Zukunft
Umwelt
Gesellschaft

IKI INTERNATIONAL CLIMATE INITIATIVE

GUIDELINES ON PROJECT PLANNING AND MONITORING

IN THE INTERNATIONAL CLIMATE INITIATIVE (IKI)

Version 4 (October 2025)

USER GUIDE

Getting started: How to navigate this guideline?

We recognize that the International Climate Initiative (IKI) is a complex and multifaceted funding programme. As such, navigating its various planning, monitoring, and reporting requirements can be challenging for implementing organisations.

Structure of this guideline

This guideline is designed to support you in understanding and applying these requirements throughout the entire IKI project cycle. It aims to provide practical, accessible information that you can refer to at different stages of your project. Whether you're just starting out or managing ongoing implementation, this document helps you quickly find the guidance you need — when you need it.

Specifically, this guideline will help you understand:

- **Chapter 1:** The overall structure and results logic of the IKI funding programme, including an overview of the different funding instruments.
- **Chapter 2:** The IKI Monitoring and Evaluation (M&E) framework, explaining the IKI monitoring system, at the programme and project levels, the IKI evaluation framework, as well as the IKI safeguards and gender systems.
- **Chapter 3:** The core requirements and practical guidance for planning and designing results-oriented IKI projects — including how to develop a results-based monitoring framework, select appropriate Standard Indicators (SIs) and Strategic Objectives (SOs), aligning your project with IKI's safeguards-, gender-, and knowledge management requirements and choosing the right project classifications.
- **Chapter 4:** The reporting requirements throughout project implementation — from biannual updates to interim and final reports.
- **Chapter 5:** How IKI conducts evaluations, and how evaluations are used both for accountability and as a tool for learning and continuous improvement.

We recommend reading the guideline in full before submitting your project proposal. Later, you can return to specific chapters as needed — for example, when preparing reports or preparing for an evaluation. Each section is structured to be as self-contained and easy to navigate as possible.

Design elements

To help you quickly find important information and navigate the document with ease, we've included a range of helpful design elements throughout this guideline.

Definitions

This box **explains key terms and concepts** used in the guideline to ensure clarity and a shared understanding.

This box **highlights key information, useful tips, or critical points** to consider.

Why do we need this?

This box provides **background information** on the relevance of topics.

This box provides **helpful links to related sections of the guideline or external resources** for more in-depth information.

Selected aspects of these Guidelines are not explicitly relevant for IMG projects. This icon **highlights specific requirements for IMG**.

If you encounter challenges during project planning or reporting, please contact your respective project manager at the IKI office at Zukunft – Umwelt – Gesellschaft gGmbH (ZUG).

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LIST OF ABBREVIATIONS

AA	German Federal Foreign Office (German: Auswärtiges Amt)
AFOLU	Agriculture, forestry and land use
BMUKN	German Federal Ministry for the Environment, Climate Action, Nature Conservation and Nuclear Safety
CBD	Convention on Biological Diversity
CRS	Creditor Reporting System
DAC	Development Assistance Committee
EbA	Ecosystem-based adaptation
FPIC	Free, Prior and Informed Consent
GAP	Gender Action Plan
GHG	Greenhouse gas
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH
IFC	International Finance Corporation
IKI	International Climate Initiative
IKI Strategy	Strategy of the International Climate Initiative up to 2030
ILO	International Labour Organization
ILG	IKI Large Grants
ISG	IKI Small Grants
IMG	IKI Medium Grants
IPCC	Intergovernmental Panel on Climate Change
IPLCs	Indigenous Peoples and Local Communities
LT-LEDS	Long-Term Low Emission Development Strategies
M&E	Monitoring and Evaluation
NAPs	National Adaptation Plans
NBSAPs	National Biodiversity Strategies and Action Plans
NDCs	Nationally Determined Contributions
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
PACM	Paris Agreement Crediting Mechanism
P-GAP	Project Gender Action Plan
PS	Performance Standards

LIST OF ABBREVIATIONS

REDD+	Reducing Emissions from Deforestation and Degradation
SIs	IKI's Standard Indicators
SOs	IKI's Strategic Objectives
TA	Technical assistance
TEI	Team Europe Initiative
UNFCCC	United Nations Framework Convention on Climate Change
ZUG	Zukunft – Umwelt – Gesellschaft gGmbH

1 Introduction

Summary: This introductory chapter outlines the overall objectives of the IKI programme and presents an overview of the different funding instruments available. It lays the foundation for understanding the programme's approach to project planning and monitoring.

Founded in 2008 by the then Federal Ministry for the Environment, Nature Conservation and Nuclear Safety, the International Climate Initiative (IKI) has evolved into a key instrument of the German government for international climate and biodiversity financing, with climate change mitigation, biodiversity conservation and adaptation to global climate change at its core. In close cooperation with its political partners the IKI has been instrumental in implementing the United Nations Framework Convention on Climate Change (UNFCCC), in particular the Paris Agreement and the Convention on Biological Diversity (CBD).

The IKI implements a diverse range of projects and funds in emerging economies and developing countries on behalf of the Federal Government of Germany. Within the Federal Government, the IKI is anchored in the Federal Ministry for the Environment, Climate Action, Nature Conservation and Nuclear Safety (BMUKN). In coordination with the BMUKN, however, individual projects are also commissioned and implemented by the Federal Foreign Office (AA). The federally owned company Zukunft – Umwelt – Gesellschaft (ZUG) gGmbH serves as the project management agency - the so-called IKI Office at ZUG - and provides technical support to the ministries.

1.1 Objectives of the IKI

Climate change and biodiversity loss are the core concerns of the IKI. To address these global challenges, the IKI supports a wide range of projects and funds in partner countries, ultimately aiming to achieve the following impacts:

Figure 1 Impacts of the IKI programme

In addition, the IKI seeks to reinforce the multilateral climate and biodiversity regime by fostering strong international partnerships and contributing to multilateral negotiations and forums.

With the Strategy of the International Climate Initiative up to 2030 (short: IKI Strategy) from 2023 the IKI sets itself four **Strategic Objectives (SOs)** to be reached until 2030 to contribute to the mentioned impacts:

Figure 2 IKI's Strategic Objectives

To achieve its objectives the IKI primarily employs the following approaches:

- **Supporting political processes** by strengthening institutional and human capacities, promoting societal dialogue, and advancing policy development and implementation through evidence-based policy advice.
- **Piloting innovative approaches and scaling successful measures** for replication in other regions and organisations based on lessons learned.
- **Incentivising investment** and fostering a sustainable and climate friendly financial sector by offering technical assistance and advisory services.
- **Promoting cross-cutting issues**, including gender and locally rooted approaches, to facilitate knowledge exchange among relevant stakeholders and create synergies within the IKI portfolio and with other initiatives.

A summarised results framework of the IKI funding programme is illustrated in Figure 3. For a comprehensive version, please see Annex Figure 17.

Chapter 3.3 and 3.4 provide more information and guidance on requirements related to your project's contributions to IKI's objectives.

1.2 IKI's funding instruments

The IKI relies on complementary funding instruments to achieve its objectives.

IKI Compete

Through competitive selection processes, the IKI seeks to identify and support the most promising and innovative project ideas from a wide variety of potential implementing organisations. IKI Compete uses the following three competitive procedures to select projects of different scopes to be implemented by diverse groups of organisations.

IKI Large Grants (ILG): ILG provides between 5 and 20 million EUR in funding per selected project to address current challenges in climate change mitigation, adaptation to the impacts of climate change and biodiversity conservation in partner countries. The respective thematic priorities are based on decisions arising from international negotiations conducted under the UNFCCC and CBD. Projects are selected annually and can be bilateral, regional, or global. They can be implemented by several organisations and/or companies in a consortium.

IKI Medium Grants (IMG): The IMG are specifically designed to support non-profit organisations located in Germany in collaboration with local partners in jointly advancing innovative bottom-up solutions to implement the Paris Agreement and the CBD. They provide funding ranging from 300,000 to 800,000 EUR for projects with a duration of 2-3 years.

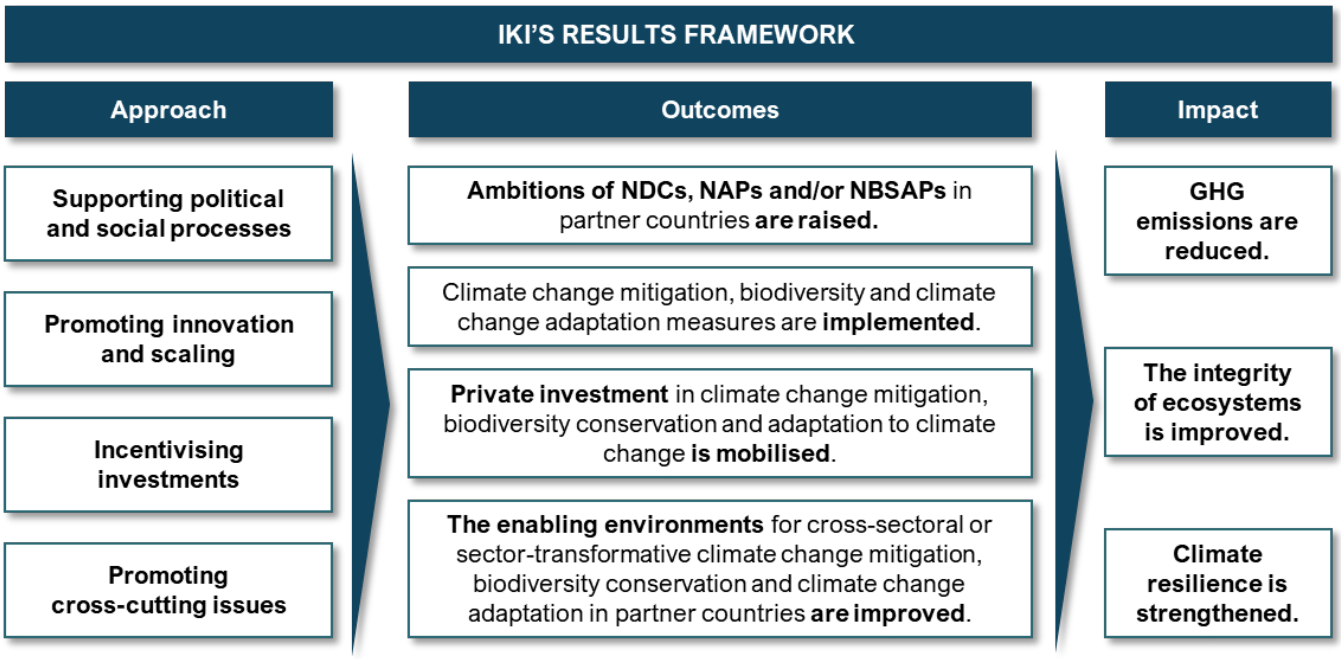
IKI Small Grants (ISG): Through the ISG, the IKI specifically targets local actors, such as non-governmental organisations in Official Development Assistance (ODA) eligible countries and enables them to implement climate and biodiversity action. The ISG provide 60,000 to 200,000 EUR per project with durations from 1-3 years. ISG are implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH.

