

LIVELIHOODS & LANDSCAPES



Integrated Landscape Management in Mozambique





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LANDSCAPES**



**Integrated Landscape
Management in
Mozambique**

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Foreword

We are pleased to present this publication highlighting the World Bank's dynamic Integrated Landscape Management (ILM) Portfolio in Mozambique, and the important role it plays in the country's shift towards sustainable rural development.

The Government of Mozambique has taken bold actions to preserve and valorize its renewable natural resources, including forests, wildlife, fisheries, and land. Encouraged by this commitment, the World Bank is harnessing the momentum and working with the Government to restore degraded landscapes and bring economic prosperity to the country's rural population.

The Bank continues to support the Government in mobilizing financing at both national and community levels to reduce deforestation, wildlife poaching, and unsustainable fishing; while protecting forest landscapes, increasing agricultural productivity, enhancing food security, and strengthening land rights and land use planning. 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.

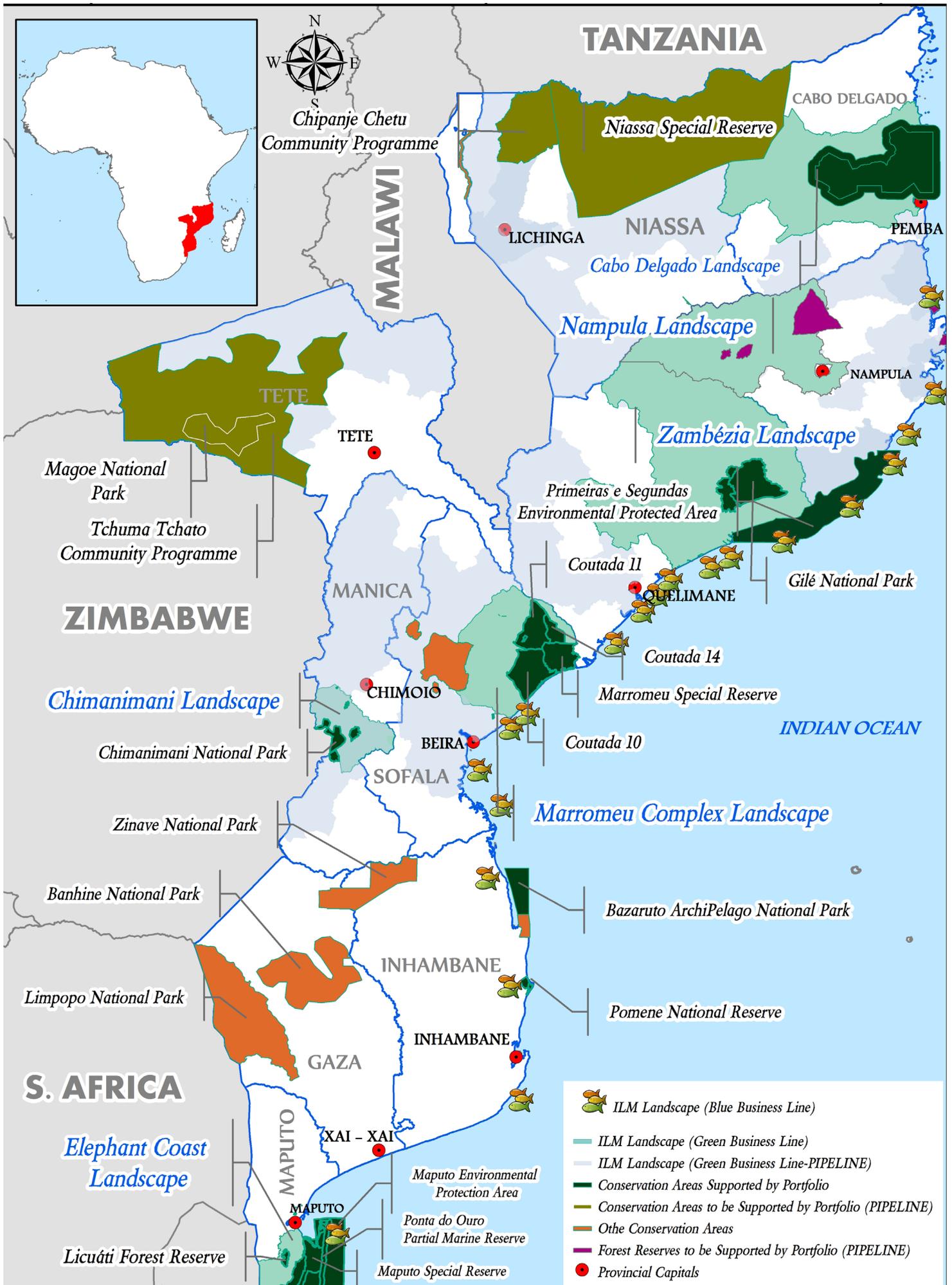
As demonstrated in this publication, the successes and growth of the ILM Portfolio are thanks in large part to its integrated nature — combining technical assistance, on-the-ground investments, innovative financing mechanisms, and analytical work.

Working with the existing connections between natural resources, protected areas, communities and the national economy, all Portfolio projects and activities are managed collectively and benefit from shared knowledge, data and resources.

This innovative approach fosters cross-collaboration within the World Bank Group, helping to deliver improved results on the ground, and accelerating 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 in testing promising and innovative approaches that can be scaled up and duplicated in other areas. The time to make significant progress on sustainable natural resource management, is now.





welcome to rural mozambique...

A NATION OF OPPORTUNITY

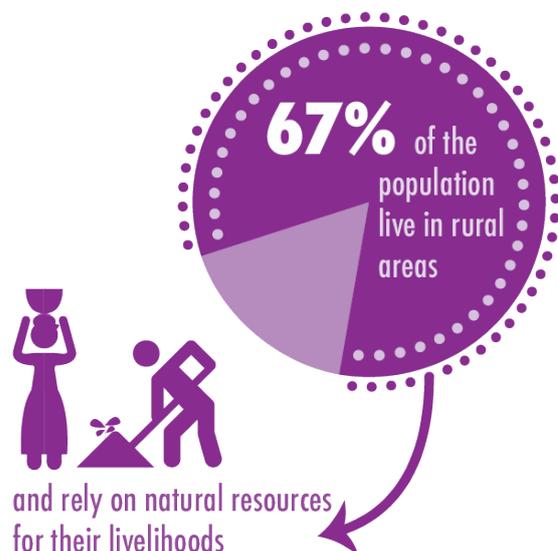
Located on the southeastern coast of Africa, Mozambique boasts the longest stretch of Indian Ocean coastline on the continent, as well as rich natural forests, grasslands, and biodiversity. Ecosystem services—such as fertile soils, extensive waterways, and diverse fauna—support communities, contribute to the national economy, and provide global benefits in terms of climate regulation and biodiversity habitat. These natural resources provide a largely untapped potential for Mozambique to sustainably expand the agriculture, forestry and tourism sectors while supporting its people and reducing widespread poverty.

The country, however, faces many challenges. Increasing rates of deforestation and the overexploitation of fisheries, forestry and wildlife are underpinned by low management and planning capacity, limited knowledge and research, far reaching rural poverty and isolation, and ongoing civil unrest.

Given the heavy dependence of rural Mozambique on subsistence agriculture and natural resources, there is great potential to lift millions of people out of poverty. Effective and sustainable natural resource management—including conservation agriculture, fisheries co-management, alternative livelihood sources such as nature-based tourism, and results-based payments for conservation efforts—can increase and diversify incomes while also rehabilitating and protecting ecosystems. Addressing these challenges and seizing the opportunities is paramount to a healthy future. Whether Mozambique will be able to harness its considerable resource wealth to reduce poverty and spur sustainable development will depend upon strategic choices and actions taken now.



A female farmer near Quirimbas National Park



4 billion tCO₂e

amount carbon stored in forests

80%

of greenhouse gas emissions are released through land clearing

43%

of land is covered by forests (34 million ha)



0.79%

deforestation rate (267,000 ha/year)

US\$ 160 million

annual economic contribution by forests

US\$ 540 million

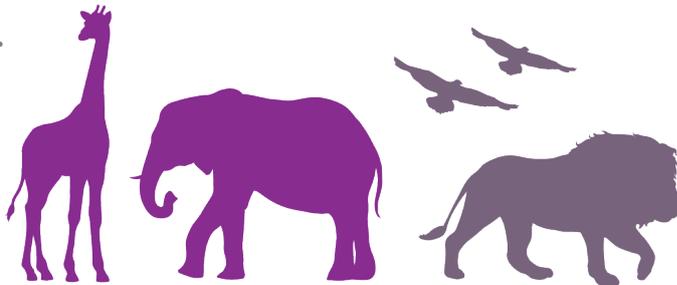
amount lost from illegal logging between 2003–2013

25%

of land is protected by conservation areas

70%

decrease in elephant poaching since 2015



70%

of the rural population live in and around conservation areas

50%

of elephants were lost due to illegal logging form 2010–2015

more revenue

collection in protected areas means increased funding for conservation and communities

conservation funding

for protected areas is reliant on donors, with only a fraction coming from government



Aerial view on a coastal village and fishing boats

45%

of land is suitable for agriculture

10%

of arable land currently under cultivation

80%

of the workforce is employed in agriculture*

65%

of total deforestation is caused by agriculture



US\$ 160 million

annual worth of the agricultural sector

2.7%

of agricultural land has access to irrigation infrastructure

90%

of the fish production comes from artisanal fishing*

over 90%

of artisanal fishing is carried out by men

50%

of dietary protein comes from fish and seafood

only 1%

of potential ha for aquaculture are used in the Country

more than 300.000

people rely on the fishing sector for their livelihood



low investment

in sustainable industrial fisheries is persistent despite the high potential



*It is common for people to be formally or informally employed in both the artisanal fisheries and agricultural sectors

introducing...

MOZAMBIQUE'S INTEGRATED LANDSCAPE MANAGEMENT PORTFOLIO

Enhancing living conditions in rural communities and promoting the sustainable management of natural resources

The World Bank's Integrated Landscape Management Portfolio combines technical assistance, on-the-ground investments, results-based finance, and analytical work to enhance the living conditions of rural communities and promote the sustainable management of natural resources across Mozambique. Recognizing the inextricable links between natural resources, protected areas, communities, and the national economy, all ILM Portfolio initiatives are managed collectively and benefit from knowledge, data, and resources shared across projects and activities.

