management options and large-scale solutions.

RESILIENT FOREST ECONOMIES

Forests underpin resilient economies through the many services they deliver to other sectors, such as erosion runoff prevention for hydropower in the energy sector, soil fertilization for agriculture, and protection of roads from landslides in the transport sector.

PROFOR's forest-smart programs are changing mind-sets within the World Bank and client countries about how forests contribute to other sectors and the role they play in sustaining and growing economies.

FOREST-SMART APPROACHES

Through the Leveraging Agricultural Value Chains to Enhance Tropical Tree Cover and Slow Deforestation (LEAVES) program, PROFOR is improving understanding of how agricultural value chains can play a positive role in tropical forest conservation and tree cover restoration. The program is identifying how the public sector can (i) enable agricultural value chains on the tropical forest frontier to become part of the REDD+ solution, especially for commodities such as beef, soy, and palm oil; and (ii) how policies can support improved practices that reduce deforestation and integrate forests into value chains through silvo-pastoral and agroforestry systems, agriculture intensification, and financial incentives. In addition, the program is assessing approaches for adding value to commodity production and improving the livelihoods of women and the poor. Specifically, the program aims to promote adoption of shade trees in cacao and coffee plantations and improve management of shea agroforest parklands. Findings from this program are being incorporated into national dialogues and project design, and a synthesis report of findings is forthcoming in 2018.

Although mining is linked to far less global deforestation than sectors such as agriculture, PROFOR analysis finds that there is a significant area of overlap between mining areas and forests. Extractive Industries in Forest Landscapes: Balancing the Trade-offs and Maximizing the Benefits is bringing together the latest knowledge on how large-scale and artisanal mining activities affect forests. Impacts frequently occur due to land speculation before mining activities even begin, or due to in-migration that continues after mining activities end. The program is identifying best practices and policy recommendations for minimizing mining impacts on ecosystems that will

help create a better understanding of the real risks and solutions within private mining companies and host country governments.

PROFOR's program on Harnessing Forests for Nature-Based Solutions to Disaster Risk Management is improving know-how, for example, through the publication of *Implementing Nature-based Flood Protection: Principles and Implementation Guidance.* In Sri Lanka, PROFOR is supporting the government in piloting and potentially scaling up the use of forest-based solutions for landslide risk management, through a capacity building program that includes training, a study tour, and a South-South knowledge exchange, and the assessment of legal, institutional, and regulatory frameworks for forest-based landslide risk management. In Mozambique, PROFOR is also supporting the assessment of urban flood risks and the role of nature-based infrastructure to protect urban communities.

The Mainstreaming Wood and Forests to Help Deliver Energy Access for All program is helping to advance sustainable renewable energy by strengthening evidence and understanding of how to manage the interlinkages between energy production and sustainable forest management. In Indonesia, there is tremendous potential for tapping geothermal energy; however, most geothermal hot spots are in, or close to, forest protection areas. A PROFOR analysis assessed a regulation that would allow geothermal exploration while promoting

social and environmental best practices. The analysis found that for every 100 megawatts of geothermal power produced, it is typically necessary to build about 10 kilometers of project roads, impacting an estimated 10 square kilometers of forest through activities like hunting, illegal logging, and setting fires. Mitigating activities were identified, such as avoiding projects that require roads into deep forest areas; setting standards that keep road widths to a minimum and provide crossing culverts for animals; clarifying indigenous land rights and other tenure claims; biodiversity offset mechanisms; and consultation processes with communities early on so that they understand the implications of a project and can voice their opinions. Based on the analysis, PROFOR created a simple tool that can help policy makers understand various trade-offs, adjust implementation mechanisms of the regulation, and guide power projects toward areas with the lowest social and environmental costs. For instance, most geothermal energy capacity is located in forest protection areas that have already been deforested, suggesting that it is feasible to design smart policies that take advantage of Indonesia's green energy potential without significant additional impacts to its forests.

UPSTREAM SPATIAL PLANNING

The Mozambique Forest Sector Review activity supports Mozambique's forest reforms, which include financial assessments of forest concessions, subnational governance assessments, and identification of options for restoration of critical forest landscapes. This holistic approach to landscape planning at the national and subnational levels has helped identify specific needs for investment through forest landscape programs.

In Haiti, a Participatory Watershed Management Planning activity is bringing stakeholders together to set collective priorities and adopt sustainable land use practices such as agroforestry and expanded tree cover on fragile slopes by linking livelihood pursuits with improved protection of the environment.

In Mozambique and Madagascar, PROFOR is using a dynamic spatial data set to help estimate the capacity of a landscape to deliver services such as food provisioning, carbon storage, and erosion control, while

also providing a baseline measure of land degradation to ensure long-term resilience.

FOREST GOVERNANCE

PROFOR's governance program takes a forest-smart approach to good governance, working with countries to improve cross-sectoral coordination, accountability and transparency, participation, government effectiveness, and improved recognition of the value of forests to the economy. PROFOR is collaborating with World Bank Global Practices on comprehensive solutions to address illegality, organized crime, and corruption in the land and forest sectors. The program is addressing information gaps and identifying demand-side measures and enabling factors that exacerbate the problem not only in forestry but also across natural resources sectors like fisheries and wildlife.

The lack of coherent fiscal and tax incentives and revenue management is seen as a major knowledge gap for sustainable forest management. Several experiences demonstrate that environmental performance can be improved when coherent fiscal and private incentives are adopted. PROFOR is collaborating with World Bank teams to look into such incentive mechanisms, better revenue management and fiscal distribution mechanisms, and determine which measures can be replicated and scaled up to support sustainable forest management.