IKI Invest

IKI Invest exclusively supports multi-donor initiatives and financing funds with the objective of strengthening and effective further development of multilateral cooperation to protect the climate and biodiversity; and conceptualising promising financing instruments for the mobilisation of private capital and investments in climate action and biodiversity conservation. In both cases, IKI Invest intends promoting financial assistance within partner countries.

While these Guidelines offer valuable information for all IKI projects, **certain requirements outlined herein do not apply to IKI Small Grants and IKI Invest**. Please refer to the respective websites to determine the specific rules applicable to your project.

Figure 3 Summarised results framework of the IKI



2 IKI monitoring and evaluation framework

Summary: This chapter introduces the overall IKI monitoring and evaluation (M&E) framework. It defines key terms and outlines how IKI's M&E framework contributes to improving the effectiveness, accountability, and learning of individual projects as well as the IKI funding programme at large.

The IKI M&E system is based on the concepts, experiences, and standards of:

- the United Nations Framework Convention on Climate Change (UNFCCC),
- the Convention on Biological Diversity (CBD), including the Green Climate Fund,
- the Organisation for Economic Co-operation and Development (OECD) standards, and
- the German funding legislation.

Definition: Results-based monitoring

Monitoring is an ongoing, systematic process of collecting and analysing information about individual project activities and progress, as well as the overall progress of the IKI at a programme level. Its primary purpose is to help track whether projects and the IKI are on course to meet their objectives, identify challenges early, and ensure resources are used effectively. Essentially, monitoring provides the data and insights needed to make informed decisions, steer projects, and keep the IKI moving in the intended direction.

Results-based monitoring builds on this by not just verifying whether activities have been completed, but by assessing whether these interventions are effectively leading to the desired changes or outcomes. It emphasises setting clear, verifiable objectives and conducting regular reviews of progress that incorporate monitoring data and evidence. The entire IKI monitoring framework is designed to ensure that projects and the IKI at large remain aligned with their objectives and that efforts translate into tangible outcomes.

2.1 IKI monitoring framework

The IKI conducts monitoring at both the project level and the funding programme level. Figure 4 illustrates an overview of the IKI M&E framework on project and programme level and summarises this chapter.

2.1.1 Programme-level monitoring

Why do we need results-based monitoring on a programme level?

The IKI uses a set of Standard Indicators (SIs) and Strategic Objectives (SOs) to record selected results across the entire funding programme. They are a crucial tool to understand whether the IKI is on track in meeting its overarching objectives, as they enable us to display quantifiable and qualifiable results of the IKI across the whole portfolio. **It's important to note that all the data used for programme-level monitoring is ultimately derived from the individual projects.**

IKI Standard Indicators (SIs)

The SIs were introduced in 2015 (Set A, old SIs) and comprehensively revised in 2022 (Set B, new SIs). All projects that started more recently report exclusively on the new SIs, which are the following:

- SI 1 - Mitigation**:** Greenhouse gas (GHG) emissions reduced, or carbon stocks enhanced directly or indirectly by project measure.
- SI 2 - Ecosystems: Area of ecosystems with improved conservation and sustainable use due to project measures.
- SI 3 – Adaptation**:** Number of people supported by projects to better adapt to the effects of climate change.

- SI 4 – Capacity people: Number of people directly supported by IKI projects through networking and training to address climate change and/or conserve biodiversity.
- SI 5 – Leveraged finance: Volume of private and/or public finance leveraged for climate action or biodiversity purposes in EUR.

In Chapter 3.3, we provide guiding questions for each SI to help you select the relevant ones for your project. You will also find detailed definitions of each indicator, along with methodological requirements for data collection. Additionally, Chapter 4.3.1 outlines the reporting requirements for each SI during project implementation.

IKI Strategic Objectives (SOs)

With the IKI Strategy from 2023, the IKI sets itself four SOs to be reached until 2030:

- SO 1: Raising ambitions of Nationally determined contributions (NDCs), National Adaptation Plans (NAPs), and National Biodiversity Strategies and Action Plans (NBSAPs): More ambitious NDCs, NAPs and/or NBSAPs in at least 30 partner countries.
- SO 2: Improving the enabling environment: Improved enabling environments for cross-sectoral or sector-transformative climate change mitigation, biodiversity conservation, and/or climate change adaptation in at least 20 partner countries.
- SO 3: Implementation through piloting or scaling: Implemented climate change mitigation, biodiversity, and/or climate change adaptation measures in at least 20 partner countries.
- SO 4: Mobilising private investments: The IKI mobilises 1.5 billion EUR private investment in climate change mitigation, biodiversity conservation, and adaptation to climate change in the partner countries.

In Chapter 3.4 we provided you with guiding questions for each SO to support you in the selection of the relevant SOs for your project. You will also find detailed definitions and reporting requirements. Additionally, Chapter 4.3.2 outlines the reporting requirements for each SO during project implementation.

2.1.2 Project-level monitoring

Why do we need results-based monitoring on a project level?

A comprehensive results-based monitoring at project level lays the foundation for successful project management and steering, any evaluation, and for accountability vis-à-vis funders and project partners. It helps to recognise whether the objectives (outcomes and outputs) that you have set to achieve with your project are being attained by tracking the respective indicators.

The results-based monitoring framework at the level of individual projects currently comprises:

Results-based project planning

- Definition of clear, ambitious, and achievable **project objectives** (3.2.1)
- Development of a **results framework** (0) along project-specific indicators (3.2.3) at outcome and output level as well as milestones and activities (3.2.5)
- **Environmental and social risk analysis**, including stakeholder analysis (3.5.1)
- **Gender analysis** (3.6)

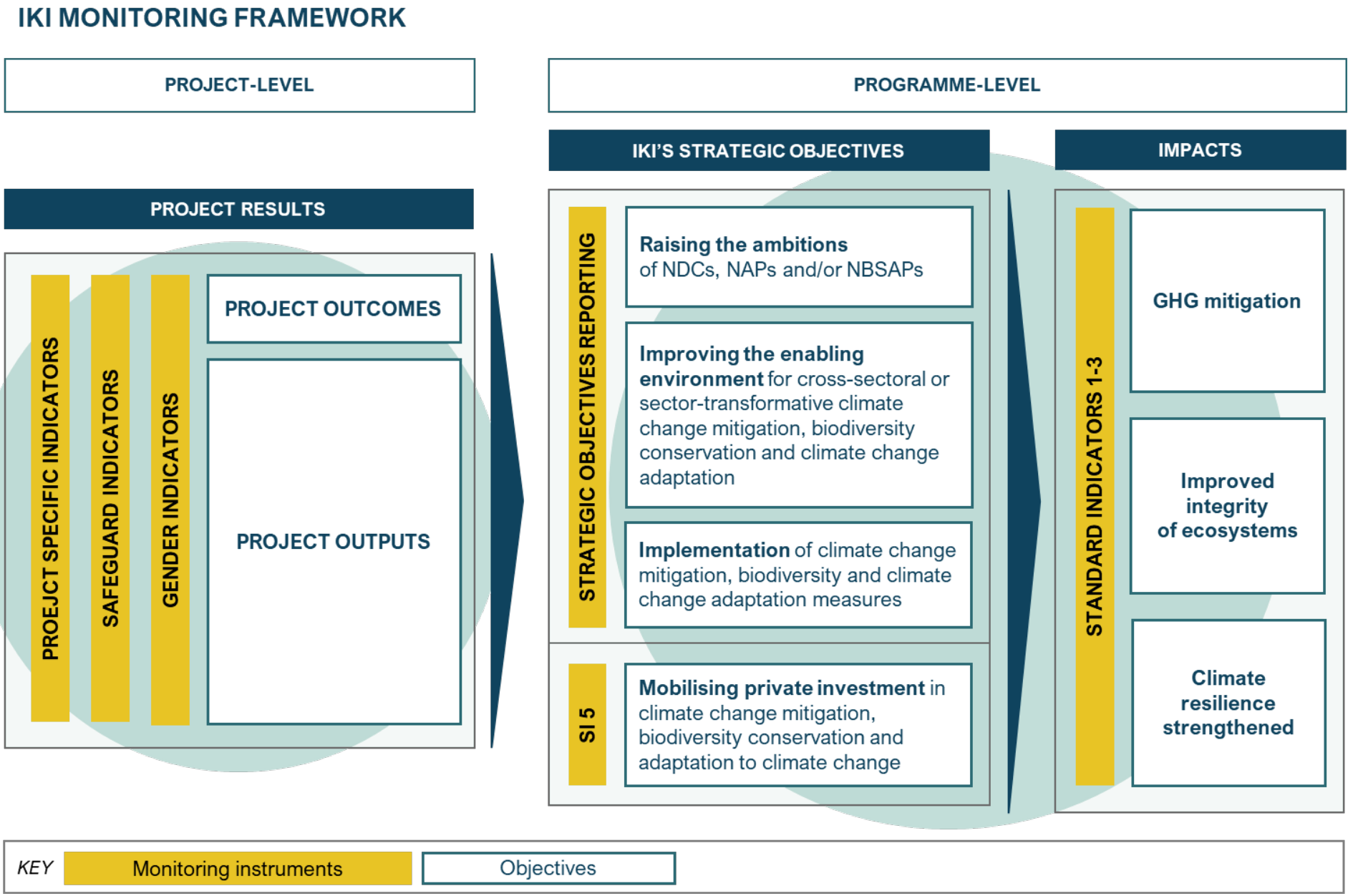
Results-based monitoring and reporting:

- **Annual reporting** (financial statements and technical report, 4.3) on your **project's progress** towards achieving its objectives, new developments, including reporting on selected **SIs** (4.3.1) and **SOs** (4.3.2)
- **Monitoring and reporting of cross-cutting topics** (incl. gender 4.3.4 and safeguards 4.3.3)
- **Biannual project updates** on relevant political developments that might impact the course of the project, and relevant project results for public information to be published on the IKI website (4.2)
- **Final report** on the attainment of objectives and implemented activities (4.3)

In Chapter 3.2. you find all information needed for developing your project specific results-based monitoring system during the project planning phase.

In Chapter 4.3. we provide you with the information needed for your regular reporting during the implementation phase as well as the final reporting at the end of the project.

Figure 4 IKI monitoring framework



2.2 IKI evaluation framework

Why do we need evaluations?