The Portfolio has grown considerably since its conception in 2014 and is expected to continue to do so for the foreseeable future (see page 41 for further financing details).

All activities are aligned with the Government

of Mozambique's (GoM) environmental, coastal, and rural development priorities and the Portfolio coordinates with government counterparts—as well as communities, private sector, civil society, and development partners—across planning, implementation and institutional support.

Taking advantage of the Bank's extensive network of knowledge and initiatives, the Portfolio partners with other World Bank Global Practices and works closely with international programs in the Bank such as PROBLUE¹, PROFOR², and the FCPF³. While the majority of Portfolio projects are managed under the Bank's Environment, Natural Resources and Blue Economy Global Practice, three of the projects are jointly managed with the Agriculture Global Practice. At its core, the ILM Portfolio currently consists of nine key projects and programs⁴.

WHAT IS INTEGRATED LANDSCAPE MANAGEMENT?

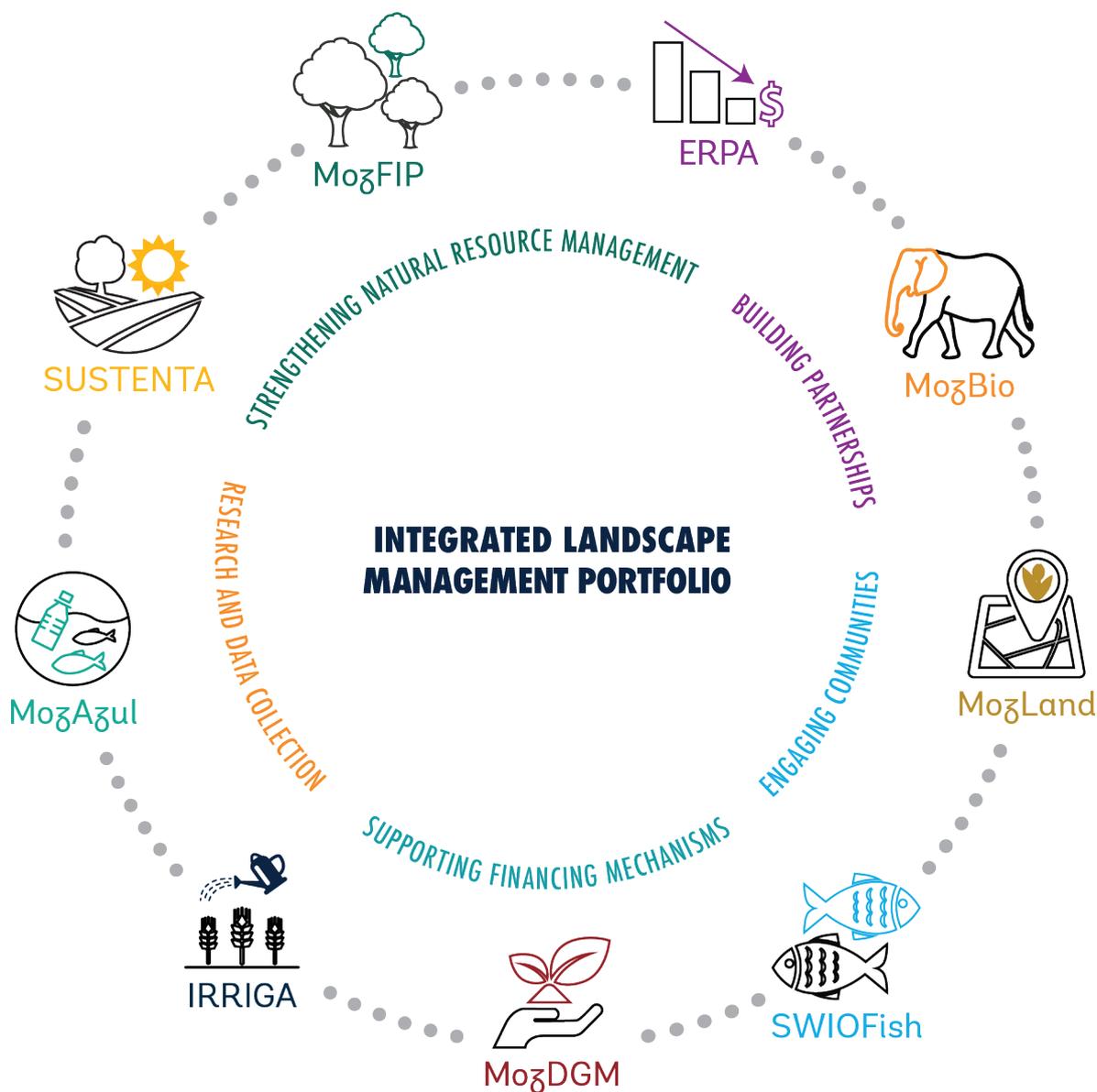
An integrated approach to landscape management acknowledges and works with the connections between natural resources, protected areas, communities and the national economy. ILM Portfolio focus areas (such as deforestation and resource exploitation) rarely occur in isolation and an integrated approach allows the Portfolio to tackle these issues from a variety of angles. For example, decreasing land degradation isn't just about

increasing vegetation; it involves, among other things, policy reform, community livelihood development and protected area management. In practice, this means that the Portfolio manages all projects/activities together so that they work collaboratively and benefit from a wider range of knowledge, data and resources. An integrated approach has been proven to increase project effectiveness and extend their impact beyond the initial project cycle.

¹ The Blue Economy Program (PROBLUE) is a multi-donor trust fund, housed at the World Bank, that supports the development of integrated, sustainable and healthy marine and coastal resources.

² The Program on Forests (PROFOR) is multi-donor partnership on forests and poverty reduction led by the World Bank

³ The Forest Carbon Partnership Facility (FCPF) is a global



PROVIDING TECHNICAL SUPPORT AND ADVICE

A large part of the ILM Portfolio's work is providing advisory services and analytics to help the GoM design strong policies and reach its development goals. This technical advice and analysis are part of all Portfolio projects and can take many forms, such as knowledge-sharing workshops, trainings, action plan development, and policy notes and recommendations.

These services are developed in partnership and often at the request of government counterparts and are critical in achieving lasting success and impact. One example is a new technical support project to assist the GoM in identifying and creating opportunities for private sector investment in the cashew value chain to increase rural jobs while also expanding forest-friendly, low-carbon initiatives.

partnership of governments, businesses, civil society, and Indigenous Peoples focused on reducing emissions from deforestation and forest degradation, forest carbon stock conservation, the sustainable management of forests, and the enhancement of forest carbon stocks in developing countries. FCPF is housed at the World Bank.

4 The Carbon Fund is managed by the Forest Carbon Partnership Facility, which is managed by the World Bank and supported by donor governments.



MOZAMBIQUE FOREST INVESTMENT PROJECT

MozFIP improves forest governance and sustainable land management by supporting activities that reduce deforestation and promote rural development. Key activities include the establishment of a commercial plantation scheme that engages small enterprises and communities, increasing access to markets in rural areas, and providing technical support to transition towards more environmentally sustainable land use practices.



ZAMBÉZIA EMISSIONS REDUCTIONS PAYMENT PROJECT

The FCPF Carbon Fund⁴ will pay Mozambique up to US\$ 50 million for reducing carbon emissions by minimizing forest loss in the province of Zambézia. At the national level, the Portfolio worked extensively with the GoM to develop: a REDD+ Strategy; a Safeguard Information System; and a legal framework for selling carbon credits. The Portfolio is providing ongoing support for monitoring, reporting, and verifying emissions levels.



MOZAMBIQUE DEDICATED GRANT MECHANISM

MozDGM is a community-led project that provides small grants to communities and civil society organizations to increase their participation in sustainable forest and land management practices. Activities focus on building capacity and engaging communities in activities that increase livelihoods while also reducing land degradation.



MOZAMBIQUE BLUE ECONOMY PROJECT

MozAzul is assisting Mozambique to develop its blue economy and address marine litter pollution. Key activities include: an investment trend assessment to help the GoM prioritize sustainable growth in the fisheries sector; recommendations on blue economy financing and analysis; and raising awareness on marine litter by working with the public to find solutions for reducing and reusing plastic.



MOZAMBIQUE LAND ADMINISTRATION PROJECT

MozLand improves land tenure and the efficiency of land administration services, to help the GoM maintain monitoring systems and improve service delivery to remote communities. Key activities include the revision of the National Land Policy, strengthening land tenure security, and increasing community outreach and public information on land rights.

⁵ In 2020, MozBio received additional financing from the Global Environment Facility's Sustainable Drylands Impact Program to improve land restoration and reduce degradation and deforestation of miombo drylands.



MOZAMBIQUE CONSERVATION AREAS FOR BIODIVERSITY AND DEVELOPMENT PROGRAM

MozBio is a series of projects (MozBio1 & MozBio2) that supports national parks and reserves by strengthening management capacity and promoting livelihood activities that focus on conservation and biodiversity. Activities include improving park infrastructure and management, facilitating co-management agreements between the GoM and private organizations, and increasing local involvement in conservation area management, livelihood activities, and nature-based tourism⁵.



AGRICULTURE AND NATURAL RESOURCES LANDSCAPE PROGRAM

Sustenta encourages sustainable agriculture in rural households and connects them with profitable forest-based value chains (such as conservation agriculture and community plantations). Key activities include improving land tenure and management, building rural infrastructure (bridges and roads), and enhancing agricultural productivity, economic markets, and employment through matching grants and financing options.



SOUTH-WEST INDIAN OCEAN FISHERIES GOVERNANCE AND SHARED GROWTH PROJECT

SWIOFish (Phase 1) is part of a regional collaboration to reduce marine resource degradation, strengthen fisheries management and governance, and increase the economic benefits from marine and coastal resources. Activities in Mozambique include supporting fisheries monitoring and data collection, increasing community-led fisheries management, and investing in infrastructure such as fish markets.



SMALLHOLDER IRRIGATED AGRICULTURE AND MARKET ACCESS PROJECT

IRRIGA increases irrigated agriculture and improves market access among rural smallholder farmers, so they are able to provide immediate supplies in case of a national or regional crisis. Specific activities include financing irrigation construction, and investing funds and resources into smallholder farms to improve their market competitiveness.

⁶ As Zambézia Province has successfully managed to reduce emissions from deforestation, the monitoring and payment process is now underway.

where do we work?