In addition, specific analytical activities focus on public financial management and domestic resource mobilization, civil service reforms, and smart regulations

for private sector participation. The partnership is focused on producing joint analytical products that are field-tested in pilot countries at the jurisdictional level and able to be brought to scale in all relevant jurisdictions where the Bank works with governments.

PROFOR's collaborative initiative on Forest Governance Monitoring and Assessment continues to support countries through multi-stakeholder engagement to diagnose high-priority governance problems and identify consensus-based solutions. PROFOR is adopting innovative methods to tailor its forest governance tool to changing scenarios and broader landscapes. For example, the tool was adapted in Afghanistan in the context of the country's Natural Resource Management Strategy to inform upcoming investments and climate finance. It was also applied in Mozambique at a subnational level, where it informed priorities in Mozambique's FIP and identified specific performance indicators on forest governance. The tool was also applied in Côte d'Ivoire in the context of its REDD+ programs.

VALUING NATURAL CAPITAL

More broadly, there are shifts under way in terms of how we think of economic growth and implications for sustainable development and resilient economies. The World Bank recently launched the latest *Changing Wealth of Nations* report, with new findings and extensive data on the importance of measuring natural and human capital. The main conclusion is that GDP measures income flows generated from a variety of assets—human capital, produced capital, and natural capital—but it provides no assessment of the health and long-term prospects of economies. Just as no business would operate without both a balance sheet and an income statement, national economies should account for their use of different types of wealth, to complement GDP and better plan for a sustainable future. To support this twinning of balance sheets and income statements, PROFOR has carried out analytical work on natural capital accounting for forest products, as well as for ecosystem services in the Philippines, and will continue to incorporate natural capital considerations in its portfolio.

ASSESSING PROFOR'S IMPACT

IN 2017, PROFOR ASSESSED 52 COMPLETED AND ONGOING ACTIVITIES, AND FOUND THAT THESE ACTIVITIES:

Produced **131** knowledge products;

Included gender-specific data in at least **29** (**22** percent) instances;

Supported more than **251** engagement processes/events (with **3,476** direct participants; on average, **20** percent of participants were women);

Influenced **89** World Bank operations;

Informed **two** national policy reforms; and

Exceeded expectations for knowledge uptake in **53** percent of instances.

Assessing PROFOR's Impact

In 2015, PROFOR introduced a new monitoring and evaluation (M&E) system that is simple yet robust. The approach is based on a clear Theory of Change and informs the pipeline, guides development of activities and concept notes, and is used in documenting and tracking uptake and influence of PROFOR work. From project design to project closure, the system helps ensure PROFOR's activities and programs are conceptualized and delivered with client needs at the forefront. Concretely, all concept notes, progress reports, and completion reports do include articulation of uptake pathways and audience engagement in activity design and delivery. PROFOR's Project Activity Tracking System (PATS) captures and aggregates outputs, reach, and influence generated by activities. It also evaluates performance for completed activities to verify if objectives have been met.

The M&E system is proving to be an effective tool for informing the design of PROFOR activities and tracking and documenting PROFOR's impact. Table 1 shows the PATS findings across three years. Clear and early articulation of a Theory of Change, uptake pathways, and target audiences appears to be helping to ensure that the "know-how" PROFOR generates is taken up and thus able to shape resilient forest landscapes.

Since the adoption of the new M&E system, PROFOR activities have yielded an increase in knowledge products and engagement processes and a stronger focus on gender. Influence on Bank operations remains strong with approximately 1.5–2 operations influenced per activity for 2015 and 2016. The large number of World Bank operations influenced in 2017 is mainly due to two activities: Catalyzing Gender (15 operations) and Forests, Resources, and Poverty in Sub-Saharan Africa: Geospatial Analysis for Planning and Improved Decision Making (37 operations). Influence on national forest policies remains stable with approximately two per year. However, over time the number of policies influenced is likely greater when looking beyond the time horizon covered by the PROFOR reporting cycle. The KNOWFOR evaluation completed in 2017 identified a strong level of influence one to two years after activity completion when findings and recommendations had time to mature and be incorporated in the process of policy formulation. This was shown using a deep dive, and it was especially clear with regards to the activity on watersheds in India and the activity for the Oasis development plans in Tunisia. The assessment of whether activities exceed expectations shows a declining trend that reflects increasing rigor in the Theory of Change, which increases expectations, thereby making it more difficult to exceed expectations, and a more exacting evaluation of uptake expectations.

Table 1. Summary of PATS from 2015, 2016, and 2017

ITEMS / NUMBER	2015 (N=55, 35 ONGOING AND 20 COMPLETED)	2016 (N=37, 24 ONGOING AND 13 COMPLETED)	2017 (N=52[1], 36 ONGOING AND 16 COMPLETED)
Knowledge products (with gender-specific data)	117 (n.d.)	121 (18)	144 (29)
Engagement processes and direct participants (of which women)	95 11,138 (n.d.)	133 3,581 (24%)	252 3,526[2] (29%)
Bank operations influenced	30	26	89[3]
National policy reforms influenced	2	4	2
Share of activities that exceed expectations for knowledge uptake	71%	58%	53%

Note: n.d.= no data.