The IKI evaluation framework complements monitoring and reporting activities to externally support and verify the achievement of objectives, and to fulfil its purpose of contributing to learning, accountability and knowledge management. It also addresses the obligations of the Federal Budget Code, which requires reviewing results and efficiency for all funding measures of the Federal German government. This is done by analysing a) the achievement of objectives, b) the causality of interventions, and c) their efficiency. In addition, evaluation criteria and questions are derived from the OECD-DAC evaluation criteria.

The IKI M&E system applies various types of evaluation to address different purposes such as accountability, learning, project and programme steering, programme development or knowledge management. Thus, the evaluation findings and recommendations benefit a variety of stakeholders engaged in the IKI in a multitude of ways.

Overall, the evaluation system entails three levels:

- On the level of **individual projects**, projects may be subject to a formative mid-term evaluation and a final review shortly after project end. In addition, selected projects are subject to an accompanying impact evaluation.
- On the level of **funding instruments**, evaluations are conducted for specific funding instruments or modalities.
- On the **programme level**, IKI-wide programme evaluations are conducted in large intervals to provide a comprehensive overview of general programme success. In addition, thematic evaluations or studies may be conducted on specific overarching topics.

The research interests of evaluations are usually set by the IKI ministries, coordinated by the M&E unit of the IKI Office at ZUG and typically conducted by external service providers.

To find out more about IKI evaluations and to access **results** of past conducted evaluations, please visit the IKI website.

Types of project-level evaluations

Mid-term evaluations

Mid-term evaluations (MTEs) are formative evaluations that are primarily designed to improve learning among projects resulting from competitive calls (excluding IMG, ISG). MTEs are carried out roughly at mid-point of the project and entail a comprehensive stocktaking of the status quo of project implementation by typically conducting field visits and different data collection methods (e.g. stakeholder interviews, focus group discussions, surveys).

Their findings result in recommendations that will enable implementing organisations to strengthen objective achievement and provide insights to the IKI Office at ZUG and the BMUKN and AA for project management and further programme development.

Following a participatory approach, MTEs foresee the active involvement of project stakeholders within the evaluation process. The project's safeguards management will also be assessed as part of the mid-term evaluation. The implementing organisations profit from MTEs significantly by receiving recommendations on how to deal with implementation challenges and further strengthen good practices. Due to the participatory approach, the timing of the MTE will be coordinated jointly.

Final reviews

In contrast to the MTE's formative approach, final reviews take a summative perspective on IKI projects with a focus on accountability and are applied for a sample of IKI projects. They build upon the final project reports and substantiate the findings contained in them with an additional document review, a detailed analysis of available monitoring data, and selected interviews or other forms of primary data collection. By following a standardised approach for reviewing project performance vis-à-vis IKI programme objectives, they thus feed important data into an assessment of IKI's SOs achievement.

Final reviews are an important tool for the BMUKN, AA and the ZUG to measure the success of the IKI at project level. They are also intended to provide the implementing organisations with valuable feedback that can be used for future projects. The implementing organisations are interviewed alongside other important stakeholders as part of the evaluation.

For **IMG** no individual project evaluations are planned. However, evaluations of the IMG funding instrument will be conducted at regular intervals.

2.3 IKI safeguards system

Why do we need a safeguards system?

Climate action and biodiversity conservation often take place in challenging contexts involving weak rule of law, structural inequalities and fragile ecosystems. To ensure projects operate with caution in these contexts, to ensure ecological and social sustainability and to maximise positive impacts, the IKI is committed to complying with international environmental and social standards as part of its due diligence obligations.

The IKI safeguards system aims to:

- prevent adverse impacts on people and the environment and ideally maximise the positive environmental and social impacts of projects;
- strengthen stakeholder engagement and participation, especially of marginalised, vulnerable and indigenous groups or individuals;
- enhance the effectiveness, sustainability and quality of projects;
- increase transparency and accountability for IKI stakeholders and the public; and
- transparently communicate criteria which are excluded from IKI funding.

IKI implementing organisations are obliged to comply with the following core elements of IKI's safeguard system:

- **Safeguards standards:** the environmental and social standards that projects must meet. The IKI applies the Environmental and Social Safeguards Standards of the Green Climate Fund, which currently uses the International Finance Corporation (IFC) Performance Standards on Environmental and Social Sustainability.
- **Safeguards policy:** the document that sets out the principles and procedures to ensure environmental and social standards.
- **Exclusion criteria:** a variety of activities are not funded by the IKI as they are either too risky to ensure compliance with environmental and social standards or are not ethically justifiable.
- **Complaint mechanism:** the IKI Independent Complaint Mechanism is a tool which persons adversely affected by the project's activities can use to report any breach of the environmental and social standards.

Please consult the relevant documents to learn more about IKI's safeguard requirements.

In Chapter 3.5 you will find out more about **minimum safeguards requirements** and in Chapter 4.3.3 provides details on safeguards reporting during implementation.

For more information about the IKI safeguards system please go to the IKI website.

2.4 Gender in the IKI

Why do we need gender in the IKI?

Environment, biodiversity and climate policies are not gender neutral. There is a close correlation between gender relations, the adverse effects of climate change and causes of climate change and biodiversity loss. Factoring in gender relations enables us to tackle climate change, biodiversity loss and their impacts more effectively. The goal of the IKI is to drive forward the socio-ecological transformation towards a climate-neutral society.

Integrating gender into the IKI aims to

- promote gender-transformative approaches within international climate and biodiversity co-operation while embedding gender-responsive processes as a minimum standard at project level;
- contribute to gender justice; and
- ensure compliance with national and international obligations and standards.

To achieve this, the IKI published its IKI Gender Strategy in 2021, and incorporated the objectives as measures to integrate gender as a factor at project and programme level. To support the implementation of the Gender Strategy, the IKI Gender Action Plan was established. Aiming to facilitate the exchange of knowledge and experience in the implementation of the IKI Gender Strategy and the promotion of gender equality in projects, the IKI Gender Community of Practice, a communication format with the implementing organisations, was launched in 2024.

Please consult the relevant documents to learn more about gender in the IKI.

In Chapter 3.6 you find more information on the **minimum gender requirements**.

For more information about gender in the IKI please go to the IKI website.

3 Project proposal

Summary: This chapter provides essential guidance for designing a results-based monitoring system for your project and writing your project proposal. This includes instructions for:

- developing an effective results logic, strong project-specific objectives and respective indicators,
- identifying co-benefits of your project,
- selecting relevant SIs and SOs to track your project's contributions accurately,
- designing your project responsibly by defining safeguard measures,
- designing your project inclusively by following gender requirements, and
- classifying your project using official markers and codes for consistent categorisation.

3.1 Inclusive project planning

The IKI aims to create a meaningful impact in partner countries by bringing positive change to people, helping them better adapt to and mitigate the effects of climate change and biodiversity loss. To achieve this, it is crucial to identify the specific needs of your project's target groups. Those affected by climate change and biodiversity loss - especially marginalised, vulnerable and indigenous groups or individuals - are the experts of their own needs. We want to ensure that their perspectives and needs are considered from the very beginning, so the project truly adds value to their lives.

When developing your project, please reflect openly on whose opinions are being valued and included. Consider whether there are opportunities to broaden the circle of feedback providers and include voices that might otherwise be overlooked. Use these opportunities whenever they arise**.** This inclusive approach also helps foster motivation and shared ownership, encouraging everyone to work together toward the common goals.

Additionally, please follow a **do-no-harm approach**.

Part of an inclusive project planning is also to conduct

- an environmental and social risk analysis,
- including a stakeholder analysis, and
- a gender analysis.

Naturally, diverse and inclusive perspectives are **equally important for implementing and monitoring**. Please also openly reflect on whose opinions are being documented when implementing your project or when collecting evidence on project progress.

3.2 Developing a results-based monitoring framework

Figure 6 at the end of this chapter offers a concise overview of the key elements and requirements for developing an IKI-compliant result-based monitoring system for your project.

3.2.1 Setting project objectives

Definition: Objectives

Objectives describe the changes a project seeks to achieve.

Setting clear and achievable objectives is one of the most critical steps in the planning process of any project, as they serve as the foundation upon which the entire project is built. Objectives serve the following functions:

- Developing a **common understanding** with partners, donors and beneficiaries of "where to go" with the project.
- Provide a clear **direction** for the project team and create a framework for **accountability**, ensuring that all efforts are aligned**.**
- Help in identifying the **necessary resources**, including time, budget, and personnel.
- **Provide a benchmark** against which progress can be measured.
- **Help communicate** the project's purpose to stakeholders.

Guiding questions for defining objectives

- What do we want to achieve with the project? What changes do we want to see happening throughout the project?
- Why is this relevant?
- Who is our target group? Who will benefit when we achieve the objective? Does the way the objective is written clearly indicate who the intended audience is?
- Who needs to be involved/consulted to accomplish this objective?
- Is this objective ambitious, but still realistic given the resources available (time, budget, personnel)?
- What potential obstacles might we face in reaching this objective?
- How does this objective align with the overall objectives of the IKI funding programme?
- Which objectives are the most critical to our project's success?
- What larger objectives can be broken down into smaller, actionable objectives?
- Which specific aspects of the larger objectives can we focus on first?
- How can we phrase the objective to focus on what we want to achieve rather than just what we will deliver?

3.2.2 Defining results: impacts, outcomes, and outputs

During your brainstorming of project objectives, you may have identified a variety of concrete **results you hope to achieve through your project**. Some of these may require large, long-term transformations, while others might involve smaller changes that are easier to accomplish. Additionally, you might have pinpointed specific products or deliverables that are essential for reaching certain objectives.

Some of these results can be achieved directly by your project, while others depend on external factors or stakeholders but can still be influenced by your work. To organise these different aspects, we differentiate between **impact, outcomes, and outputs**.

Definition: Impact

Impacts are the long-term social, environmental, and economic effects of an intervention. These arise from the interaction of various factors and stakeholders, with the IKI project being just one of them. Impacts reflect the **sphere of interest** of IKI projects, which may include long-term and large-scale reductions in greenhouse gas emissions, adaptation to climate change or the preservation of biodiversity.

Definition: Outcome

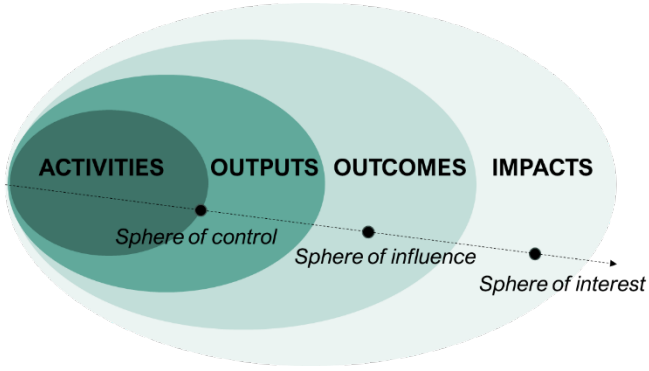
Outcomes are the overarching objectives of the project, i.e. the positive intended changes the project aims to achieve for the target group(s). Outcomes generally are not changes that can be achieved by the IKI project alone but changes that the IKI project seeks to *influence* to a substantial extent. This dimension of change therefore reflects the **sphere of direct influence** of the project.