ILM PORTFOLIO LANDSCAPES

OCEAN AND COASTLINE



Mozambique's 2,700km coastline teems with rich marine life and harbors abundant and diverse fisheries. Supporting livelihoods in more than 600 coastal communities, the socio-economic value of the ocean—and the artisanal fisheries sector in particular—is significant. There is great potential to expand Mozambique's blue economy, especially in certifiably sustainable fishery products and

nature-based tourism. Significant challenges, however, are restricting the sustainable growth and management of these valuable marine resources, including: vulnerable fishing communities; a weak business climate with low access to investment capital; limited management and ecosystem knowledge; and overfishing and habitat degradation.

THE PORTFOLIO IN PRACTICE

Increasing Incomes with Matching Grants



Maria Costa sells fresh fish in her village of Larde in Nampula Province. She recently received a Mais Peixe Sustentável matching grant to help her buy a motorbike and small cooler. "With a motorbike and cooler I will be able to travel around the area selling fresh fish in the neighboring communities" she explains.

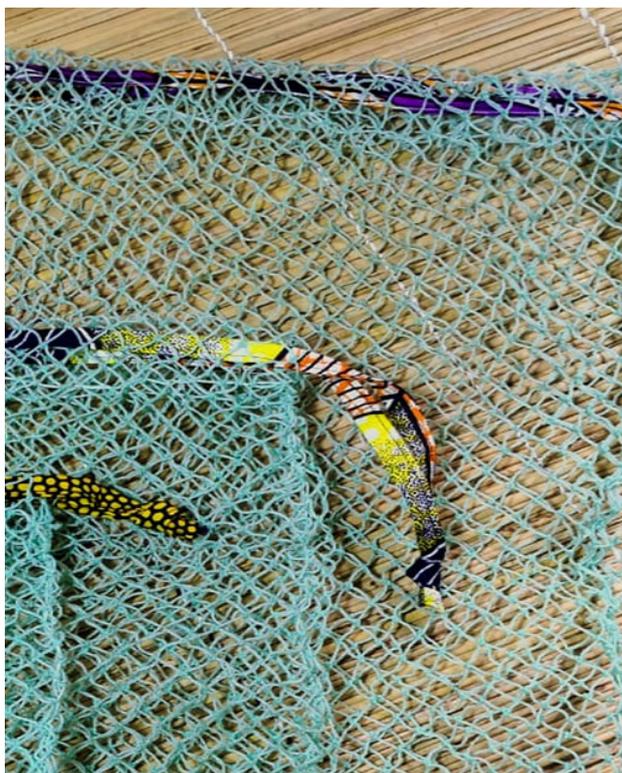
With access to better transportation and cooling facilities, local people like Maria are able to expand their market and increase profits. Maria's story is an example of how this Portfolio-supported grant program is helping people access basic resources and rapidly increase their livelihoods, thus reducing overexploitation of natural resources.

The ILM Portfolio is addressing these issues by:

- **Strengthening governance and management** by providing technical support to assist the GoM in developing legislation and national plans—such as the National Marine Spatial Plan—that manage trade-offs and resource use across different sectors (fisheries, conservation, tourism, resource extraction etc.). At a local level, this support includes involving communities in local decision making and licensing of artisanal fishing.
- **Improving data collection and analysis** through resources and training at local and national levels so that decision makers have access to the knowledge and information they need to make informed and transparent management plans.
- **Investing in infrastructure**, such as housing for fisheries agents and new fish markets, to provide the resources communities need to increase the value and productivity of the local fishing industry, and participate in the management of local resources.
- **Increasing financing** to individuals and enterprises through matching grants that spur investment in resources (coolers, transport) to increase fishing profits, and savings and credit clubs that offer savings programs and loans. Along with these programs, the Portfolio supports programs to improve financial literacy and assist with developing business plans.
- **Reducing marine debris** by supporting litter and plastic hotspot assessments and contributing to the development of the GoM's National Action Plan to Combat Marine Litter. The Portfolio is also working with stakeholders to increase plastic pollution awareness and seek innovative, community-driven solutions to address it.



Fishermen on the beach in northern Mozambique



“Using recycling and innovation, we can transform old fishing nets into reusable bags, giving waste a new life and providing an alternative to the disposable plastic bag.”

- Lutea Magaia Co-Founder of Mentes Sustentáveis, a Mozambique-based company producing sustainable and recycled products



The ILM Portfolio is working with entrepreneurs, artisans, and the public to explore how plastic waste can be re-purposed into new products. Marketed as MozAzul Inovação, the program offers masterclasses, innovation challenges, and digital platforms—encouraging new ideas, techniques and partnerships among stakeholders and exploring how circularity, or eliminating plastic waste, can be introduced in the plastics value chain.

FORESTS



Mozambique is one of the few sub-Saharan countries with significant forest cover. Native forests and woodlands cover 43% of the country, harboring high biodiversity, unique landscapes and extensive socio-economic benefits. Forest and land degradation and deforestation, however, are threatening ecosystems and rural livelihoods. The ILM Portfolio is working to increase the economic potential and conservation of native forests, develop a planted forest strategy, and support the GoM in restoring degraded areas by:

- **Strengthening institutional capacity and policy** by revising regulations; studying deforestation and degradation; piloting forest concessions; developing information systems; and publishing the National Forest Program and Vision 2035 for conservation and economic development in the forest sector.
- **Supporting payments for emissions reductions** by helping the GoM successfully prepare and implement a carbon emissions reduction program that curbs deforestation and restores degraded land in Zambézia Province⁶. This includes: the development of a REDD+ Strategy and Decree⁷; significant assistance in measuring, reporting and verifying forest cover (and emissions); implementing a safeguards information system; and the development of a stakeholder-approved benefit sharing plan.
- **Tackling illegal logging and overexploitation** through law enforcement actions such as: capacity building; suspending old-growth logging licenses; forest operator compliance audit; and a log export ban to increase local timber production.
- **Increasing rural livelihoods** by implementing agroforestry systems and community forestry concessions that promote land conservation. Support to farmers include trainings on more productive agricultural techniques, market and business principals, and how to connect with commercial suppliers.
- **Supporting commercial forestry** to reduce deforestation of native woodlands, encourage replanting of trees, and create new jobs in the plantation sector. Support includes performance-based financing that also provides knowledge and resources during the plantation establishment phase, on the condition that the farmer also invests in restoring degraded land.
- **Reducing logging for charcoal production** by supporting multi-use plantations that meet timber and charcoal demands while also restoring ecological services and supporting food supply. Support includes promoting new kilns that produce high efficiency charcoal from timber waste.



low access to energy



weak law enforcement



weak land tenure



no alternative incomes for forest dependant communities



minimal institutional cooperation

ROOT CAUSES OF DEFORESTATION

UNDERSTANDING EMISSION REDUCTION PAYMENTS

The Forest Carbon Partnership Facility (FCPF) Carbon Fund will pay Mozambique up to \$50 million USD for the continued reduction of carbon emissions in Zambézia Province (until

2024). In other words, FCPF will pay local people and supporting government and private sector actors if they contribute to climate mitigation by reducing forest loss.



DEFORESTATION DECLINES

The ILM Portfolio and GoM are supporting livelihood activities that increase rural incomes while reducing pressure on forests.



EMISSIONS REDUCE

The ILM Portfolio is helping to run a satellite monitoring system to measure changes in deforestation and track emissions.



FCPF RELEASES MONEY

FCPF pays Mozambique up to \$50 million if the country can show it is reducing emissions from deforestation.



BENEFICIARIES RECIEVE PAYMENTS

FCPF payments are distributed to stakeholders and communities to support rural livelihoods and further reduce deforestation.



FORESTS ARE CRITICAL TO THE COUNTRY'S WELLBEING



“By using the waste produced in our sawmill to make charcoal and other wood products, we are reducing deforestation and increasing our profits.”

– **Geraldo Sotomane** owner of the
Industrias e Construções Sotomane
Company in Zambézia Province



The ILM Portfolio organized a training for forestry operators to minimize waste and increase sustainability in the charcoal industry. Part of this training is the use of new (highly efficient) kilns that use waste from sawmills to produce charcoal. This system is not only an efficient waste disposal system, but it also adds economic value through the sale of the charcoal.

AGRICULTURE



SUSTENTA



MozFIP



MozDGM



MozBio



IRRIGA



MozLand

Mozambique's healthy soils and waterways hold high agricultural potential. Although almost 80% of the workforce is employed in agricultural activities, very few farmers use high quality seeds, fertilizers, and irrigation, making them extremely susceptible to harvest loss. Moreover, slash and burn agriculture—the process of frequently clearing land through cutting and burning vegetation—is responsible for around 65% of the country's total deforestation.

The ILM Portfolio is working to expand the agriculture sector, making it more economically productive and environmentally sustainable, by:

- **Promoting conservation agriculture** practices as an alternative to slash and burn. By providing farmers with the training and supplies to grow a combination of locally suited crops and trees, the Portfolio helps farmers maintain healthy soil (increasing crop yields) and create ecosystems that prevent degradation. This reduces the need to clear land and enables communities to grow food to eat, meet timber/fuel demands, and produce valuable cash crops and other products.
- **Increasing market access** in rural communities so that local people are better

able to participate economically in the agricultural sector. Many rural communities are small and remote, making it challenging to access vegetable markets, connect with suppliers, or understand the market value of their products. Support includes infrastructure (such as roads), the provision of agricultural resources not available in rural areas, and educational programs to improve market knowledge.

- **Improving land tenure** by encouraging land registration and land-use planning so that communities and authorities are able to develop land-use plans. Without clear knowledge of ownership and development rights, communities are unlikely to invest in long term planning and will often revert to unsustainable agricultural methods that supply quick results but with high environmental costs. Moreover, clear tenure rights are critical for private investment and business expansion.
- **Investing in infrastructure** such as irrigation and roads to boost agricultural productivity and improve transportation of crops and agricultural products between remote districts and agricultural market centers.

FINANCING RURAL AGRICULTURAL EXPANSION

The absence of affordable financial services and banks across much of rural Mozambique is preventing communities, emerging commercial farmers, and small scale forest operators from investing in sustainable land and agricultural practices. The lack of suitable infrastructure and relevant information regarding potential investments, as well as organizational, legal,

and regulatory constraints present further challenges.

To address this, the ILM Portfolio is working with the GoM to improve access to capital through financing, matching grants and risk sharing facilities that combine funding with technical assistance and capacity building (see page 29).