PROFOR EVALUATION 2012–2017

The evaluation of PROFOR during the period 2012–2017 was completed in September 2017. The evaluation found PROFOR's portfolio to be impactful—influencing 71 World Bank operations and 18 national policies—as well as cost-effective, with $1 of PROFOR funding leveraging almost $70 in World Bank and other partner funding. In addition, out of the 437 knowledge products completed during this time, at least 37 (almost 9 percent) of the products included gender-specific data. PROFOR also supported more than 333 engagement processes/events with 12,289 direct participants, of which 13 percent were women. The following key lessons emerged from the evaluation:

- A rigorous and well-articulated theory of change, applied at the beginning of each activity, is crucial to tracing the pathways from outputs to outcomes and impacts and, therefore, to maximizing the translation of knowledge into action.

- Customizing knowledge products to the needs of a selected group of policy makers and practitioners, and integrating a communications strategy into each activity, maximizes the probability of impacts.

- Timing the delivery of an activity to line up with the needs of the client and of an operation is key to maximizing uptake, investments, and actions.

- The role of "champions" is important in helping address bottlenecks and building momentum for change.

- Careful incorporation of gender-transformative interventions into activities, to address equity and social justice aspects of development, needs to be strengthened.

- Communication and dissemination activities need to be planned and budgeted up front, to facilitate uptake and improve impacts.

The evaluation was conducted as part of the KNOWFOR partnership between PROFOR, the Center for International Forest Research (CIFOR), and the International Union for Conservation of Nature (IUCN). It was a partner-led process where focal points from each partner helped devise and conduct most of the evaluation activities. This innovative process was complemented by an independent quality assurance process, and yielded better documentation of program impacts, greater staff ownership of the results, and increased willingness to apply lessons learned.

COMMUNICATIONS AND KNOWLEDGE MANAGEMENT

In 2017, PROFOR shared its knowledge, tools, and analysis through a wide range of channels, including local, regional, and global events, social media, and online feature stories.

PROFOR produced 131 knowledge products and supported more than 251 engagement processes with 3,500 direct participants and more people reached via online engagement.

GLOBAL, REGIONAL, AND NATIONAL ENGAGEMENT HIGHLIGHTS

In April 2017, PROFOR participated in a workshop in Delft, the Netherlands, coorganized with Deltares, the World Bank, the United Nations Development Programme (UNDP), and others on scaling up nature-based flood risk reduction. The meeting resulted in guidelines for the effective implementation of green and hybrid solutions to reduce flood risk in urban, riverine, and coastal settings. In addition, participants developed an online partnership web platform.

In June, the New Generation Plantations (NGP) Platform, co-hosted by WWF and the U.K. Forestry Commission, convened in London and Edinburgh to discuss adapting to climate change and increasing the resilience of our landscapes. PROFOR joined the event to share some perspectives on financing landscape restoration.

In August, the Society for Ecological Restoration (SER) hosted its seventh biennial World Conference in Foz do Iguaçu, Paraná, Brazil, in partnership with the Brazilian Society for Ecological Restoration (SOBRE) and the Ibero-American and Caribbean Society for Ecological Restoration (SIACRE). Participants represented an array of sectors with a wide range of professional expertise in the natural and social sciences, landscape architecture, environmental engineering, urban and regional planning, and public policy, among others. PROFOR participated to share recent research related to landscape restoration and forest tenure rights. Following the event, Joaquim Levy, World Bank Group Managing Director and Chief Financial Officer, posted a blog entitled "Ecological

Restoration, Critical for Poverty" that details the importance of ecological restoration for the most vulnerable communities.

In September, PROFOR joined the IUFRO 125th Anniversary Congress, participating in the opening panels and discussing the need for more poverty and economic data on forests at a country level, to support forest economies and natural capital accounting. Filling knowledge gaps about forest-smart solutions, cross-sectoral analytics, and resilient forest and agroforestry systems was identified as an urgent priority. Later that month, PROFOR joined the FLARE Annual Meeting 2017 to present the Forest-SWIFT tool and findings from its application in Turkey. As explored in the feature story, "New Tool to Deliver Swifter, Better Data on Forests-Poverty Linkages," the Forest-SWIFT tool facilitates data gathering to track and understand poverty and forest dependence.

In October, as part of the Conference on Community Land and Resource Rights series, the *Reducing Inequality in a Turbulent World* event in Stockholm, Sweden, focused on scaling up strategies to secure indigenous, community, and women's land rights. Alongside the event, PROFOR held a meeting to introduce its knowledge program on Securing Forest Tenure Rights for Rural Development. More details about this activity can be found in the feature story "Resolving Forest Tenure Is Key to Promoting Sustainable Development and Human Rights" and blog posting "Land Tenure for Forest Peoples, Part of the Solution for Sustainable Development."

In December, PROFOR participated in the Global Landscapes Forum in Bonn, Germany. Together with the World Bank, PROFOR organized a discussion forum on forest-smart solutions in the mining, disaster risk management, energy, and government sectors. PROFOR also coorganized an interactive gender-forests event with CIFOR in Bonn, highlighting innovative gender actions being taken by strategic partners in many countries.