Definition: Output

Outputs are products and services developed and delivered by IKI projects, which are expected to make a verifiable contribution to the outcome(s). The IKI uses a definition of outputs that does not end with the creation of products and services but also incorporates their immediate uptake by partners or the target groups, if this is verifiable. Since the attainment of outputs can be largely *controlled* by the project itself, this dimension of change falls within the project's **sphere of control**.

Figure 5 shows the relationship between the spheres of influence and impacts, outcomes, and outputs.

Figure 5 Spheres of influence



IKI projects can set between **1-4 outcome(s)** that should all significantly contribute to the intended impacts. IKI projects usually intend to deliver **2-5 outputs** to achieve their outcome(s).

IMG

Aiming at strengthening capacities and networks of civil society actors **IMG** projects are expected to contribute to the following outcome objectives:

- Uptake of innovative bottom-up solutions in IKI's funding areas
- Improved perception of civil society organisations as experts and implementation partners in IKI partner countries
- Enhanced networking of civil society actors from the Global North and South

IMG projects can set **1 outcome** and **2-4 outputs**. For more information see the respective templates.

3.2.3 Results logic: Linking impact, outcomes, and output

Definition: Results logic

A **results logic** (also called results chain) refers to the underlying reasoning or theory that explains how and why a project is expected to achieve its results. It focuses on the **causal links** between the project's activities and expected deliverables and results, detailing the assumptions that underpin these connections.

In your project proposal the results logic is articulated in a narrative form. In the respective chapter you should make transparent **why you think doing A will lead to B** and what contextual factors will help or hinder progress.

Please also include any other assumptions that are necessary to understand your project. In doing so, you should especially reflect on the relationship between outputs, outcomes and impact. The purpose of identifying these assumptions is to be able to test and monitor them during project implementation. You can also add your own graphic representation of the results logic in this chapter or as an annex to the project proposal.

3.2.4 Project-specific indicators

Once your results logic and included outputs, outcomes and impacts are set, you need to define indicators that enable you to measure the progress towards reaching your objectives.

Definition: Indicator

An **indicator** is a means or a sign that *indicates* the extent to which a desired change has happened. Indicators help to determine if something is working as intended, and ultimately if objectives have been achieved. In other words, indicators serve as a means for assessing the progress and success of your IKI project.

Sometimes this "sign" might be very straightforward. For example, if you want to know how many students passed a test, the number of students who actually passed tells you exactly what you want to know. We call this type of indicator **direct indicators**.

In other cases, it is not possible to directly measure or observe a change, so you have to measure something else, a so-called proxy, instead. For example, the retention rate of employees within an organisation can serve as a proxy indicator for workplace satisfaction. We call this type of indicator **proxy indicators**.

How to formulate indicators for your IKI project?

- Before defining your indicator, you must define the project's objectives (on outcome and output level). Only afterwards, it is possible to decide with what means progress can be assessed.
- **Per outcome/output, you should define 2-4 project-specific indicators** (if necessary, you can define more, as long as the total number remains cost-effective and manageable)
- Formulate the indicator as a **neutral statement** (indicators ≠ objectives). Neutral indicators might refer to, for instance, "percentage of", "number of" or "description of".
- Develop clear definitions: Use **precise language** to avoid ambiguity.
- Define a **unit of measurement**: Decide whether the indicator will be **quantitative** (numerical data, e.g. percentages, scores, numbers), **qualitative** (descriptive data) or both. Providing both (e.g. the number and description of what has been achieved) goes beyond merely reporting figures and includes descriptive and analytical narrative around the scale of change. A **diversity of units** is recommended.
- Indicators should not just include the quality and quantity of products and services offered by the project but also capture the extent to which an **initial uptake by project target groups** has occurred.
- Set a **baseline**: Establish baseline values to specify the starting point for the indicator and to provide a point of reference.
- Define a **target (value/scenario).** Set specific, achievable targets to measure progress over time. Define when the indicator will be achieved.
- Define **dates of attainment**: Always keep the results chain in mind—consider when each step needs to be completed to feed into the next. Avoid setting all dates solely at the "end of the project." Instead, include indicators that reflect earlier progress, or define milestones like "50% of the total value achieved by date X." This approach allows you to better monitor and steer the project throughout its implementation.

- Define **means of verification**: Determine how data will be collected for the indicator. Identify different sources of data, such as key informant interviews, case studies, tracer studies etc., encompassing the views of different stakeholders (triangulation).
- Your chosen indicators should provide an **accurate window into your project's priorities** and ambition at different levels. This implies that within the same output, your selected indicators should depict a hierarchy of expected changes (from less to more ambitious ones).
- Indicators should provide information to **measure progress** and information relevant for **project steering**.
- Indicators for outcomes and outputs should meet the **SMART** criteria.

An **IMG** project should have 1 outcome with min. 2 and max. 3 indicators and 2-4 outputs with min. 1 and max. 3 indicators each.

SMART criteria

Specific: Defined unambiguously and precisely.

Measurable*:* Possible to verify with information.

Achievable*:* Possible to reach with the available resources and under the prevailing conditions (keeping in mind, however, that it is the output/outcome that is to be "achieved", not the indicator itself).

Relevant: Information provided by the indicator should be of relevance to outcomes and outputs.

Time-bound: Equipped with a timeframe and achieved no later than by the end of the project.

Indicator examples

Outcome: NAMAs (Nationally Appropriate Mitigation Actions) on transportation in line with China's national mitigation targets are successfully implemented (by the end of 2023).

Indicator (SMART): Number and description of NAMAs that have been implemented for the transportation sector in cooperation with partners by Q4/2023.

Baseline: 0 / Target: 3

Means of verification: Availability of three developed NAMAs, testimonies on contribution of the IKI project

Indicator (NON-SMART): The transportation sector's mitigation potential is increased.

➔ **Not specific.** What exactly is the intended change?

Indicator (NON-SMART): By 02/2023, support to NAMAs in the transportation sector has increased the buy-in of government stakeholders.

➔ **Not measurable**: What is being measured/observed? How to verify the change?

Output: Project studies demonstrating the value of services provided by ecosystems have reached key decision-makers involved in given I policy process.

Indicator (SMART): Number and percentage of national governmental and non-governmental organisations involved in a specific biodiversity policy roundtable requesting results of project studies, by 10/2018.

Baseline: 0 organisations / Target 5 (including at least 2 governmental)

Means of verification: Workshop reports and testimonies from participants

Indicator (NON-SMART): Governmental and non-governmental organisations (NGOs) are satisfied with results provided by project studies that will inform national policy.

➔ **Not measurable**: What is the benchmark for success? How can it be measured?

Indicator (NON-SMART): % of threatened flagship species in the region no longer listed as endangered or critically endangered by 2022.

➔ **Not relevant**: goal is primarily focused on the political process.

Advice for indicators on capacity development

- Be very clear about the specific objectives of the capacity development and make sure that indicators reflect those. Clearly define the target group of the capacity development, the topic and the expected outcome of the training.
- Disaggregate data by gender and other social categories as relevant in the specific context.
- Do not try to measure different aspects simultaneously within the same indicator. Instead use multiple indicators to capture a range of changes.

Examples:

- Total number of participants (output level).
- Percentage of participants providing positive feedback on learning impact (output level).
- Number and percentage of participants reporting application of knowledge on topic X in their work 6 months post-training (outcome level).

Advice for indicators on policy support

- Be very clear about your specific objectives in terms of policy influencing – e.g. are you seeking to change the content of policies, the procedure of policy-making processes (e.g. enabling the participation of excluded groups) or to raise awareness of an issue among change agents?

- The indicator should reflect the relevance/quality/reception of outputs as well as immediate uptake by intended users (usually decision-makers in the private, public or third sectors, as well as academia). They should reveal the extent to which policy advice has reached and can be used by the intended people.

Examples (outcome-level):

- Number and description of project countries, in which national and sectoral policymakers have integrated the project's recommendations into policy revision processes.
- Number of local stakeholders (policymakers, private sector, civil society organisations), in the five pilot cities, who have formally committed to contribute resources (financial, labour, material, organisational) to jointly agreed decarbonisation initiatives.
- Volume of financial resources formally committed by private sector actors to jointly agreed decarbonisation initiatives.

Advice for indicators on strengthening stakeholder coordination/networks

- To define indicators on stakeholder coordination you need to have a clear idea of the purpose of coordination activities (e.g. to expose stakeholders to new and relevant evidence, to build personal or institutional relationships, to create a critical mass of actors who can have more influence when speaking with one voice).
- The mere count of stakeholder meetings does not reflect the quality of coordination and collaboration. This is because these meetings are often funded by the projects themselves, which means that the indicator "number of meetings" provides limited insight into whether the exchanges will continue after the project ends. Additionally, baselines are frequently set at zero, overlooking any existing relationships among the stakeholders that the project aims to connect.

Examples (output-level):

- Number and percentage of organisations engaging with the network X at progressive levels of engagement, from level 1 to 3. [Note: in this case you need to insert a description of the different levels].
- Number and percentage of meeting participants who report exposure to new concepts and/or follow-up exchanges with new contacts, following the event.

Looking for another type of indicator? In Chapter 3.3 you find everything you need to know about **SIs**, in Chapter 3.5.3 about **safeguards** indicators, and in Chapter 3.6 about **gender** indicators.

3.2.5 Work packages, project activities, and milestones

Project activities

To describe *how* outputs will be delivered, projects need to plan and define respective activities. Project activities are the specific actions that are undertaken to deliver the respective output of a project. In other words, activities are essential for operationalising the results framework.

Work-packages

Work-packages are groups of related activities. It often makes sense to develop one work package per output. It is, however, also possible for multiple work packages to feed into a single output, or for a single work package to relate to multiple outputs. In such cases, you should clearly indicate the connections between outputs and work packages.

IMG projects are only required to define work packages when defining more than four activities per output.

Milestones

Milestones establish a connection between activities and outputs by marking the completion of key phases or deliverables. They serve as checkpoints that help projects assess progress, make decisions, and ensure that the project is on track. Milestones can indicate the completion of critical tasks, or the achievement of specific goals. Feel free to use partial achievement of indicators as proxies for milestones.

IKI requirements for work-packages, project activities, and milestones

- There are no requirements on numbers of activities or work-packages.
- Your chosen activities / work-packages should be realistic, relevant and provide an accurate window into your project's priorities.
- The duration (including end dates) for all planned activities must be illustrated in a **Gantt Chart** (Annex of the proposal template).