Connecting Farmers with Markets

The Gilé National Reserve in Zambézia Province is a remote area with limited infrastructure. The ILM Portfolio is working with the international NGO Nitidae to promote sustainable agroforestry and connect remote farmers with forest and agricultural value chains.

Antonio Curasse, a cashew producer in the community of Malema near Gilé, is one of the 1,200 local farmers enrolled in the Kohiwa program (meaning “*I am aware of*” in Lomwe).

Through the program, Curasse receives market information, training and seedlings to expand his cashew farm while also producing food for his family. “We are now receiving market updates by SMS and technical advice on how to combine crops such as cashew and sesame” explains Curasse. This information is vital in helping farmers like Curasse expand their agricultural knowledge and establish profitable agroforestry farms, making them less reliant on forest resources and less likely to resort to destructive agricultural methods.



Cashew farmers and other stakeholders near Gilé National Reserve



***“Now I have
food to eat and
products to
sell. I work less,
make more
money and
know that my
land remains
healthy, so I
am happy.”***

- Fátima Samuel Farmer
and mother from Mulevala
District, Zambézia



ILM Portfolio agricultural projects are helping farmers increase crop productivity. New fences are being built around fields that allow communities and individuals to farm designated plots of land for their own profit and protect crops from wildlife. With training on sustainable farming methods and additional support—such as high yielding seeds, farming equipment, and water bores—farmers are now seeing their incomes grow while ensuring their land remains profitable and healthy.

CONSERVATION AREAS



Conservation Areas (CA) cover approximately 25% of Mozambique, helping to protect diverse ecosystems and generate income for the national economy and local communities. Land

degradation and low management capacity, however, are threatening the viability of these areas and preventing them from reaching their full potential as valuable national assets.

INVESTMENT AND CO-MANAGEMENT IN CONSERVATION

Private organizations and non-profits can offer knowledge and resources lacking in public sector agencies for the rehabilitation and long-term management of protected areas. As such, the ILM Portfolio is actively encouraging co-management opportunities (and assisting

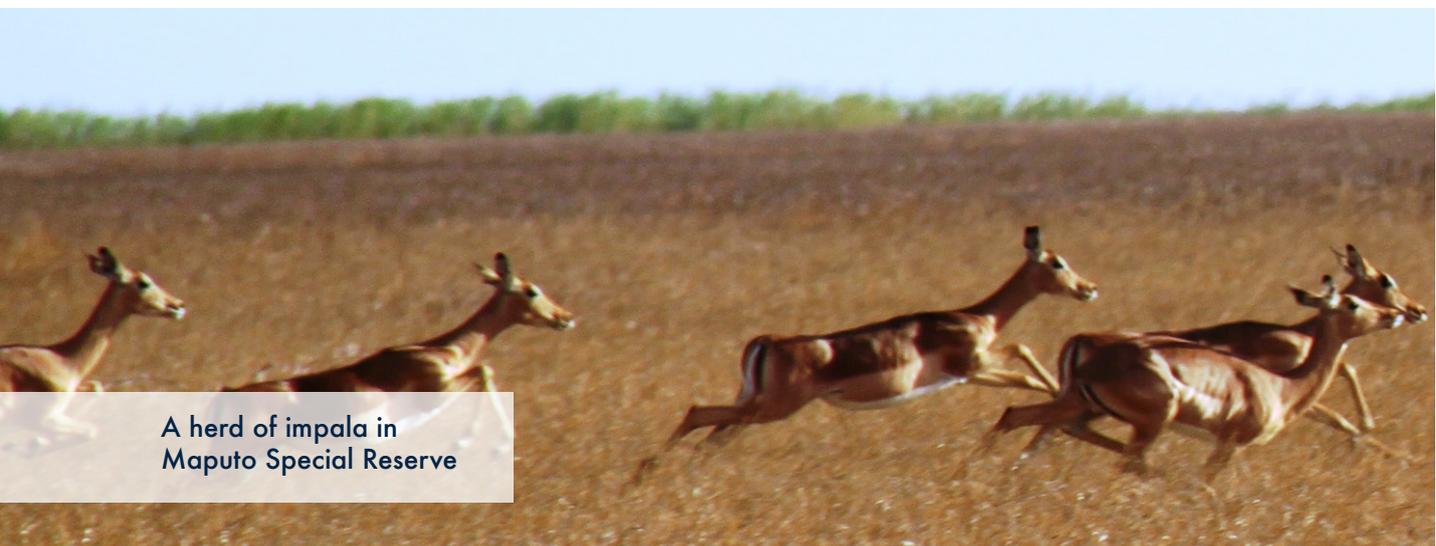
to GoM in doing so) and has facilitated several partnerships between the GoM and organizations with proven successes in park management, natural resource management and/or nature based tourism (see Annex 1).

THE ILM PORTFOLIO IN PRACTICE

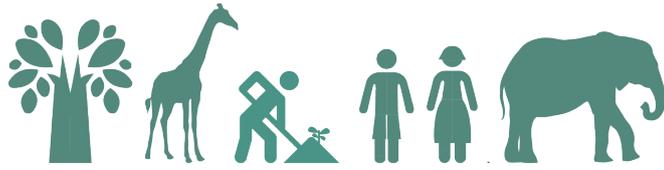
Promoting Nature Based Tourism

In 2018, the ILM Portfolio supported the GoM in hosting the International Conference on Nature Based Tourism. Bringing together experts, investors and stakeholders from around the region, the conference resulted in the signing of eight public-private partnership agreements.

Total expected investments is over US\$ 600 million — providing support to the tourism sector, helping to protect the country's unique landscapes, and increasing local jobs and community-based tourism enterprises in and around CAs.



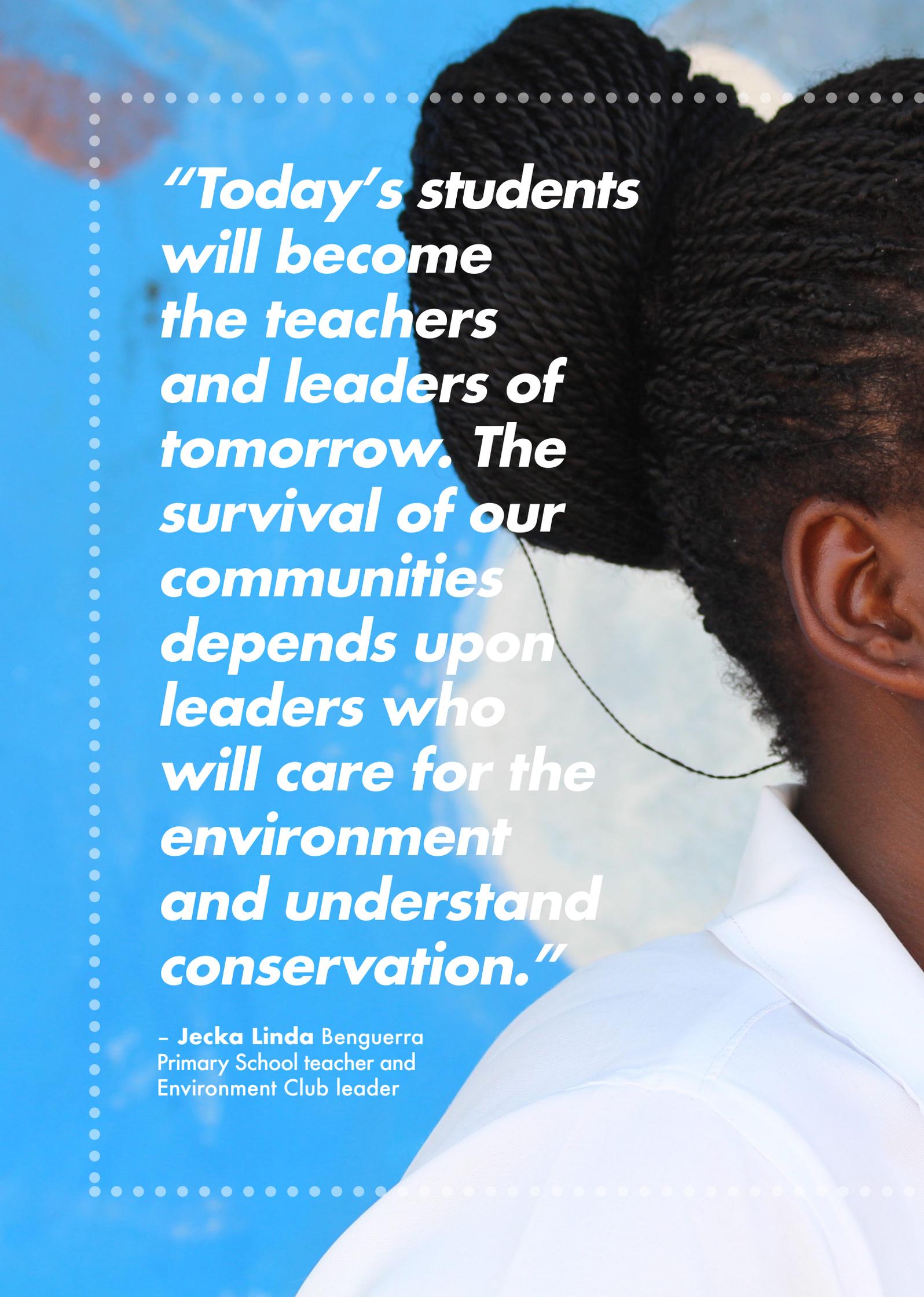
A herd of impala in Maputo Special Reserve



66% Increase in tourism and conservation jobs since 2014, thanks in part to ILM Portfolio activities

The ILM Portfolio is working to restore the integrity of CAs, and support the communities that live in and around them, by:

- **Supporting high-level institutional change** in CA management and the development and implementation of major policies and regulations—such as the national authority for the Convention on International Trade in Endangered Species of Wild Flora and Fauna (CITES). Support includes extensive GoM trainings and resources for: the revision and introduction of operational guidelines and tools; business development and Public Private Partnerships in CA management; stakeholder engagement; and study tours and knowledge sharing through regional and international platforms.
- **Providing technical and geospatial support** by providing trainings and resources for provincial CA administrators who often lack the capacity and facilities to undertake essential analyses and mapping projects. Support includes increasing: transparency in community land-rights discussions; biodiversity monitoring; data collection/analysis; and stakeholder sharing through multi-sectoral CA Management Councils.
- **Promoting Nature-Based Tourism** to help finance CA operational costs, provide employment opportunities to local people, and incentivize wildlife conservation. This includes: facilitating agreements between the GoM and private operators; creating a standard process for signing concession agreements (thus improving the business climate for private investment); upgrading the revenue system to collect and track tourist entrance fees; and the development of marketing and communications campaigns that include a consistent branding strategy for CAs.
- **Supporting local livelihoods** to reduce poverty as well as pressure on CA resources such as forests and wildlife. Through savings and small-grants programs, the Portfolio helps communities living in and around CAs to protect and restore the degraded ecosystem services that they rely upon—such as waterways, fish and bush meat, and timber and non-timber forest products—as well as explore alternative livelihood opportunities in park management and tourism. The Portfolio has also increased vital infrastructure for these communities (such as boreholes).
- **Increasing Transfrontier Collaboration** to improve the management of habitats and wildlife populations across Mozambique’s international borders. This includes facilitating greater international cooperation between Mozambique, Zimbabwe and South Africa. Activities include joint wildlife monitoring, law enforcement collaboration, management planning, and knowledge sharing.
- **Inspiring conservation and instilling attitudes that will last** a lifetime by supporting the promotion of Environmental Education, Girls’ clubs and a scholarship program focused on helping selected schools around CAs to increase awareness and help students realize the importance of collectively protecting resources that their communities rely on.