PUBLICATIONS
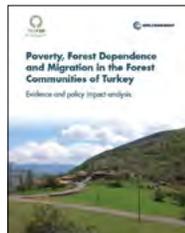
Poverty, Forest Dependence and Migration in the Forest Communities of Turkey: Evidence and Policy Impact Analysis

This report summarizes findings from an LSMS survey implemented in Turkey to better understand the socioeconomic conditions of forest village populations, as well as income-generating opportunities, forest use and management practices, migration, and the activities of forest development programs and cooperatives. The report highlights the main challenges to improving village livelihoods and forest management and provides much-needed evidence for informing the design and implementation of forest community development programs.
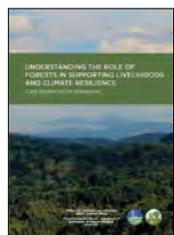
Understanding the Role of Forests in Supporting Livelihoods and Climate Resilience

With two-thirds of the Philippines' poor living in rural areas and relying heavily on natural resources for their livelihoods and subsistence, healthy forests are a natural, low-cost adaptation strategy against the impacts of climate change and a vital asset to income and wealth generation. This study looks at how forest ecosystems enhance people's resilience to climate impacts, and how forest ecosystems support livelihood development for the poor. It recommends incorporating ecosystem services modeling and valuation, as well as forest use analysis and scenarios, into land use planning and management.
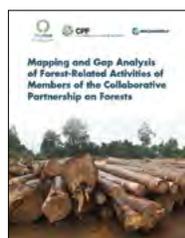
Mapping and Gap Analysis of Forest-Related Activities of Members of the Collaborative Partnership on Forests (CPF)

This report summarizes an expanded account of forest-related activities by CPF members. The study has three main objectives: (1) to review and map out areas of ongoing and planned forest-related work by the CPF and its members; (2) to identify possible gaps in CPF analytical and technical activities; and (3) to recommend priority areas for CPF members to maximize their contribution to the UN Strategic Plan for Forests (UNSPF) 2017–2030 and its Quadrennial Program of Work 2017–2020.

Securing Forest Tenure Rights for Rural Development: Lessons from Six Countries in Latin America

Ensuring land tenure in rural landscapes is widely recognized as essential for achieving many economic development goals. However, forest tenure rights can be challenging to enforce, and forest people are often among the poorest and most politically marginalized communities in their countries. This study reviews the progress of tenure reforms in six Latin American countries (Argentina, Colombia, El Salvador, Honduras, Nicaragua, and Peru), and draws out lessons that may help advance forest tenure initiatives elsewhere. The target audiences are policy makers, civil society organizations, and World Bank project leaders.

Annotated Bibliography of Key Papers with a Focus on Gender and Forest Landscapes

This annotated bibliography summarizes relatively recent and helpful evidence on the intersection of gender and forests (broadly defined to include landscapes with forests and agroforestry). It aims to be useful to, and save the time and effort of, project designers, researchers, development practitioners, and others with an interest in understanding the issues related to forests and gender.
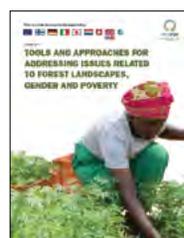
Tools and Approaches for Addressing Issues Related to Forest Landscapes, Gender and Poverty

This guide describes a range of tools and approaches applicable to project designers, researchers, development practitioners, and others with an interest in understanding the issues related to, and the links between, forests, poverty, and gender.

Promoting Sustainable Natural Forest Management in Mozambique

This brief summarizes the findings of a financial analysis of Mozambique's natural forest management sector. The study looks at the impact of various forest management practices for timber and other products on financial performance. The results show that combining practices can deliver greater net revenues as well as other benefits. The brief includes recommendations for improving

the economic viability of forest operations, which feed into the ongoing dialogue of forest concession reforms.

Current State and Potential for Commercial Reforestation in Colombia
This report was developed at the request of the Colombian Ministry of Agriculture and the National Planning Department; it was launched in Bogotá on September 25, 2017. Three key findings stand out: forestry's total contribution to Colombia's national GDP has dropped from 1.4 percent in 2005 to 1.1 percent in 2014; the consumption of wood products has increased steadily, but this has not resulted in an increase of national added value in forestry and primary processing; and the increased demand for wood products has largely been met by imports, not Colombian industries. The full report is available in Spanish along with summaries in Spanish and English.

Évaluation de la gouvernance forestière
The French translation of Assessing Forest Governance: A Practical Guide to Data Collection, Analysis and Use is now available.

"In Brief: Gender in Forest Landscape Projects—Actions and Indicators"
This four-page brief shares practical suggestions on potential gender-responsive activities and indicators to measure progress toward gender outcomes that World Bank Group clients and project teams could include in their forest landscape projects, programs and investments.

Forest-Smart Briefs
PROFOR is translating the forest-smart approach into action for improved food security, job creation, resilience, and climate change mitigation and adaptation. Led by experts from sectors that historically have had adverse impacts on forests, the programs are changing mind-sets and practices by demonstrating how forests can be a viable and desirable component of investments in those sectors. A set of briefs highlights how PROFOR is bringing the forest-smart approach to agricultural value chains, disaster risk

management, sustainable and accessible energy, extractive industries, poverty, forest tenure, gender, and governance.

PARTNER PUBLICATIONS

"Harnessing the Potential of Private Sector Engagement in Productive Forests for Green Growth"
This policy brief, produced by the Climate Investment Funds and the World Bank and supported by PROFOR, shows how sustainably harvesting wood products can help meet growing demand while providing jobs, mitigating climate change, and conserving primary forests. Read more about it in this feature story in a PROFOR feature story, "How Productive Forests Can Help Foster Green Growth and Mitigate Climate Change."
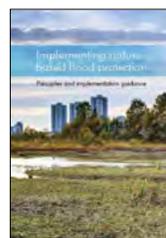
Implementing Nature-based Flood Protection: Principles and Implementation Guidance
This document—developed in cooperation with numerous international funding agencies, research institutes, NGOs, governmental organizations, and engineering firms—presents five principles to consider when planning nature-based solutions, as well as implementation guidance.