3.2.6 Defining a timeline: Gantt Chart

In the Annex “Gantt Chart” you are required to define an estimate **timeline** for implementation of your project activities as well as progress towards milestones, outputs and outcomes. Outputs, activities as well as milestones described must be inserted in the chart, including their duration and/or date of achievement. Outcomes do not require a timeline.

A timeline is a helpful tool to visually map out the sequence of project activities and outputs over time. By laying everything out in order, it shows how each step depends on the previous ones and how they all connect to achieve the final objectives.

3.2.7 Results framework

Definition: Results framework

A **results framework** (also called a logical framework or Log Frame) is a structured visual tool that outlines the expected results of a project. It typically includes the expected impacts, outcomes, outputs, and activities, along with indicators to monitor progress and success. The results framework helps stakeholders understand the relationships between these elements and provides a clear pathway for achieving the desired results. Therefore, the results framework is considered the core of your project.

In your project proposal the results framework is represented in form of a table. Your results framework should be a summary of your project and be **comprehensive on its own**.

We are aware, that the reality of IKI projects will be more complex than what you will present in your results framework. It is nevertheless a useful tool to clarify the ultimate purpose of your project, agree on objectives and the way to fulfilling them.

If your project uses another tool to visualize the logic behind the project, feel free to include it in your project proposal.

3.2.8 Co-benefits

Definition: Co-benefits

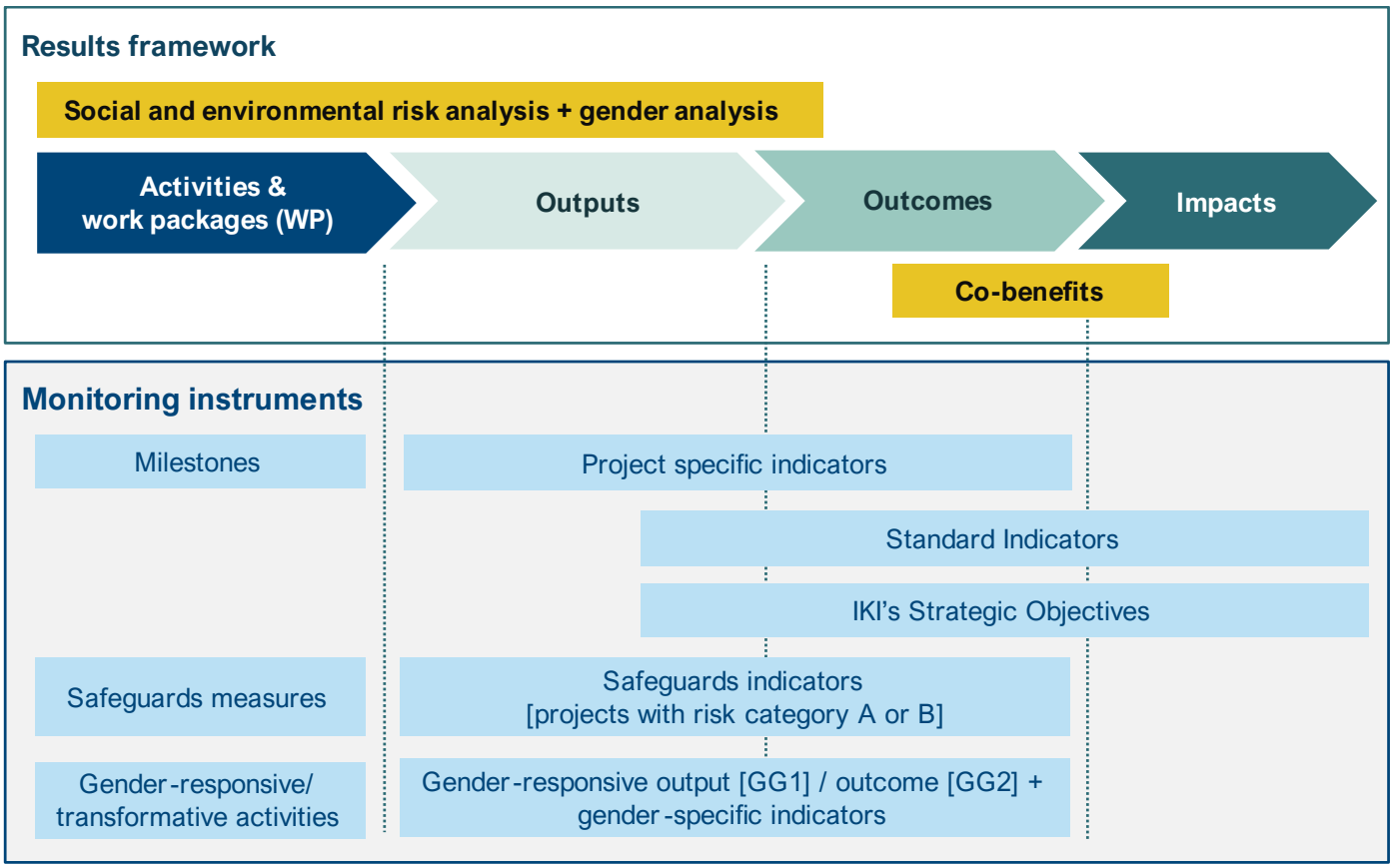
Co-benefits are positive socio-economic effects and/or improved quality of life brought about by measures that are primarily designed to address climate mitigation, adaptation and biodiversity improvements.

Co-benefits of your IKI project must be anticipated and specified in the project proposal and the regular reporting. Where this strengthens the project strategy, co-benefits should form part of the results logic and assumptions.

Examples: Strengthened household income through income-generating activities of projects, e. g. high-income jobs created by the introduction of renewable energy measures; Improved water and air quality; Reduction in airborne pollutants; Strengthened rights and participation of marginalised groups

IMG projects are not required to define co-benefits, but they can be integrated into the description of the project objectives and measures to present a comprehensive impact story.

Figure 6 Key requirements for the results framework



Key requirements

- Define your project's **impact**.
- Define 1-4 clear and achievable **outcomes** with 2-4 indicators each.
- Define 2-5 clear and achievable **outputs** with 2-4 indicators each.
- Describe underlying assumptions and **causal links between outputs, outcomes and impact**
- Define **activities** and **milestones**.
- Analyse **gender** and **safeguard implications** of your project and define respective **indicators and measures**.
- Work in a gender responsive or transformative way and collect gender disaggregated data.
- Analyse and monitor potential **co-benefits**.
- Select and monitor relevant **Standard Indicators**
- Select and monitor relevant **Strategic Objectives** your project contributes to.

SELECTING THE RIGHT STANDARD INDICATORS (SIs)

3.3 Selecting the right Standard Indicators

Summary: The IKI funds a wide variety of projects working on different topics in different sectors thus contributing to a variety of impacts. The IKI SIs aim to make project impacts visible across the entire funding programme. However, not every SI will be applicable to every project. This chapter is designed to help you identify which SIs are relevant to your specific project.

To support this, each SI chapter is structured as follows:

- A brief introduction to the indicator, including guiding questions to help determine whether your project can report on it.
- Clear and detailed indicator definitions (Indicator guidance sheets).
- Concrete examples of relevant interventions to illustrate how the indicator can be applied.
- An overview of the methodological requirements.
- Links to additional resources for further information.

Should you have any doubts or needs for clarification you are welcome to reach out to the IKI SI Helpdesk at iki-si-helpdesk@z-u-g.org

Before you select the right SIs, here are some key messages to keep in mind:

- **The SIs are not used to measure and assess the level of ambition or success of your project!** They are an important tool for political communication towards political partners and the public, as they enable us to showcase quantifiable and qualifiable results of the IKI funding programme across the whole portfolio.
- However, if **one or more SIs align with your results logic, you should consider adopting them as project-specific indicators** in your results-based monitoring system to avoid duplicating reporting efforts.
- **Ensure that your project provides substantiated numbers that provide a realistic but cautious record of your project's contributions**. While the IKI encourages projects to adopt realistic objectives, the IKI thereby aims at decreasing the risk of reporting inflated figures. Therefore, target estimates should be grounded in conservative assumptions on an intervention's effects rather than on best-case scenarios.
- Changes to the SIs (e.g., target values) can be made without additional administrative procedures. Just ensure you provide a transparent explanation.

Please include all SIs that apply to your project in your project proposal and provide **planned target values** in the IKI SI Report (Excel Tool) accordingly. If you are unable to set target values at the proposal stage, please ensure to include them in your first interim report.

Further information on how to report on the SIs during the implementation phase of your project are provided in Chapter 4.3.1.

STANDARD INDICATOR 1
MITIGATION

3.3.1 SI 1 - Mitigation

What does the indicator measure?

SI 1 - Mitigation

GHG emissions reduced, or carbon stocks enhanced directly or indirectly by project measures (Tonnes of carbon dioxide equivalent – tCO_2e).

The term '**greenhouse gases**' here refers to GHGs covered under the Paris Agreement. These are Carbon Dioxide (CO_2), Methane (CH_4), Nitrous oxide (N_2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), Sulphur Hexafluoride (SF_6) and Nitrogen Trifluoride (NF_3).

Should your project result in significant mitigation of other GHGs not mentioned above (e.g. HCFCs), please make sure that the data is reported separately from the other GHGs.

This SI captures the extent of GHG emission reductions and carbon stock enhancement that result from IKI project activities during project implementation and over the technology / mitigation measure lifetime. The SI also captures qualitative information related to potential long-term mitigation impacts of enhanced policy frameworks.

Is SI 1 relevant for my project?

To assist you in determining whether SI 1 is applicable to your project, and if so, which specific categories are relevant, consider the following guiding questions:

- Are contributions to **mitigation a central objective** at the project's outcome or output level? → *If yes, please select SI 1*
- Does your project **provide finance for implementing mitigation measures during the project period**, e.g. through investments in renewable energies or financing of reforestation? → *If yes, please select **'direct mitigation'***
- Does your project **provide technical assistance (TA) aimed at enabling partners to implement mitigation measures during the project period** or shortly thereafter (i.e., actual mitigation measures are financed by actors other than IKI)? → *If yes, please select **'indirect mitigation'***
- Does your project **work with political partners to strengthen specific policy frameworks for increased mitigation** in the future, e.g. NDCs, Long-Term Low Emission Development Strategies (LT-LEDS) or sector strategies? → *If yes, please select **'indirect long-term mitigation'***

If any of the mentioned aspects apply to your project, please ensure that the SI is selected in the project proposal and report accordingly in the IKI SI Report (Excel Tool).

If your project contributes to enhanced policy frameworks, please ensure that you also report under the respective IKI SOs.