“Today’s students will become the teachers and leaders of tomorrow. The survival of our communities depends upon leaders who will care for the environment and understand conservation.”

– Jecka Linda Benguerra
Primary School teacher and
Environment Club leader



The ILM Portfolio is increasing local management and leadership capabilities with a particular emphasis on environmental awareness and education by focusing on environmental clubs in schools around protected areas.



Staff and stakeholders outside park headquarters in Bazaruto National Park

who do we work with?

PARTNERING WITH STAKEHOLDERS

COMMUNITIES

Local communities are at the heart of the ILM Portfolio and ensuring that rural livelihoods benefit either directly or indirectly from Portfolio-supported activities is a core goal of all projects and programs. Mozambique's rural communities are heavily dependent on the country's natural resources, creating a reciprocal relationship between conservation and livelihoods that can only be sustained through the active involvement of local people in decision-making processes.

To facilitate community involvement, the ILM Portfolio is working with the GoM to formally integrate Community-Based Natural Resource Management (CBNRM) into government management plans (see page 35), and supporting local leadership and community-led activities through funding such as the Dedicated Grant Mechanism and the creation of Credit and Savings Groups.

GOVERNMENT

The ILM Portfolio works directly with national, district, and provincial government agencies through the provision of technical and financial support such as trainings, analytical work, policy planning, staff salaries, and infrastructure. All Portfolio projects and programs are designed in close collaboration with (and sometimes at the request of) GoM counterparts to ensure that priorities and goals align with those of the government.

Key counterparts include the Ministry of Land and Environment, Ministry of Agriculture and Rural Development, Ministry of Sea, Inland Waters and Fisheries, the National Administration for Conservation Areas, the Integrated Northern Development Agency, and, most notably, the National Sustainable Development Fund (FNDS)—the organization responsible for managing and implementing rural sustainable development initiatives in Mozambique.





***“THE ZAMBÉZIA
PLATFORM IS CRITICAL
FOR MANAGING
DIFFERING VIEWS
AND POTENTIAL
CONFLICTS BETWEEN
STAKEHOLDERS”***

- **Daniel Maula** President of the Zambézia Environment and Community Development Network and co-founder of the Zambézia Multi-Stakeholder Platform

The ILM Portfolio and GoM created multi-stakeholder platforms in Zambézia, Nampula, and Cabo Delgado as forums for civil society, private sector, academia and government to collectively discuss natural resource management. These Platforms ensure that everyone receives the same information, can share knowledge and opinions, and have equal opportunity to contribute towards land management plans.

PRIVATE SECTOR

The private sector is a key catalyst in diversifying and strengthening the economy by creating employment opportunities, expanding knowledge in specified fields, and bringing investment into previously under-resourced areas. Recognizing this potential, the ILM

Portfolio is supporting private sector expansion in multiple areas such as developing agricultural and forestry value chains, encouraging partnerships between large enterprises and small land-holders, and facilitating private investment in nature-based tourism.

MATCHING GRANTS FOR SUSTAINABLE VALUE CHAINS

The ILM Portfolio supports matching grants that promote growth in rural economic markets through the sustainable expansion of the agriculture, fisheries, forest, and tourism sectors. The grants help to integrate rural producers and communities in productive value chains—engaging smallholder farmers in cashew production for example—and strengthen their market linkages with the private sector by focusing on both the

production process and the value-addition aspects, such as growing soya for the production of milk. Offering several different funding windows, the grants target specific demographics such as rural communities, women, and youth; they provide access to resources, technical support—such as business development training—and commercial financing, often either unavailable in rural areas or with prohibitively high interest rates.



Expanding Value Chains Through Small Business

For small organizations in rural areas, a lack of infrastructure, high operational costs, and organizational and legal constraints present challenges and limit the presence of banks and financial institutions. By combining funding with technical assistance and capacity building, the ILM Portfolio is supporting small businesses (particularly agribusinesses) and helping to transform subsistence agriculture and forestry into profitable, market orientated activities.

In Gurue District in northern Zambézia, the Portfolio, in partnership with the GoM, is helping Agri-Mel Limitada establish bulk honey cultivation and a new processing plant. Working across four sites in the region, honey production will be carried out by community harvesters, who receive training, beehives, and additional resources and support. By 2024, Agri-Mel expect to have produced 82,350kg of honey and trained and equipped almost 400 local people in honey production.

DEVELOPMENT PARTNERS

The ILM Portfolio works with development partners in Mozambique and the region to leverage financing and encourage coordination in supporting the country's progress towards sustainable rural development and conservation.

The ILM Portfolio benefits from the Bank's extensive experience and expertise in facilitating partnerships and bringing together major donors to pool resources and collectively impact change.

BIOFUND

The Foundation for the Conservation of Biodiversity (BIOFUND) is a private financial institution that aims to finance conservation and protected areas in Mozambique. BIOFUND is designed to efficiently and transparently channel much needed funds from several donor and government sources into protected area management. The ILM Portfolio played a foundational role in establishing BIOFUND

by supporting operating costs and helping to develop internal procedures such as an Operational Manual and Strategic Plan. As a result, BIOFUND is now generating revenue and is able to mobilize funds from a variety of international donors. BIOFUND is one example of the Portfolio's success in uniting development partners around a common cause and leveraging diverse financing sources.



Donor Collaboration for Integrated Landscape Management

Created in 2016, the Integrated Landscape Management Multi-Donor Trust Fund supports the country's efforts to reduce deforestation and environmental degradation, strengthen resilience to climate change, and improve rural livelihoods. As a platform to collectively channel donor resources towards

Mozambique's rural development, the MDTF provides funding directly to the GoM (through FNDS) to implement forest-based activities, as well as to the World Bank (through the ILM Portfolio) to provide technical assistance, capacity building and analytical work to the GoM and partners.

“Sweden is very pleased to deepen its collaboration with the Government of Mozambique and the World Bank is a key partner in this process. We 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.”

- Embassy of Sweden in Mozambique

CIVIL SOCIETY AND ACADEMIA

Non-governmental organizations and academic institutions are highly valued by the ILM Portfolio for their extensive on-ground knowledge, wide networks, and convening power. At a local level, these organizations are indispensable when working with and understanding the needs of local communities.

At a national level, they can provide valuable knowledge, resources, and investment into the rural development sector. The ILM Portfolio supports these partners by building the capacity and engagement of academia and civil society in rural areas, and facilitating agreements between the GoM and local and international organizations.



A community organization working in collaboration with the MozFIP project in the Alto Molécule District of Zambézia Province.

Supplying Fuel Efficient Stoves to Rural Communities

Working with the Ophevela Association of Nimala in Zambézia Province, the ILM Portfolio was able to support local trainings on the use, sale, and distribution of fuel efficient stoves that reduce the need for excessive amounts of charcoal and firewood. Provided with the materials necessary to produce 200 stoves, the Ophevela Association were instrumental in introducing these new

stoves to the local population and distributing them to all 150 households in the Nimala community, as well as 50 additional families in neighboring areas. This success not only led to a huge increase in the demand for stoves but has also highlighted how important partnerships with local organizations are in connecting with rural communities.

“In my family of five we used to use one bag of charcoal in two weeks, but with the introduction of the new stove we are now able to make the same amount last an entire month.”