E-LEARNING COURSES

In partnership with the World Bank Open Learning Campus, PROFOR offered three e-learning courses in 2017: Forest Governance Assessment and Monitoring; Innovative, Multi-sector Solutions to Help Small and Medium Enterprises (SMEs) in the Forest Sector Thrive; and Landscapes Approach 101.

METRICS

PROFOR's online engagement grows steadily, reaching nearly 5,000 Twitter followers and 1,900 Facebook fans at the end of 2017. The PROFOR website saw nearly 15,500 visitors—an increase of one third compared to 2016, which points to the effectiveness of PROFOR's redesigned website.

FINANCIAL OVERVIEW AND ADMINISTRATION

In 2017, PROFOR's disbursements and outstanding commitments reached a record level for the program of $15.2 million, which is 16 percent higher than the 2016 levels. Actual disbursements totaled $5.3 million (27 percent higher than in 2016) and commitments reached $9.8 million.

In total, the PROFOR portfolio consisted of 64 projects (compared with 55 in 2016) with 48 under way. PROFOR initiated 21 new activities. Sixteen activities were brought to closure during 2017; 12 were closed the previous year. (See table 2 for actual 2017 expenditures and commitments.) Disbursements and commitments under regional-specific activities totaled $7.1 million (28 percent higher than the previous year), and multiregional and global activities totaled $7.2 million (the similar level as 2016), reflecting, in general, the slight shift to regional-specific projects while keeping a focus on programmatic multiregional clustered activities. (See table 3 for expenditures by thematic areas.)

Donor commitments agreed prior to 2017 were paid in during the year from the United Kingdom for $3.2 million. Pending donor commitments are summarized in table 4.

PROFOR activities continue to generate significant co-financing through partnerships. For every dollar committed to a PROFOR activity implemented during 2017, an additional 73 cents or more is generated in co-financing. In reality, the level of co-financing is higher, but it has been difficult to estimate this because cash and in-kind costs covered through partnerships and by other funders were not fully reported to PROFOR for several activities.

Administration, communications, and program management expenses held relatively constant with previous years, at $0.84 million (6 percent of disbursements and commitments). Program management includes portfolio development and monitoring, communications activities, M&E (including the Impact Evaluation), financial management, gender (at program management level), and other costs incurred by the Secretariat. (See table 5 for actual costs by expense items.)

Table 2. PROFOR Financial Report, as of December 31, 2017

PROFOR FINANCIAL REPORT As of December 31, 2017			
	CY2002–2015	**ACTUAL CY2016**	**CY2017**
Trust Fund Income[a]			
PROFOR Paid-in Contribution	44,745,072	3.085,200	3,182,160[a]
PROFOR Investment Income	857,576	140,501	195,848[b]
FLEG TF Balance	1,696,975	—	—[c]
FLEG Investment Income	26,650	—	—
Other Receipts/Income	38,786	369	—
Total Income	**47,365,058**	**3,226,071**	**3,378,008**
Disbursements			
PROFOR Programmatic Window	7,689,284	—	—[d]
PROFOR Strategic Window	20,449,463	4,135,777	5,271,335[e]
FLEG Strategic Window	692,823	—	—[f]
Administrative Fees (Non-Project)	2,237,252	154,260	159,108[g]
Total Disbursements	**31,068,822**	**4,290,037**	**5,430,443**
Commitments[h]			
PROFOR Programmatic Window	—	—	—
PROFOR Strategic Window	5,175,810	8,894,714	9,804,811
Net Commitments	—	(5,175,810)	(8,894,714)
Total Commitments	**5,175,810**	**3,718,904**	**910,097**
Total Disbursements + Commitments	**36,244,632**	**8,008,941**	**6,340,539**
Fund Balance Retained	—	11,120,427	6,337,557[i]
Total Actual Cash Fund Balance	**11,120,427**	**6,337,557**	**3,375,025**

a   Donor contribution is presented in separate table.

b   Investment income represents 5 percent of paid-in contributions.

c   Forest Law Enforcement and Govenance (FLEG) Trust Fund (TF) is the aggregated fund balance of FLEG parent TF053912 and two HQ-managed Child TFs, TF055097 and TF055098, by end of calendar year (CY) 2008. All donor contributions have been received and administrative fees paid. FLEG TF closed on December 31, 2010.

d   Prior to 2015, the Programmatic Window used to refer to Child TFs and other activities established for regional task team leaders to execute projects based on the approved concepts notes. As of January 1, 2015, the Programmatic Window was eliminated.

e   PROFOR Strategic Window disbursements used to include expenditures of HQ-managed activities under Child TF051840, TF051864, and other Child TFs, including Secretariat staff costs, consultant fees, contractual services, travel, communications, and other miscellaneous expenses for PROFOR-related programs. As of January 1, 2015, the Strategic Window included regional, multiregional, and global activities.

f   FLEG Strategic Window disbursements are for expenditures of HQ-managed activities under Child TF055097 and TF055098. The disbursements in CY2010 were included in the PROFOR Strategic Window as part of the alignment process.

g   The 5 percent administrative fee is a standard cost recovery fee applied by the Bank for TF administration.

h   Outstanding and Net Commitments in Programmatic and Strategic Windows refer to cash balance left in the Child TFs out of total grants transferred from parent TFs after deduction of actual expense disbursements as of December 31, 2017, that are carried over to the next calendar year. Activities have an average duration of 28 months.

i   Fund balance retained from the previous calendar year.