Indicator guidance sheet

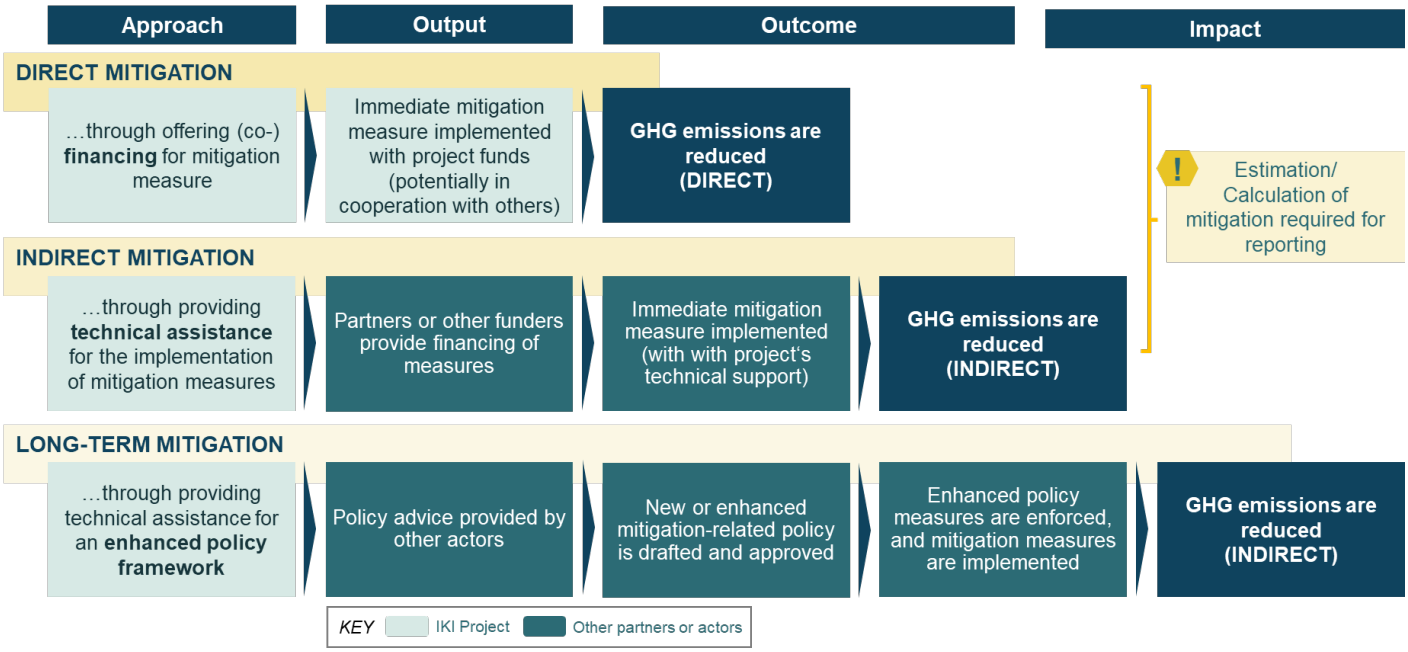
The level of mitigation is the net change in GHG emissions / carbon stocks brought about by IKI projects as compared to a baseline scenario (i.e. level of GHG emissions/carbon stocks expected without the intervention).

The indicator is separated in three sub-indicators capturing data in three categories:

- **Direct mitigation effects:** GHG emission reduction / carbon stock enhancement as a direct result of IKI project interventions that finance mitigation measures.
- **Indirect mitigation effects:** GHG emission reduction / carbon stock enhancement as an indirect result of IKI project activities providing technical support for mitigation measures.
- **Indirect long-term mitigation effects**: Potential long-term emission reduction / carbon stock enhancement as an indirect result of IKI project interventions that enhance policy frameworks.

Thus, the indicator describes three different pathways to GHG emission reduction / carbon stock enhancement:

Figure 7 Pathways to GHG emission reduction / carbon stock enhancement



In addition, we distinguish between planned target estimates (ex-ante), actually achieved emission reductions / carbon stock enhancements during project implementation (ex-post) and the overall mitigation over the technology / mitigation measure lifetime until 2030, 2040 and 2050. These figures are reported separately to be transparent on figures that represent ex-post estimations and ex-ante estimations (see Chapter 4.3.1; Figure 15).

Direct mitigation

Definition: Direct mitigation effects

Refers to GHG emission reduction / carbon stock enhancement and the amount of CO_2e reduced, avoided or sequestered immediately through mitigation measures that are (partly) financed by the IKI project.

GHG emission reduction / carbon stock enhancement effects that are causally and quantitatively attributable to mitigation measures directly funded by the IKI project, such as investments in low-emission infrastructure, clean energy technologies, or ecosystem restoration, might occur and be observed during the implementation of IKI projects. In addition, mitigation effects resulting from these mitigation measures financed by the project might continue to occur after the project has ended, i.e. over the entire technology / mitigation measure lifetime.

Thus, the sub-indicator is measured in:

Tonnes of CO_2e reduced, avoided or sequestered **directly**, through the IKI project results during the project duration and over the technology / mitigation measure lifetime (reported until 2030, 2040 and 2050).

Indirect mitigation

Definition: Indirect mitigation effects

Refers to GHG emission reduction / carbon stock enhancement and the amount of CO_2e reduced, avoided or sequestered through enabling activities supported by the IKI project such as capacity building, advisory services, or other forms of TA.

The actual mitigation measure is financed by an actor other than IKI (e.g., a city government in a partner country), but an IKI project provides essential capacity development measures or technical support for its implementation.

Indirect GHG emission reduction / carbon stock enhancement might occur and be observed during the implementation of the IKI projects. In addition, mitigation effects resulting from mitigation measures for which the project provided technical assistance continue to occur after the project has ended, i.e. over the entire technology / mitigation measure lifetime.

Thus, the sub-indicator is measured in:

Tonnes of CO_2e reduced, avoided or sequestered **indirectly**, through project results during the project duration and over the technology / mitigation measure lifetime (reported until 2030, 2040 and 2050).

Indirect long-term mitigation

This category captures substantial contributions of IKI projects to new or improved policies, strategies or plans that are expected to lead to substantial long-term mitigation impacts in the future if they are fully implemented. To report on this category, you need to plausibly contribute to an improvement in policy frameworks that increases the potential long-term mitigation impact of the policy. This can be achieved through more ambitious but realistic targets or through increasing the feasibility of implementing the policy framework.

Policy frameworks for mitigation

Policy frameworks are understood here as comprising any public policies, strategies, legal incentive, laws, acts, decrees or regulations on the regional, national or subnational level that specifically aim to lower GHG emissions and include quantitative targets to this end (see also Chapter 3.4 on IKI SOs).

In contrast to the other categories, contributions of projects are not quantified in terms of amount of CO_2e reduced, avoided or sequestered. While you can report official mitigation targets as included in the policy framework, this supplementary information is not used to make claims on projected future emission reductions / carbon stock enhancements and will thus not be aggregated across IKI projects. Rather the information will be used in making sense of the IKI's mitigation and policy support work.

Examples of relevant interventions

In line with the UNFCCC's Common Reporting Framework, IKI projects can lead to GHG emission reductions / carbon stock enhancements through mitigation measures in multiple sectors. These include energy, buildings, transport, agriculture, forestry and land use (AFOLU) (incl. REDD+[1] activities), as well as other relevant sectors such as waste or industrial processes and product use.

Direct mitigation effects refer to immediate and measurable GHG emission reductions / carbon stock enhancements achieved through project-financed interventions. These effects typically result from concrete physical activities, infrastructure investments, or ecosystem restoration measures funded or directly implemented by the project, such as:

- **Financing the construction** of pilot renewable energy systems (e.g. solar PV or wind plants) **or implementation** of low-emission technologies, such as the use of natural refrigerants in cooling systems.
- Direct **financial contributions** to mitigation through instruments like grants, concessional loans, credit lines, or blended investment vehicles that fund immediate emission-reducing actions.
- **Financed ecosystem-based mitigation**, such as afforestation, reforestation, peatland restoration, or the rehabilitation of coastal and marine environments like mangroves and seagrasses, where carbon sequestration is quantifiable.

IKI Project example: Low Carbon Sea Transport

Shipping is the key economic sector in the Marshall Islands, threatened by rising sea levels. The national fleet relies on imported fuels, a major source of GHGs and pollutants. The project supports emission and cost reductions in domestic maritime transport by developing and evaluating low-emission technologies. Through the trial of low-emission propulsion technology, the project was able to achieve direct emissions reductions, by replacing a more emission-intensive ship previously used for transport between atolls.

Indirect mitigation effects refer to GHG emission reductions / carbon stock enhancements resulting from enabling activities such as, technical assistance, institutional support or capacity development. The following examples illustrate potential interventions of IKI projects resulting in **indirect mitigation effects**:

- Providing **technical assistance to scale up pilot technologies** (e.g. renewable energy systems) that are implemented by partners during or after the project.
- Supporting the **design and operationalisation of financial mechanisms** (e.g. subsidies, concessional loans, guarantees) that fund mitigation measures without directly financing them.
- Contributing to the **implementation of forest management plans**, where project support ensures operationalisation and the resulting increase in carbon sequestration is attributable to partner-led activities.[2]

[1] 'REDD' stands for 'Reducing emissions from deforestation and forest degradation in developing countries. The '+' stands for additional forest-related activities that protect the climate, namely sustainable management of forests and the conservation and enhancement of forest carbon stocks.

[2] If your project focuses on the development of plans only, please report under long-term mitigation effects and the respective SO.

- Facilitating **legal recognition and effective management of protected areas** through institutional support and equipment, where other actors commit to maintaining conservation outcomes.
- Investing in **de-risking tools** (e.g. currency hedging, guarantees) that incentivise third-party investments in GHG-reducing activities.
- Assisting with the **removal of technical or regulatory barriers with immediate mitigation effects**, such as outdated grid limits, which enables additional renewable capacity to be connected and operational during the project period.

IKI Project example: Supporting the national energy efficiency fund in Ukraine

With support from the BMWK and the European Commission, the Ukrainian government established the Energy Efficiency Fund (EEF) in 2019 to finance renovation measures for apartment buildings. Before the war began, the EEF had already supported 861 renovation projects. Since then, the Fund has launched a new programme to promote repair measures and is working to maintain momentum in renovating residential buildings that were not damaged by the conflict.

The IKI project supports the EEF in strengthening its institutional capacities and further developing its funding instruments to meet current challenges. Through its technical assistance for building renovation, the project has already contributed to indirect emissions savings of more than 38,000 tonnes of CO_2e.