– **Baptist Inácio**, Ophevela Association President

Partnerships for Protected Areas and Conservation

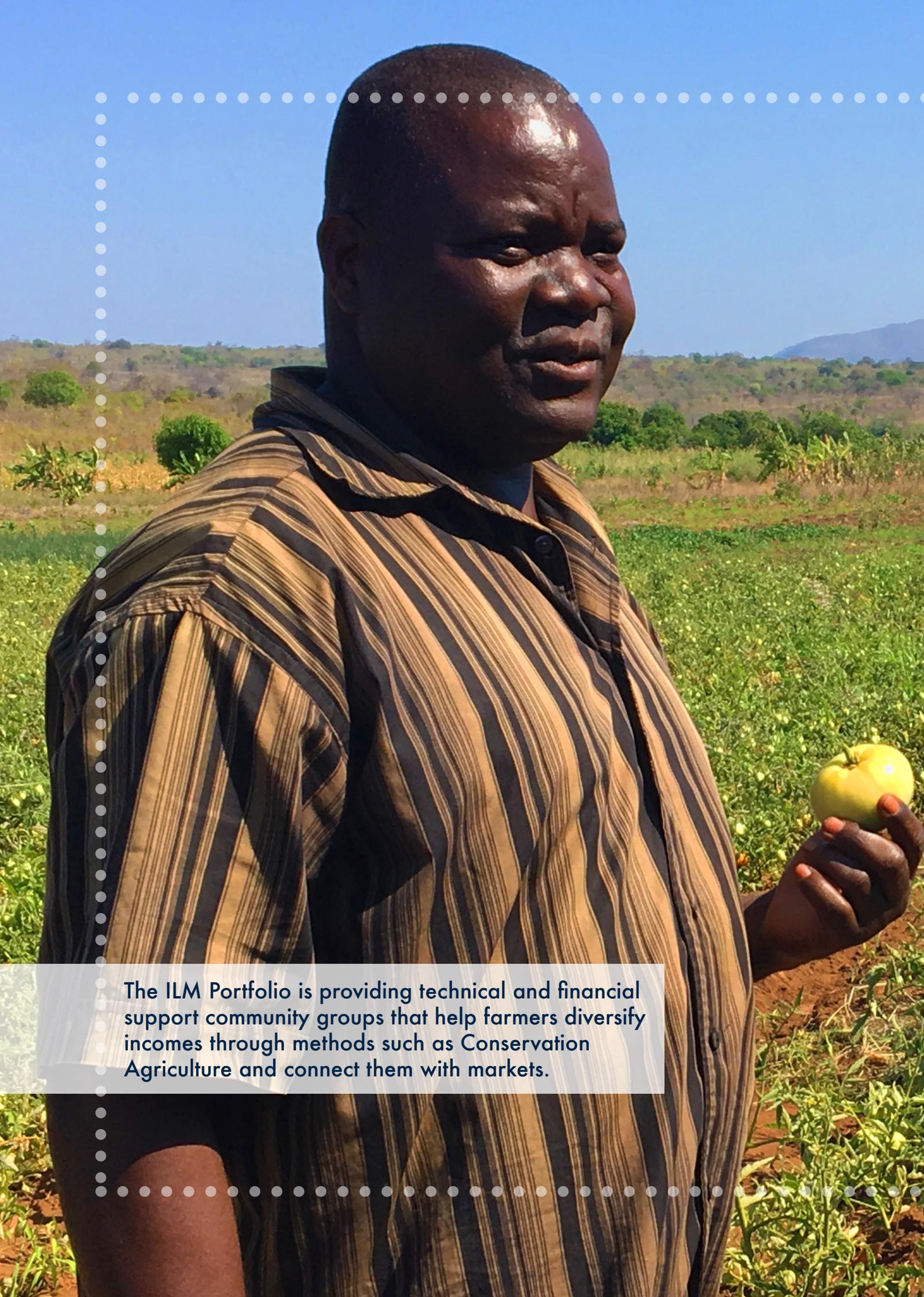
With technical and financial support from the ILM Portfolio, Mozambique is becoming a leader in the recognition of the need for conservation partnerships. In 2017, the government and African Parks signed a co-management agreement for Bazaruto Archipelago National Park, and 2018 saw a formal agreement between the GoM and Peace Parks Foundation to support the management of the Maputo Special Reserve and Ponta do Ouro Partial Marine Reserve. With support from the MozBio project, in 2020, a Memorandum of Understanding (MoU) for co-managing the Marrromeu National Reserve was established between the Government of Mozambique and

the Gorongosa Restoration project - expected to transition into a long-term Co-management Agreement by 2022. An MoU for the co-management of the Chimanimani National Park was also signed between the Government and Flora and Fauna International.

These collaborations improve livelihoods through activities that combat the over-exploitation of natural resources, promote conservation agriculture and environmental education, and increase tourism benefits by expanding revenue collection and infrastructure to make sure local people benefit from the profits.

“Protecting our environment will attract tourists, who are important because they bring money into our communities. It would also be nice to show my children the animals in the future.”

– **Santos Patriço**, Primary School student in Bazaruto Archipelago and member of the local Environment Club



The ILM Portfolio is providing technical and financial support community groups that help farmers diversify incomes through methods such as Conservation Agriculture and connect them with markets.



- **Mr. Paulino** Farmer and member of ANAWAPE
Agricultural Association in Zambézia Province

“With the money we earn from the market, we can expand into areas such as fish farming and honey production. A more diversified and stable income also means we can invest in training for our organization and its members.”

how do we work?

CROSS-CUTTING VALUES AND APPROACHES

The ILM Portfolio works with the GoM to plan and implement all activities. Practically speaking, this means providing support in terms of advisory services, capacity building, and funding for certain resources and facilities. The Portfolio also uses the Bank's substantial convening power to bring together stakeholders

and push for collaborative and well-informed decision making. On-the-ground, this involves working with development partners and service providers who implement specific Portfolio activities. Key themes and priorities that run across all ILM Portfolio projects and initiatives include:

COMMUNITY BASED NATURAL RESOURCE MANAGEMENT

Community-Based Natural Resource Management (CBNRM) recognizes the pivotal role communities play in conservation and rural development. Strengthening community governance systems and legally including them within institutional frameworks enables local people to actively participate in—and benefit from—sustainable natural resource management. The ILM Portfolio is working with the GoM to ensure that the CBNRM National Program is formally integrated into the National Rural Development Strategy to guide the multi-stakeholder CBNRM Network. In addition to standardizing CBNRM governance, the Network aims to make natural resource planning and decision-making more equitable and transparent by building the first national CBNRM Information System.

DATA COLLECTION FOR MONITORING, REPORTING AND VERIFICATION

Spatial planning (i.e. maps and geospatial information), scientific research, and data collection are critical to understanding Mozambique's diverse ecosystems and the array of land-uses in operation around the country. They are also important for robust Measuring, Reporting and Verification programs that track greenhouse gas emissions. Such information is vital for decision making and policy design, improving understanding of rural land rights and highlighting potential threats to the country's natural resources. The ILM Portfolio is supporting the GoM in these areas by expanding the use and publication of this information through the creation of an online spatial planning database—the National Forest Monitoring System—and the development of the Forest Information System and National Spatial Development Plan (see Annex 2).

KNOWLEDGE SHARING

The ILM Portfolio strongly supports knowledge sharing and collaboration as a core strategy for adopting an integrated approach to landscape management. Between countries, knowledge sharing broadens understanding, improves skills, and offers lessons from those with experience in similar fields. As such, the ILM Portfolio has supported several knowledge exchanges between the GoM (and partners) and countries such as South Africa, Iceland and Brazil—the latter being a signee to a Bank-supported Brazil/Mozambique MoU promoting south-south cooperation. At a local level, sharing knowledge and information is critical to creating cohesive and effective strategies for achieving goals and ensuring transparency in decision making. The Portfolio makes ongoing efforts to increase cross-Ministry collaboration and further dialogue between all sectors (whether public, private or community) through more inclusive meetings and events, and by supporting strong outreach and communications strategies.

GENDER EQUALITY

The ILM Portfolio views gender as an integral part of all activities—from the design of financing mechanisms, to technical assistance provided to the GoM and partners. As part of its goal the mainstream gender into natural resource management in Mozambique, the Portfolio financed the Mozambique Gender Pilot Program, which included a Gender Gap Analysis of the constraints women face in benefiting from natural resource management projects. This Analysis lay the groundwork for FNDS' Gender Strategy and the Gender Pilot Action Plan, with targeted actions for the ILM Portfolio. Specific actions include the roll-out of the Gender Action Learning System (GALS) in project sites, comprehensive gender trainings for stakeholders and provincial FNDS staff, and targeted communication materials and methods to increase women's access to matching grant schemes.

THE GENDER ACTION LEARNING SYSTEM (GALS)

GALS helps households or groups jointly develop plans to decide how to use resources and opportunities, including those offered by ILM Portfolio activities. In the process of working towards jointly established goals—such as building a house—participants are

able to identify barriers and determine collaborative solutions. Achievements include: an increase in household income, more equitable distribution of responsibilities, increase in women's asset ownership, and a decrease in gender based violence.



A group of people, including men, women, and children, are sitting on the ground outdoors under a large, leafy tree. They appear to be in a community meeting or a group discussion. The setting is rural, with dry ground and sparse vegetation. The people are dressed in casual, everyday clothing. Some are looking towards the camera, while others are looking at each other.

- **Carolina Rafael** Leader of the Boa Sorte Credit and Savings Club in the village of Zavora in Inhambane Province

“THE CLUB HAS BEEN LIFE SAVING. WE NOW HAVE MONEY FOR SAVINGS AND TO EXPAND OUR BUSINESSES”

To empower women and diversify economic development in rural regions, the ILM Portfolio is supporting the creation and revitalization of Credit and Savings clubs that provide savings programs and a “Fundo Social” which acts as insurance for emergencies such as funerals and medical costs.

RESPONDING TO UNFORESEEN CHALLENGES

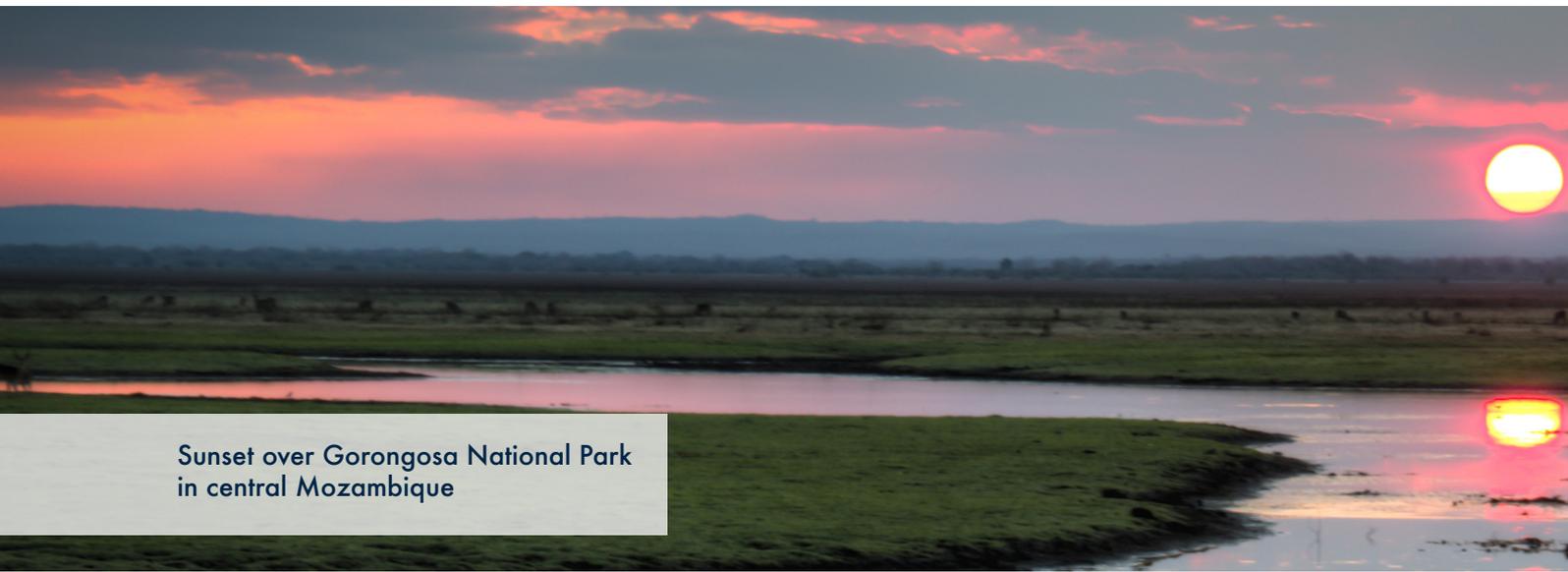
Recent health and environmental emergencies have highlighted the importance of projects that can quickly respond and adapt to the needs of local people and landscapes.