Table 3. PROFOR Cost Analysis by Thematic Area, 2017 versus 2016

| | ACTUAL + OUTSTANDING COMMITMENTS | | | |
| | CY2016 | | CY2017 | |
	US$	# OF ACTIVITIES	US$	# OF ACTIVITIES
Thematic Area				
Cross Sectoral	6,208,694	17	6,704,467	19
Financing SFM	1,905,816	13	1,500,448	10
Governance	1,351,302	10	2,538,428	15
Livelihoods	2,842,331	15	3,445,625	20
Management & Administration	722,347		836,177	
Total Disbursements + Commitments	**13,030,491**	**55**	**15,076,145**	**64**
Non-Project Costs				
Administrative Fees	**154,260**		**159,108**	
Total Disbursements + Commitments	**13,184,751**	**55**	**15,235,253**	**64**

Note: Actual Disbursements + Outstanding Commitments refers to activities that are under way with actual disbursements and pending disbursements. Activities have an average life of 28 months.

Table 4. PROFOR Donor Contributions, as of April 30, 2018

DONOR	CURRENCY	AMOUNT IN CONTR. CURR.	AMOUNT IN USD	PAID IN CONTR. CURR.	PAID IN USD	UNPAID IN CONTR. CURR.	PENDING IN USD
European Commission	EUR	4,800,600	6,577,143	4,800,600	6,577,143	—	—
Finland	EUR	2,834,200	3,847,859	2,834,200	3,847,859	—	—
Germany	EUR	1,180,000	1,601,408	1,180,000	1,601,408	—	—
Italy	EUR	460,000	648,166	460,000	648,166	—	—
Japan	USD	900,000	900,000	900,000	900,000	—	—
Netherlands	EUR	4,652,281	6,806,567	4,652,281	6,806,567	—	—
Switzerland	CHF	3,268,878	3,477,509	3,268,755	3,477,378	—	—
United Kingdom	GBP	17,856,215	27,153,911	17,856,215	27,153,911		
Total			**51,012,563**		**51,012,432**		**—**

Table 5. PROFOR Program Management: Actual Costs Analysis by Type of Activity for 2017

TYPE OF ACTIVITY	STAFF COSTS	TRAVEL	CONSULTANCIES	CONTRACTUAL EXPENSES	TOTAL
Communications	244,308	5,157	68,491	47,100	365,057
Program and Portfolio Management	204,238	43,389	60,531	6,293	314,451
Monitoring and Evaluation	59,239	11,776	39,271	67	110,354
Financial Management	46,316	—	—	—	46,316
Grand Total	**554,101**	**60,322**	**168,293**	**53,460**	**836,178**

APPENDIX 1:
OVERVIEW OF CY2017 ACTIVITIES BY THEMATIC AREA

ACTIVITY	REGION	ID	CURRENT STATUS	APPROVAL DATE	DELIVERY DATE	PROFOR FUNDING	CO-FINANCING
CROSS SECTORAL							
Addressing the Forest-Energy Nexus	Multi-region	TF0A0841	Under way	08/03/15	06/29/18	$ 850,000	
Analytical Support for the Country-Forest-Note Process	Multi-region	TF0A4441	Under way	12/05/16	01/31/19	$ 1,000,000	$ 130,000
Bangladesh: Unlocking Opportunities for Clean and Resilient Growth	SAR	TF0A4601	Under way	10/05/16	06/30/18	$ 65,000	$ 30,000
Extractive Industries in Forest Landscapes: Balancing the Trade-offs and Maximizing the Benefits	Multi-region	TF0A3278	Under way	06/24/16	08/31/18	$ 800,000	$ 250,000
Forest Resilience Scenarios for the Southern Amazon: Managing the Agricultural Frontier	LCR	TF018481	Completed	09/09/14	08/31/17	$ 118,156	$ 95,200
Forest Tenure Rights for Rural Development	Multi-region	TF0A3336	Under way	08/22/16	01/31/19	$ 400,000	
Forests, Resources, and Poverty in Sub-Saharan Africa: Geospatial Analysis for Planning and Improved Decision Making	Multi-region	TF0A4352	Under way	12/12/16	06/30/18	$ 200,000	$ 50,000
Haiti Analyzing Energy-Forestry Linkages (P156463)	LCR	TF0A5854	Under way	05/31/17	06/29/18	$ 145,000	
Indonesia Lowlands Multisectoral Development and Restoration Options Analysis	EAP	TF0A3471	Under way	08/08/16	07/31/18	$ 300,000	$ 1,000,000
Jamaica: Assessment and Economic Valuation of Coastal Protection Services Provided by Mangroves	LCR	TF0A3984	Under way	10/21/16	04/30/19	$ 400,000	$ 967,000
Leveraging Agricultural Value Chains to Enhance Tropical Tree Cover and Slow Deforestation (LEAVES)	Multi-region	TF0A1203	Under way	09/21/15	09/15/18	$ 700,000	
Mainstreaming PROFOR Tools and Innovations to Improve Uptake and Influence on Forest Programs and Policies	Multi-region	TF0A2739	Under way	05/31/16	12/30/19	$ 460,000	
Nature-Based Infrastructure Knowledge Management / Global Knowledge Management Program on Forest and Disaster Risk Management	Multi-region	TF0A4130	Under way	12/28/16	08/31/18	$ 240,000	$ 500,000
Nature-based Landslide Mitigation in Sri Lanka	SAR	TF0A6096	Under way	06/26/17	06/30/19	$ 150,000	
Nicaragua: Forest Conservation and Restoration for Economic Development, Livelihoods and Climate Resilience — An Economic Analysis	LCR	TF0A5864	Under way	06/23/17	12/31/18	$ 150,000	
Resilient Landscape: Core Learning and Knowledge Sharing	Multi-region	TF0A2821	Completed	06/12/16	02/28/18	$ 50,000	$ 350,000
Taking Tree-Based Ecosystem Approaches to Scale: The Institutional and Household Dimensions Influencing Resource Management in Productive Landscapes	Multi-region	TF012754	Prior CY	07/09/12	09/30/16	$ 143,957	$ 689,000
Toward a Low–Carbon Rural Development: Materializing the Landscape Approach Through Enhanced Alignments of National Programs Supporting Land Uses	LCR	TF0A3381	Under way	07/19/16	06/30/18	$ 150,000	$ 225,000
Unlocking Small and Medium Forest Enterprises Contribution to Shared Prosperity: Identifying and Operationalizing Innovative Multisectoral Solutions	Multi-region	TF0A0997	Under way	08/26/15	11/15/18	$ 825,000	
Upscaling Nature-based Flood Protection in Mozambique's Coastal Cities	AFR	TF0A5808	Under way	06/26/17	06/30/19	$ 150,000	$ 100,000
CROSS SECTORAL TOTAL						**$ 7,297,112**	**$ 4,386,200**