While many enabling and preparatory actions are important for long-term transformation, not all result in measurable and attributable GHG reductions during the project lifetime and beyond. The following types of interventions **should not be reported under indirect mitigation**, but may instead be reflected under long-term mitigation effects and the respective IKI SOs:

- **Legislative drafting without implementation**: For instance, supporting the development of a national law on sustainable forest management. While strategically important, such activities are often several steps removed from actual implementation and associated emissions outcomes. Attribution is also difficult due to multiple contributing actors.
- **General awareness-raising campaigns**: Efforts aimed at increasing public understanding of climate change or sustainable behaviours are essential, but their GHG impact cannot be credibly quantified. These could be tracked using project-specific indicators or outputs (e.g. people reached, outreach materials distributed).
- **Capacity building on MRV or data systems**: Training stakeholders in GHG measurement, reporting and verification (MRV) processes is valuable for long-term governance but does not yield measurable mitigation results within the project timeframe.
- **Educational programmes or climate curricula**: Initiatives that promote long-term mindset shifts through school systems, public education, or professional training may foster future mitigation, but fall outside the scope of this indicator due to high uncertainty and lack of a traceable emissions pathway.

In general, if the GHG mitigation outcome is not observable or committed during the project period, and the link between project activities and emission reductions is rather speculative, the intervention should not be counted under SI 1.

- **Support for institutional reform or strategic planning**: Unless the outcome is clearly linked to a mitigation action that is underway and attributable to project support, such structural measures should not be quantified under indirect effect.

The following examples show how IKI projects contribute to **long-term mitigation effects** by fostering enhanced policy frameworks:

- Technical support on the development / revision of Nationally Determined Contributions (NDCs) or LT-LEDS;
- Development of sectoral policies / strategies which will establish incentives or access to services for renewable energy and energy efficiency;
- Development of sectoral policies / strategies which will lead to a tangible curbing of drivers of deforestation or more ambitious industry standards that will lower emissions;
- Development of subnational net-zero emissions action plans;
- Roadmaps for policies supporting low-emission pathways.

Methodological requirements

You are required to monitor both direct and indirect effects of your project, as well as contributions to enhanced policy frameworks that could lead to long-term mitigation impacts. The methodology you use will depend on the specific category under which your project reports.

Direct mitigation & Indirect mitigation

The basic calculation, although it might vary by project type, is generally based on the comparison of the emissions under the baseline scenario and the project scenario. If relevant, you further need to account for any leakage emissions.

a) Estimating emission reductions

The calculation of emission reductions achieved by your project may vary according to the project type and underlying mitigation measures to be implemented. In general, the assessment of the mitigation impact, measured in terms of reductions of tCO_2e, is based on comparing the level of GHG emissions before (baseline scenario) and after implementing mitigation activities in the framework of your project (mitigation or project scenario), considering any leakage emissions.

The calculation procedure for determining GHG emission reductions generally follows a standardised approach: The achieved emission reductions from your project and/or mitigation activity are typically calculated as the difference between baseline emissions and emissions after project implementation, considering any potential leakage.[3]

$$ER_y = BE_y - PE_y - LE_y$$ Equation (1)

Where:

ER_y	**=**	**Emission reductions in year y (tCO_2e)**
BE_y	=	Baseline emissions in year y (tCO_2e)
PE_y	=	Project emissions in year y (tCO_2e)
LE_y	=	Leakage emissions in year y (tCO_2e)

To accurately determine the required parameters and data for the calculation in Equation 1, it is necessary to identify the emission sources and GHGs associated with each technology.

b) Estimating carbon stock enhancements

In the case of carbon stock enhancements, the assessment, measured in terms of carbon sequestration in tCO_2e, involves subtracting baseline carbon stock and potential project and leakage emissions from your project's carbon stocks (see Equation 2). This calculation ultimately yields the net anthropogenic GHG removals by sinks, referred to as carbon stock enhancement, achieved by your project.

$$CSE_y = PCS_y - BCS_y - PE_y - LE_y$$ Equation (2)

Where[4]:

CSE_y	**=**	**Carbon stock enhancement in year y (tCO_2e)**
PCS_y	=	Project carbon stock enhancement in year y (tCO_2e)
BCS_y	=	Baseline carbon stock enhancement in year y (tCO_2e)
PE_y	=	Other project emissions in year y (tCO_2e)
LE_y	=	Leakage emissions in year y (tCO_2e)

As a result, it is crucial to estimate emissions and/or sequestration for both the baseline and project scenario and potential leakage.

c) Determining the planned target estimate: Baseline, project and leakage emissions / carbon stock enhancement

Baseline scenario

You are required to calculate or elaborate on baseline emissions / carbon stocks based on a chosen baseline scenario according to established international standards. As per the GHG protocol, there are three generic possibilities for the baseline scenario[5]:

- Implementation of the same technologies or practices used in the project activity;
- Implementation of a baseline candidate; or
- The continuation of current activities, technologies or practices that, where relevant, provide the same type, quality, and quantity or product or service as the project activities.

Make sure to select a baseline emissions scenario that you deem most realistic. When in doubt, opt for the more conservative scenario. If baseline assumptions need to be adjusted due to new developments or knowledge, you can do so in the course of the project. Adjustments should be made to avoid over- or underestimation of mitigation effects.

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[3] Mitigation Action Facility (2023): Mitigation Action Facility Mitigation Guideline for Project Concept Phase, pp. 14-15.

[4] The terminologies within different methodologies might slightly differ. E.g., within the AR-ACM003 methodology, these components are defined as follows: $\Delta C_{AR\text{-}CDM,t} = \Delta C_{ACTUAL,t} - \Delta C_{BSL,t} - LK_t$, where the constituent elements are defined like those illustrated in Equation 2.

[5] World Resources Institute & World Business Council for Sustainable Development (2003). "The GHG Protocol Project Accounting", p.12., accessible on https://ghgprotocol.org/sites/default/files/standards/ghg_project_accounting.pdf

Project scenario

You should determine the actual GHG emitted / carbon stock enhanced by the type of mitigation measure (e.g. technology, change in land use). In doing so, you must describe and quantify the proposed technology / intervention (i.e. unit) in its technical parameters such as size, volume, lifetime and its operational output (e.g. number of kWh produced per year, development of efficiency and replacements throughout the lifetime).

Leakage emissions

You further need to determine leakage emissions as required by the methodology applied for estimating GHG emission reductions / carbon stock enhancement (see below for recommended methodologies). Leakage emissions are an unintended change caused by your project's activities in GHG emissions, removals, or storage associated with a GHG source or sink. As per the GHG protocol, they typically fall into two categories: [6]

- One-time effects – Changes in GHG emissions associated with the construction, installation, and establishment or the decommissioning and termination of the project activity.
- Upstream and downstream effects – Recurring changes in GHG emissions associated with inputs to the project activity (upstream) or products from the project activity (downstream), relative to baseline emissions.
- Leakage emissions and permanence issues need to be accounted for particularly in the case of AFOLU projects (incl. REDD+ projects). Please consult appropriate methodologies established for example under the Gold Standard or the Verified Carbon Standard (Verra), where guidance beyond the Intergovernmental Panel on Climate Change (IPCC) and Methodologies under UNFCCC is required by the project.

Please consult the list at the end of this guidance sheet for further resources or visit the IKI website for additional guidance on estimating direct / indirect mitigation of mitigation measures in the energy, transport, buildings and AFOLU sector.

For converting other GHG into CO_2e please use the Global Warming Potential (GWP) 100-year values from the IPCC Fifth Assessment Report, Table 8.A.1[7].

For suitable emission factors for fuels or electricity, please consult the methodology applied in your project or the following sources:

- IPCC Emission Factor Database (recommended)
- Harmonized IFI Default Grid Factors (recommended)
- IEA Emission Factors
- IGES List of Grid Emission Factors

Enhanced policy frameworks

As an IKI project, you need to report which policy frameworks your activities address and how your project contributes to strengthening their mitigation potential. Where readily available, you are also asked to provide information on the extent to which a new or improved policy is expected to reduce emissions. However, you are not required to carry out your own calculations or report projected emissions figures for this category.

In cases where your project contributes to overarching national mitigation policies and plans (e.g. in relation to the UNFCCC, CBD, Initiative 20x20, Bonn Challenge, FLR 100, NAMAs, NDCs NDCs, NAPs), the GHG reduction target contained therein may be reported as the potential for future GHG mitigation.

d) Data sources

Data sources include the draft policy frameworks and any documentation that provides evidence or at least plausible indication for the contribution of project measures to increased mitigation potential of these policy frameworks (e.g. testimonies of key decision-makers, media reports, key informant interviews, document analysis).

e) Determining the planned target estimate: Baseline, project and leakage emissions

You are not required to determine a planned target estimate in reference to a quantitative baseline scenario for this category. However, you need to assess the baseline situation in qualitative terms. This is necessary for determining in what ways your project contributed to an increased mitigation potential of a given policy framework.

Further information on **how to report on SI 1** during the implementation phase of your project are provided in Chapter 4.3.1.

[6] World Resources Institute & World Business Council for Sustainable Development (2003). "The GHG Protocol Project Accounting", pp.11-12., accessible on https://ghgprotocol.org/sites/default/files/standards/ghg_project_accounting.pdf

[7] See http://www.climatechange2013.org/images/report/WG1AR5_Chapter08_FINAL.pdf for information.

Additional relevant information / sources

Please note that additional guidance for GHG reporting (incl. recordings of webinars, sector guidance, FAQ, etc.) is available on the IKI website

The following contains a list of additional resources you can consult.

Ready to use tools and spreadsheet

- Sector Toolsets by the GHG protocol: https://ghgprotocol.org/calculation-tools-and-guidance
- Resources for the FAO EX-Ante Cabon-balance Tool (EX-ACT): https://www.fao.org/in-action/epic/ex-act-tool/suite-of-tools/ex-act/en/
- Resources for the FAO Nationally Determined Contribution Expert Tool (NEXT): https://openknowledge.fao.org/items/bdd5a150-0cfb-473b-b04b-8a33ca0fa1e3
- IGES ERs Calculation Sheet: https://www.iges.or.jp/en/pub/iges-ers-calculation-sheet/en

Methodologies and standards

- IPCC 2006 Guidelines: http://www.ipcc-nggip.iges.or.jp/public/2006gl/index.html
- IPCC 2019 Refinement to the IPCC 2006 Guidelines: https://www.ipcc-nggip.iges.or.jp/public/2019rf/index.html
- IPCC 2003: Good Practice Guidance for Land Use, Land-Use Change and Forestry, to be found on: http://www.ipcc-nggip.iges.or.jp/public/gpglulucf/gpglulucf.htm
- Project Protocol by the GHG protocol: http://www.ghgprotocol.org
- CDM methodologies and CDM Methodology Booklet: http://cdm.unfccc.int/methodologies/index.html
- Gold Standard methodologies: https://www.goldstandard.org/project-developers/standard-documents
- Verified Carbon Standard methodologies: https://verra.org/programs/verified-carbon-standard/
- Manual for calculating GHG benefits of GEF projects: Energy efficiency and renewable energy projects: https://www.thegef.org/council-meeting-documents/manual-calculating-ghg-benefits-gef-projects-energy-efficiency-and
- Manual for calculating GHG benefits of GEF transportation projects: https://www.thegef.org/publications/manual-calculating-ghg-benefits-gef-transportation-projects

Sources for emission factors and default values

- IPCC Emission Factor Database: https://www.ipcc-nggip.iges.or.jp/EFDB/main.php
- IEA Emission Factors: https://www.iea.org/data-and-statistics/data-product/emissions-factors-2021
- Harmonized IFI Default Grid Factors: https://unfccc.int/climate-action/sectoral-engagement/ifis-harmonization-of-standards-for-ghg-accounting/ifi-twg-list-of-methodologies
- IGES List of Grid Emission Factors: https://www.iges.or.jp/en/pub/list-grid-emission-factor/en
- CDM methodological tool Default values for common parameters (including, e.g., CO2 EF for diesel generating system used for off-grid power generation purposes): https://cdm.unfccc.int/methodologies/PAmethodologies/tools/am-tool-33-v3.pdf/history_view

STANDARD INDICATOR 2
ECOSYSTEMS

3.3.2 SI 2 - Ecosystems

What does the indicator measure?