In March and April 2019, tropical cyclones Idai and Kenneth caused severe human loss and damages in central and northern Mozambique. In Chimanimani National Park, for example, Idai greatly impacted ILM Portfolio beneficiaries and destroyed infrastructure built by the MozBio project. The Portfolio responded by providing farming emergency kits, realigning activities to address immediate needs, and rehabilitating destroyed infrastructure under “building back better” principles.

The global and national measures taken to contain the COVID-19 pandemic continue to have multiple real and potential impacts on natural resource management. While stay-at-home orders, boarder closures, face masks, and social distancing are critical public health responses, they also present social and environmental challenges—such as a rise in waste (particularly in the ocean), increased wildlife poaching, market

and economic disruptions, and the collapse of the tourism industry. The ILM Portfolio is working with the GoM to help mitigate the medium to long term effects of these impacts, by:

- **Launching the first COVID-19 specific call of the Matching Grant Scheme – Sustenta Bio Emergencia** - to provide much needed financing for rural enterprises so they are able to retain their workforces and continue operating, thus also supporting the value-chains that rely on these businesses. The grants will provide necessary inputs (such as farming kits) and training to support beneficiaries, particularly if they have to expand or diversify into new areas of business.
- **Support to BIOFUND’s COVID Emergency Fund**, which is also co-financed by USAID and BIOFUND’s own revenues, helped finance key activities in CAs that are normally financed through tourism revenues, helping ensure the protection of over 12 million hectares of unique biodiversity, representing 61% of the total protected area network in Mozambique.



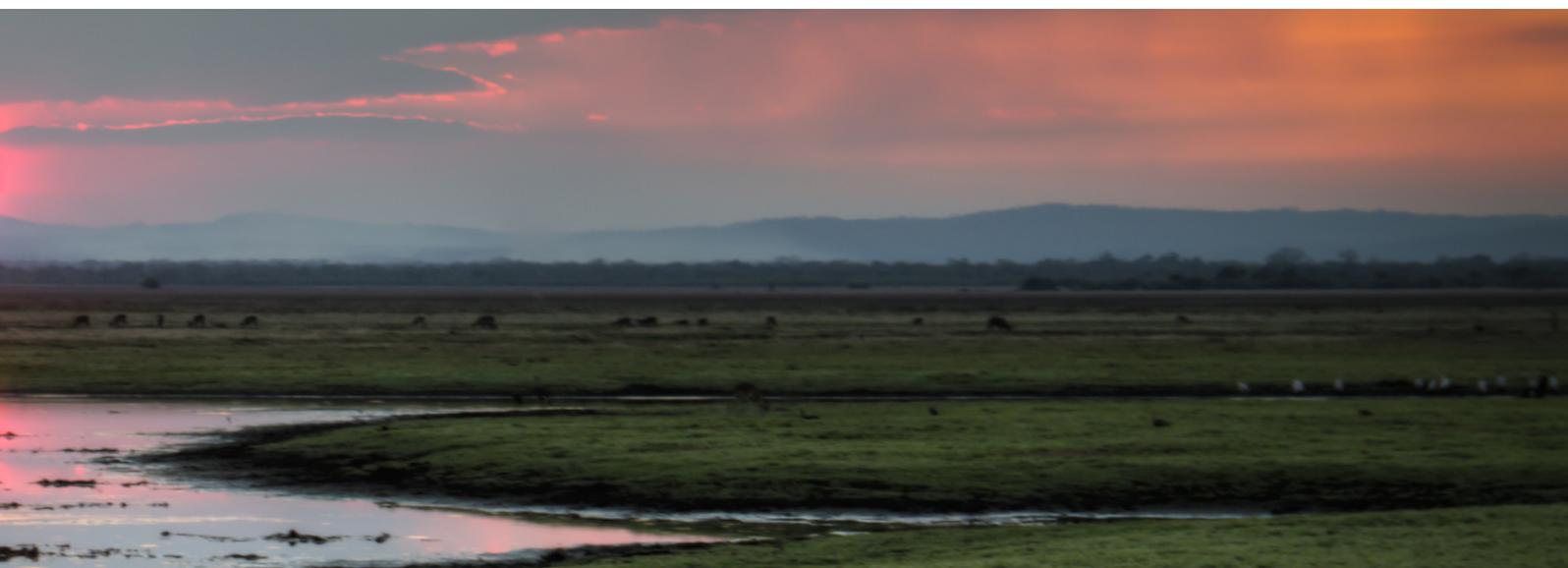
Sunset over Gorongosa National Park in central Mozambique

- **Support to the Environmental Education, Girl's clubs and scholarships program** to help selected schools around three CAs (Maputo Special Reserve, Marromeu National Reserve and Chimanimani National Park) meet the adequate conditions of safe re-opening. The ILM Portfolio also helped the CAs to acquire material for distance learning and distribute to local communities, including community radios and mentoring sessions.
- **Support to the creation of a community green job (Eco-jobs) programs** in three Conservation Areas (Maputo Special Reserve, Marromeu National Reserve and Chimanimani National Park) that employs informal workers, especially those who lost their jobs due to COVID-19 measures, in remunerated "eco-jobs" that aim at protecting and improving natural resources and the environment.
- **Equipment support to three conservation areas** (Maputo Special Reserve, Marromeu National Reserve and Chimanimani National

Park) such as the provision of protective and cleaning equipment, reinforced water supply (tanks and motor pumps) and collaboration with district authorities to provide informational and educational messages about COVID-19.

Engaging communities in rehabilitation and maintenance work in and around the Conservation Areas allow to meet people's needs during the COVID-19 emergency, curb the rise of poaching and illegal natural resource exploitation, and uphold the natural assets needed for the nature-based tourism to return and withstand future risks and shocks.

As extreme weather becomes increasingly common and the world continues to tackle known and unknown health crises, these experiences emphasize the need to plan for fast and effective action. Going forward, the ILM Portfolio will learn from past actions, plan for future responses, and continue to find innovative solutions that support sustainable development and increase resilience in rural communities.





As COVID-19 continues to bring global uncertainty and gender differential impacts related to health, education, economic activities and gender-based violence, the ILM Portfolio remains firm in its gender responsiveness. For Maria, this means that they will receive assistance and mentoring along their educational journey, helping them plan for what will come after school.

where are we going?

LOOKING TO THE FUTURE

In the coming years, the ILM Portfolio will continue to exert its leadership and expertise to enhance the living conditions of Mozambique's communities by promoting the sustainable use of the country's rich natural resources. Drawing on the Bank's ability to bring together stakeholders and donors—from communities to international investors—the ILM Portfolio will continue to find innovative and practical solutions for sustainable rural development through existing and forthcoming initiatives, such as:

The North Resilience and Sustainable Livelihoods Project (MozNorte) will build on existing initiatives in Cabo Delgado, Zambézia, and Nampula. The goal is to increase community resilience to conflict, climate change, and other shocks by making natural resource management more participatory and expanding community capacity in sustainably managing land and investments.

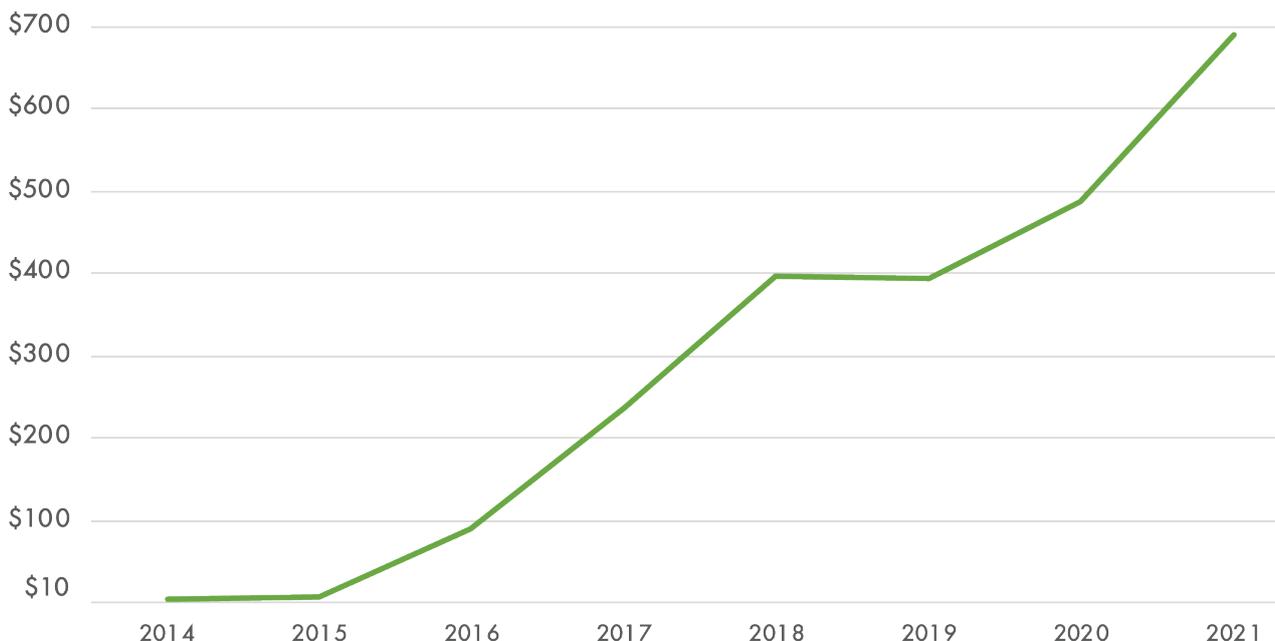
The Sustainable Rural Economy Project (SREP) will support the GoM's commitment to accelerate rural economic growth by increasing livelihoods generated through sustainable land management practices. The project will focus on: increasing public and private investment in the agrarian sector; increasing agricultural productivity through climate resilient practices that reduce the impact on ecosystems while enhancing environmental services; and diversifying the economy to include activities that reduce pressure on natural resources.