ACTIVITY	REGION	ID	CURRENT STATUS	APPROVAL DATE	DELIVERY DATE	PROFOR FUNDING	CO-FINANCING
FINANCING SFM							
"Close-to-Nature" Planted Forests (CTNPF)	LCR	TF0A1684	Completed	12/11/15	12/31/17	$ 150,000	$ 202,454
Analysis on Sustainable Forest Management and Financing in China	EAP	TF0A3353	Under way	08/25/16	12/31/18	$ 250,000	$ 50,000
Argentina: Bringing Forest and Poverty into Focus	LCR	TF0A3389	Under way	06/08/16	06/29/18	$ 230,000	$ 259,000
Biodiversity Offsets Toolkit and Sourcebook	AFR	TF015587	Prior CY	07/08/13	10/31/16	$ 346,509	$ 60,000
Commercial Reforestation Potential in Colombia	LCR	TF016543	Completed	01/16/14	07/30/18	$ 432,000	$ 729,000
Evaluating Mexico's Payment for Environmental Services Scheme	LCR	TF0A3387	Completed	08/08/16	06/30/17	$ 69,376	$ 685,000
Forest-Smart, Climate-Smart Cocoa in West Africa	AFR	TF0A5226	Under way	05/17/17	06/29/18	$ 100,000	$ 72,500
Kazakhstan Community-Private Plantations: Analysis to better Understand the Potential for Developing Forest Plantations	ECA	TF0A2469	Under way	03/28/16	05/20/18	$ 135,000	
Mechanisms to Incentivize the Reestablishment and Scaling Up of Native Species Forest Plantations in the State of São Paulo, Brazil	LCR	TF017716	Under way	07/08/14	09/30/18	$ 230,000	
Resilient Productive Landscape Planning Methodology in Haiti	LCR	TF0A4101	Completed	12/20/16	08/31/17	$ 100,000	$ 20,000
Stimulating Private Sector Engagement in REDD+ Sustainable Forest Management and Landscape Restoration Efforts	Global	TF0A0661	Prior CY	01/09/15	12/31/16	$ 79,300	$ 80,000
Sustainability and Restoration in Lao PDR's Forests	EAP	TF0A5358	Under way	06/07/17	06/30/19	$ 329,340	$ 166,400
FINANCING SFM TOTAL						**$ 2,451,525**	**$ 2,324,354**

ACTIVITY	REGION	ID	CURRENT STATUS	APPROVAL DATE	DELIVERY DATE	PROFOR FUNDING	CO-FINANCING
GOVERNANCE							
A Forest Sector Agenda 2035 for Mozambique	AFR	TF0A5064	Under way	04/24/17	04/30/19	$ 150,000	$ 460,000
Afghanistan Capacity Development for Natural Resource Management	SAR	TF0A4379	Under way	10/05/16	06/30/18	$ 100,000	$ 175,000
Bosnia and Herzegovina Domestic Wood Supply Chain	ECA	TF0A4814	Under way	02/18/17	09/30/18	$ 170,000	
Bringing International Best Practice to Inform Key Forest Sector Issues in Vietnam	EAP	TF0A6172	Under way	10/05/17	03/14/19	$ 150,000	
Facilitating Forest Sector Reform in Ukraine	ECA	TF0A4253	Under way	10/05/16	06/30/18	$ 150,000	$ 10,000
Forest Concessions Initiative: Development of Good Practice Guidelines	Multi-region	TF0A2739	Completed	01/01/17	09/30/17	$ 140,000	$ 343,760
Framework for Development and Management of Coastal Forests in Vietnam	EAP	TF0A2077	Under way	01/27/16	06/30/18	$ 150,000	
Governance in Forestry	Multi-region	TF0A5459	Under way	07/23/17	12/31/18	$ 600,000	$ 1,900,000
India Forest Sector Assessment	SAR	TF0A3906	Under way	10/05/16	06/30/18	$ 210,000	
Land Use Planning for Enhanced Resilience of Landscapes (LAUREL) in Madagascar and Mozambique	AFR	TF0A5809	Under way	06/20/17	06/30/19	$ 200,000	$ 1,600,000
Mozambique Forest Landscape, Financial and Governance Assessment	AFR	TF0A2656	Prior CY	04/24/16	03/31/17	$ 117,322	$ 167,500
Paraguay: Conservation of the Atlantic Forest Corridor and Landscape Restoration for Biodiversity and Local Likelihoods	LCR	TF0A4206	Under way	10/21/16	12/31/18	$ 100,000	$ 100,000
Strengthening Capacity for Integrating Ecosystem Services in the Forest Land Use Planning Process to Enhance Climate Resilience and Poverty Reduction in the Philippines	EAP	TF0A3721	Completed	08/24/16	06/30/18	$ 113,500	$ 71,000