With strong partnerships and an integrated landscape management approach, Mozambique has great potential to continue transforming landscape and forest practices for the better, spurring economic growth and development throughout the country.

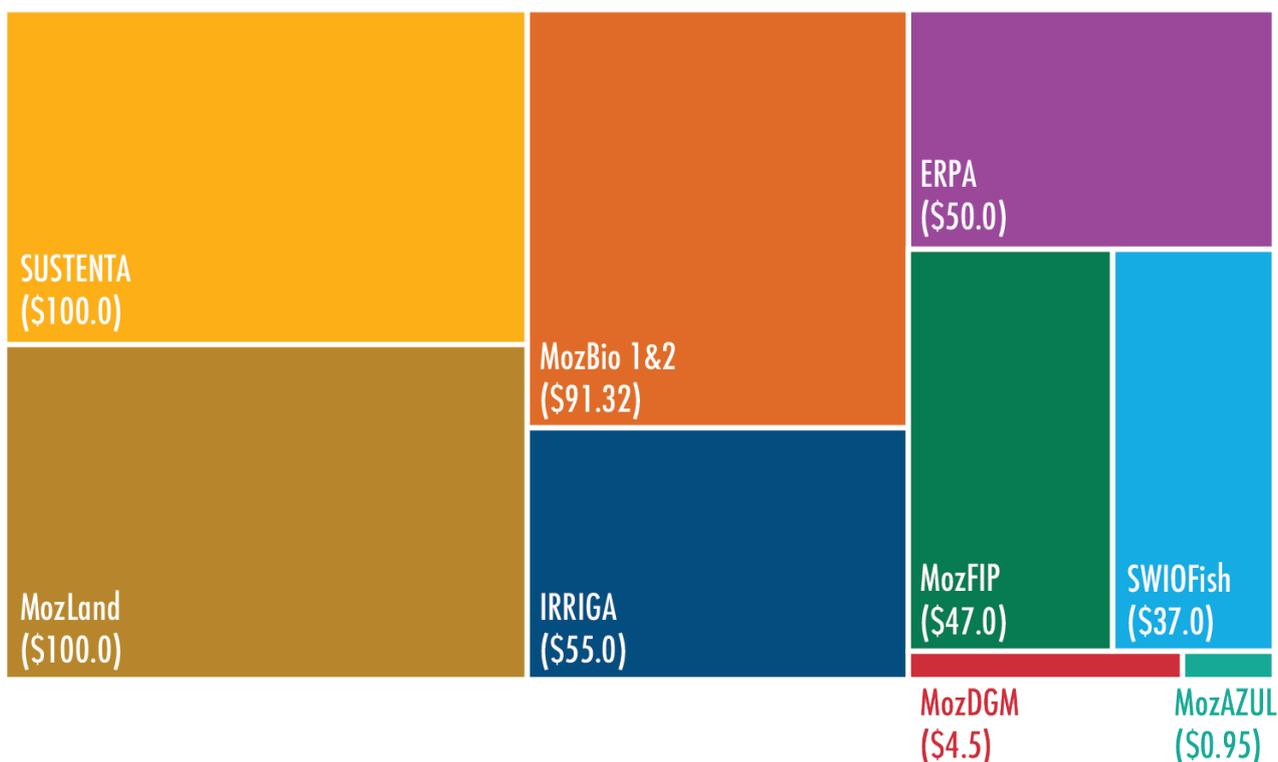
ILM PORTFOLIO FINANCING

As of 2020, the ILM Portfolio is worth a total of USD 485 million. This is expected to grow to almost USD 700 million in the coming years.

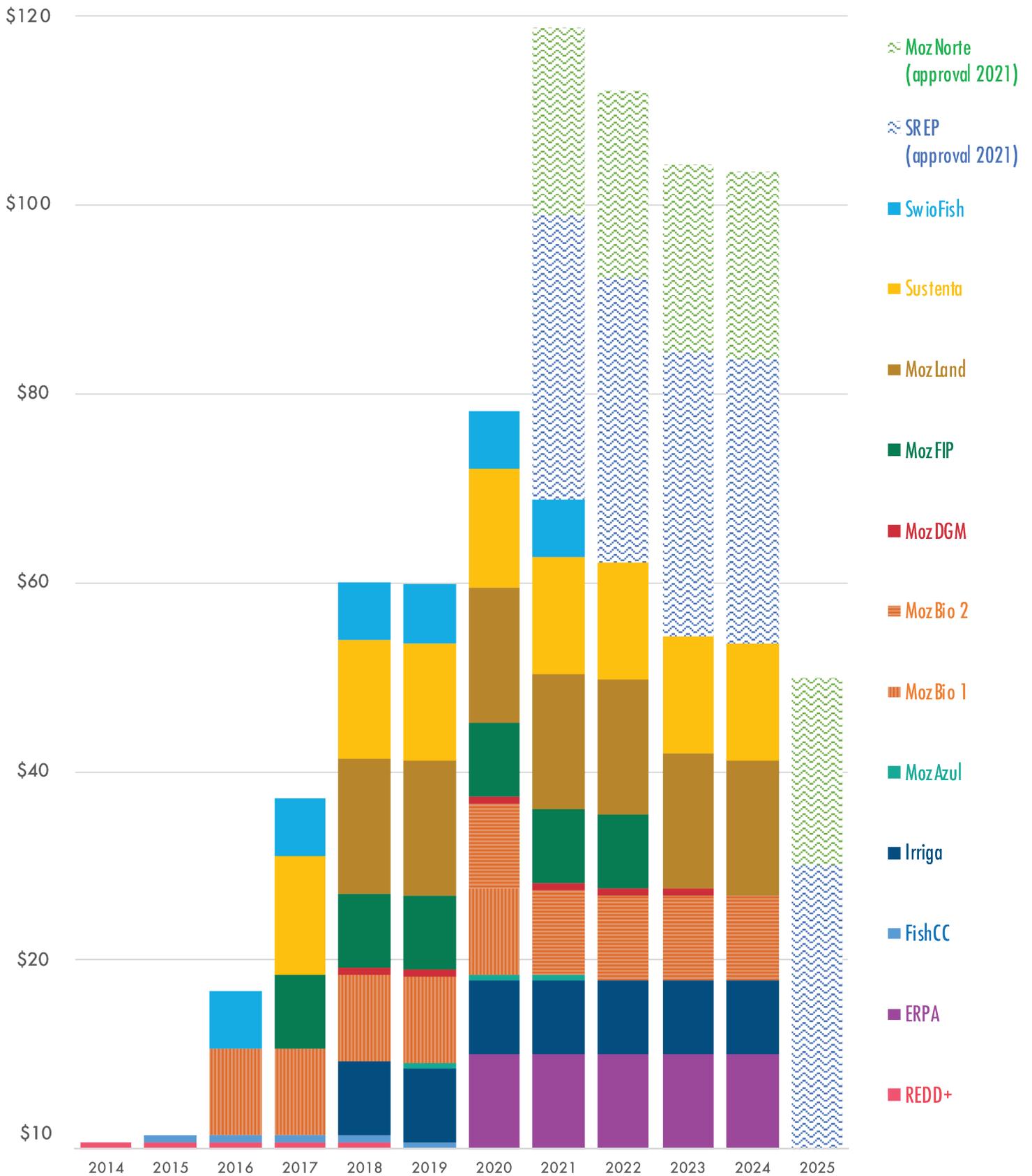
CUMULATIVE ANNUAL PORTFOLIO VALUE FROM 2014–2021 (USD MILLION)



ACTIVE PORTFOLIO PROJECTS (USD MILLION)



AVERAGE ANNUAL PORTFOLIO DISBURSEMENTS (USD MILLION)



ANNEXES

ANNEX 1: Private sector investments leveraged through tourism concessions and other public-private partnerships

Organization	Type of Agreement	Amount Pledged (US\$ million)
African Parks	Co-management of Bazaruto	12.0
Peace Parks Foundation	Co-Management of Banhine	1.0
Peace Parks Foundation	Co-management of MSR/Marine Reserve	16.0
Peace Parks Foundation	Co-Management of Zinave	20.0
Farquhar	Co-Management Pomene	500.0
Banco Internacional de Mocambique (BIM)	Credit Facility	50.0
Greg Carr Foundation	Co-management Gorongosa	350.0
Far & Wide	Joint venture with Thomba Yedyo (Zenguelemo Lodge)	0.2
Total		949.2

ANNEX 2: Resources available through FNDS (supported by the ILM Portfolio)

	Report	Online Database
Mozambique National Forest Inventory	https://fnds.gov.mz/mrv/index.php/documentos/relatorios/26-inventario-florestal-nacional/file	https://www.arcgis.com/apps/op dashboard/index.html#/e765979f73384742bd78878001055302
Deforestation Assessment	https://fnds.gov.mz/mrv/index.php/documentos/relatorios/25-desflorestamento-em-mocambique/file	https://www.arcgis.com/apps/webappviewer/index.html?id=1e201cf974584b38ac5dd92b005c99ae
Forest Reference Emission Level	https://fnds.gov.mz/mrv/index.php/documentos/relatorios/27-nivel-de-referencia-de-emissoes-florestais-de-mocambique/file	
Zambezia Province Inventory	https://fnds.gov.mz/mrv/index.php/documentos/relatorios/38-relatorio-de-inventario-florestal-na-zambezia/file	
Land Use and Land Cover Report	https://fnds.gov.mz/mrv/index.php/documentos/relatorios/39-relatorio-de-mapa-de-cobertura-florestal-2016-versao-2/file	https://www.arcgis.com/apps/webappviewer/index.html?id=1e201cf974584b38ac5dd92b005c99ae
Project Registry System		https://bit.ly/geoportalmrvfnds
Monitoring and Evaluation Projects		https://www.arcgis.com/apps/MapSeries/index.html?appid=6602939f39ad4626a10f87bf6253af1e
National Forest Inventory Policy Briefing	https://fnds.gov.mz/mrv/index.php/documentos/estudos/16-policy-brief-resultados-de-inventario-florestal-nacional-2018/filet	
Cyclone Response	https://fnds.gov.mz/mrv/index.php/documentos/estudos/3-contribuicao-da-unidade-mrv-no-idai-ciclone-idai-meio-ambiente-terra-e-espacos-rurais/file	
Deforestation by district	https://fnds.gov.mz/mrv/index.php/documentos/estudos	



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