ACTIVITY	REGION	ID	CURRENT STATUS	APPROVAL DATE	DELIVERY DATE	PROFOR FUNDING	CO-FINANCING
Strengthening the Implementation Capacity of Forest-based NDC Commitments in Central America through Regional Cooperation and Technical Dialogue	LCR	TF0A6667	Under way	06/05/17	06/30/19	$ 200,000	$ 50,000
Supporting Innovative Forest Governance Assessment and Monitoring	Multi-region	TF017087	Completed	01/14/15	12/31/17	$ 379,470	$ 75,000
Zambia Forest Sector Analysis (ZAFOSA)	AFR	TF0A5925	Under way	09/01/17	12/31/18	$ 100,000	
GOVERNANCE TOTAL						**$ 3,030,292**	**$ 4,952,260**

LIVELIHOODS							
Armenia Forestry-Poverty-Energy Linkages	ECA	TF0A3432	Under way	09/07/16	12/31/18	$ 100,000	
Assessment of the Productive Forest Sector in Benin	AFR	TF0A5930	Under way	09/25/17	06/29/18	$ 30,000	$ 60,000
Building National-Scale Evidence on the Contribution of Forests to Household Welfare: A Forestry Module for Living Standards Measurement Surveys	Global	TF018582	Completed	11/10/14	06/30/17	$ 100,000	$ 145,000
Catalyzing Gender-Forests Actions	Multi-region	TF0A3991	Under way	11/07/16	06/30/18	$ 289,550	$ 68,600
Climate Change Impacts on Forest and Rangeland Ecosystems in MNA	MNA	TF0A2076	Completed	02/18/16	12/28/17	$ 150,000	$ 50,000
Development of a Forest-Poverty App: Forest-SWIFT Methodology for High-Frequency Forest-Poverty Data Collection	Multi-region	TF0A2918	Under way	04/22/16	05/31/19	$ 380,000	
Enhancing Capacity for Livelihood Development in the Cardamom Mountains and Tonle Sap Lake Floodplain Landscape in Cambodia	EAP	TF0A7410	Under way	08/24/17	04/30/19	$ 250,000	$ 90,000
Forest Management in South Asia (Programmatic)	SAR	TF0A3800	Under way	10/05/16	12/31/18	$ 300,000	
Forests and Forest Landscapes in Pakistan: The Case for Growth, Livelihoods, and Climate	SAR	TF0A4167	Under way	10/05/16	12/31/18	$ 125,000	$ 225,000
Fostering Green Economy and Integrated Landscape Management in Tunisia	MNA	TF0A1377	Completed	10/13/15	06/30/17	$ 137,979	$ 50,000
Georgia: Household Surveys on Forest Use, Poverty, and Vulnerability to Natural Hazards	ECA	TF0A2315	Completed	03/07/16	12/31/17	$ 150,000	$ 25,000
Improving Social Inclusion in Debate on REDD+ Benefit Sharing in Brazil	LCR	TF0A5458	Under way	07/20/17	03/29/19	$ 324,000	
Kenya: Tourism and Sustainability	AFR	TF0A6297	Under way	09/20/17	06/30/18	$ 300,000	
Myanmar CEA Forest Sector Review	EAP	TF0A6953	Under way	01/31/18	06/30/19	$ 220,000	$ 145,000
Promoting the Use of Modules for Forestry and Trees on Farms in Multitopic Living Standards Measurement Study Surveys and World Bank Group Operations	Global	TF0A5104	Under way	05/18/17	04/20/19	$ 100,000	
Sustainable Landscape Management for Improved Livelihoods	MNA	TF0A7311	Under way	06/19/17	05/31/19	$ 300,000	
The Role of Forests in Reducing Poverty and Enhancing Climate Resilience: A Case Study of the Philippines	EAP	TF018410	Completed	07/31/14	11/30/17	$ 300,000	$ 37,880
Trees and Smallholder Agriculture: A Household Perspective from Sub-Saharan Africa	AFR	TF017937	Completed	06/08/14	01/15/18	$ 184,000	$ 80,000
Turkey Forest Villages: Socioeconomic Study of Forest Villagers to Better Understand the Causes of Out-migration, Forest Dependence, and Poverty	ECA	TF0A1378	Completed	09/24/15	06/09/17	$ 203,982	$ 158,000
Understanding Forests' Contributions to Poverty Reduction	Multi-region	TF0A0991	Under way	08/26/15	06/30/19	$ 973,000	$ 607,000
LIVELIHOODS TOTAL						**$ 4,917,511**	**$ 1,741,480**

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