SI 2 - Ecosystems

Area of ecosystems with improved conservation and sustainable use due to project measures (in hectares or km of coastline).

The SI captures the achieved expansion of marine, coastal, freshwater, and terrestrial ecosystems. While it does not directly measure the quality of improvements, it specifies clear qualitative criteria for areas to be included.

Therefore, the reported area under this indicator does not necessarily correspond to your project's entire target region, but only to those ecosystem areas where conservation or sustainable use has been improved as a result of your project's interventions.

Is SI 2 relevant for my project?

To assist you in determining whether SI 2 is applicable to your project and, if so, what considerations need to be taken into account, please answer the following guiding questions:

- Does the project contribute to a significant improvement of ecosystems **through on-the-ground activities** together with partners?
- Are the effects on ecosystem improvement likely **to be achieved during the course of the project** and **directly attributable to its activities**?
- Do the project activities target **specific geographical areas**?

If you answer "yes" to all of these question, please ensure that the SI is selected in the project proposal and report accordingly in the IKI SI Report (Excel Tool).

While improved planning is an important prerequisite for better ecosystems, its effects are considered too indirect to be counted under this SI. Projects that work solely at the policy level by e.g. supporting national policies to improve framework conditions for ecosystems, should not report against this indicator. The involvement your project in the implementation of specific measures is a key factor.

Indicator guidance sheet

To report accurately under this indicator, it is essential to understand all the underlying concepts that constitute it.

- **Direct effects** refer to a clear causal link between the improvement in the quality of use or protection of a specific ecosystem area and the implementation of project activities, as well as the delivery of outputs.
- **Improvement of an area of an ecosystem** is understood as a positive change compared to the initial or business-as-usual scenario. Improvements also include the maintenance of ecosystem quality in specific areas, provided it can be demonstrated that the quality would have declined without the project intervention. For areas to be reported, changes in quality must be observable, verifiable, and must occur during the project's duration.
- **Conservation** is defined as the protection, care, management and maintenance of ecosystems, habitats, wildlife species and populations, within or outside of their natural environments, to safeguard the natural conditions for their long-term permanence. As such, conservation efforts include the protection of areas, the implementation of other effective area-based conservation measures and the use of effective ecosystem management practices.

- **Sustainable use** means the use of components of biological diversity in a way and at a rate that does not lead to the long-term decline of biological diversity, thereby maintaining its potential to meet the needs and aspirations of present and future generations.
- Protected areas are classified according to the official International Union for Conservation of Nature (IUCN) Protected Areas Categories[8], which differentiate areas according to their management objective

Examples of relevant interventions

The following examples of interventions illustrate possible pathways for conserving or increasing the quality of ecosystems as captured by this indicator:

- **The establishment or expansion of a protected area or the achievement of an official protection status for a specific area**. Although improvements in ecosystem quality are likely to occur only after the designation of the protected area, this measure is considered a strong driver for future ecological enhancement. Therefore, the formal designation or expansion of a protected area qualifies as a relevant activity under this indicator.
- **Conservation or restoration of an area** which would otherwise have been degraded, damaged or destroyed (improvement compared to baseline of 'business-as-usual').
- **Avoided or reduced deforestation and forest degradation**, as well as other REDD+ activities like the conservation and enhancement of forest carbon stocks restoration and sustainable forest management.
- **Verifiably improved management of protected areas, buffer zones or corridors** (as well as other effective area-based conservation measures and sustainable land management). Please keep in mind that the development of a management plan is not enough. Your project should support the actual implementation on the ground.
- **Sustainable management of areas** under agricultural, aquaculture, fisheries, infrastructural and other extractive use (e.g., establishment of agroforestry systems).

Some interventions **are not covered by the indicator**, as their effects may not be observable or verifiable during the project period and may only occur at a later stage, after your project has ended. Below are some examples of such interventions.

- In the case of reforestation projects, only the reforested area itself should be counted, not adjacent areas that may benefit from reduced landslides or erosion (e.g. agricultural land) in the future, as such effects are too indirect or long-term to be attributed with certainty.
- The development of a management plan or the training of staff responsible for a protected area is not, by itself, sufficient to report the area here. At a minimum, there must be evidence of actual improvements in the management of the area, and ideally, proof that the ecosystem quality has improved as a result.
- The adoption of a sustainable land use policy may support sustainable land use in the long term, but its outcomes cannot be clearly attributed to specific areas or directly linked to measurable improvements in ecosystem condition within a defined timeframe.
- The establishment of financing instruments (e.g. lines of credit) that will only lead to improvements of ecosystems after the project has ended, the project cannot report against this indicator.

IKI Project example: The restoration of Mexican mangrove forests creates opportunities for social development

The project has developed a biodiversity monitoring system that can be used to generate data and reports to prepare guidelines for biodiversity conservation and mangrove management. To improve connectivity between ecological conservation/protected areas and strengthen the restoration process, more than 20.5 km of lagoon channels were made accessible, 1,000 m of fire barriers were installed, and more than 25 km of barbed wire fences were built to protect conservation areas. By the end of the project in December 2021, a total of 4,239.40 hectares of mangrove forests had been protected, sustainably managed or restored by the project measures.

Methodological requirements

You are required to monitor and report the area of ecosystems (in ha) or the length of coastline (in km) where conservation and sustainable use have improved as a result of your project's measures. You are free to choose the methodology and means of verification that best suit your project. However, you must report your data sources, methodology (including any underlying assumptions), and means of verification transparently.

[8] Protected areas are defined along the IUCN Protected Areas Categories. For more information see: https://portals.iucn.org/library/sites/library/files/documents/pag-021.pdf

Data sources

Although the choice of **data sources** is at your discretion, official data is desirable. Area estimates could be based on, but are not limited to:

- evaluations of maps
- remote sensing images and ground truthing
- area surveys
- forest operation and management plans, protected area statistics and other official documents
- baseline and endline surveys (if applicable)

Baseline

This indicator does not necessarily require a quantitative baseline. However, during the project planning stage, you should qualitatively assess the likely business-as-usual trajectory (BAU scenario) for ecosystem quality within the targeted area, assuming no intervention from your project. Based on this assessment, you must determine whether your project has contributed to an improvement in the conservation and sustainable use of the target areas.

Wherever possible, please provide estimates of planned targets in the IKI SI Report (Excel Tool) submitted with your project proposal, meaning the total area of ecosystems (in ha or km of coastline) expected to show improved conservation and sustainable use by the end of the project.

Data disaggregation

Where applicable, we ask that you disaggregate areas under improved conservation and sustainable use according to three key criteria:

Broad Classification of Ecosystems
Please specify the type and extent of ecosystems improved, including:

- Terrestrial ecosystems (in hectares, including freshwater)
- Marine and coastal ecosystems (in hectares)
- Coastline (in kilometres)

Area Categorisation
Please classify areas under conservation by their protection status:

- **IUCN Protected Areas:** Report hectares under each IUCN category (Ia–VI) and provide official WDPA-IDs if available.
- **Other Effective Area-Based Conservation Measures (OECMs):** Report hectares and WDPA-IDs of these areas.
- **Indigenous and Local Community Territories:** Indicate if any of the reported areas constitute territories of Indigenous Peoples and Local Communities (IPLCs).
- **Other Designated Areas:** Report hectares of areas under international conservation designations such as UNESCO Biosphere Reserves, UNESCO World Heritage Sites (natural or mixed), Ramsar Wetlands

Type of Implemented Measures
Please detail the conservation actions applied, including:

- Ecosystem restoration
- Ecosystem conservation
- Establishment or extension of protected areas
- Improved management of conserved/sustainably used areas
- Reforestation
- Avoided deforestation
- Other relevant measures (specified by the project)

This framework ensures detailed and standardised reporting for improved transparency, comparability, and knowledge sharing across conservation initiatives.

Additional relevant information / sources

- World Database on Protected Areas: https://www.protectedplanet.net/en/thematic-areas/wdpa?tab=WDPA
- UNESCO Biosphere Reserves: https://www.unesco.org/en/mab/map?hub=66369
- UNESCO World Heritage Sites: https://whc.unesco.org/en/list/
- IUCN Protected Areas: Guidelines for applying the IUCN protected area management categories to marine protected areas
- Ramsar Sites: https://rsis.ramsar.org/

STANDARD INDICATOR 3
ADAPTATION

3.3.3 SI 3 – Adaptation

What does the indicator measure?

SI 3 - Adaptation

Number of people supported by projects to better adapt to the effects of climate change (number of people).

The SI measures how many people benefit from IKI projects' adaptation efforts in the target areas. Based on approaches by the UK International Climate Finance (ICF), and the Adaptation Fund, it counts individuals who receive **direct or indirect** support to strengthen their ability to adapt to climate change.

The indicator does not measure the extent to which the resilience of people who have received support has increased (qualitatively). It only counts the number of people supported with respect to their individual adaptive capacity. Institutional or policy-level support, such as training for policymakers, is not included.

Is SI 3 relevant for my project?

To assist you in determining whether SI 3 is applicable to your project, and if so, what you need to consider, please answer the following guiding questions.

- Does your project implement activities that directly or indirectly support people **to increase their individual adaptive capacities during the project period** — beyond policy advice or institutional capacity building? → *If yes, please select SI 3*
- Does your project provide **targeted, high-intensity support** to specific individuals or households who are **aware they are receiving it**? → *If yes, please report under **'direct support'***
- Do individuals or communities benefit from **broader project measures** (e.g. access to services, infrastructure, information) **without being directly targeted or necessarily aware** of the project? *If yes, please report under **'indirect support'***

If any of the mentioned aspects apply to your project, please ensure that the SI is selected in the project proposal and report accordingly in the IKI SI Report (Excel Tool).

Indicator guidance sheet

Accurate reporting on this indicator requires a clear understanding of all the underlying concepts it comprises.

- **Support** is defined as assistance provided by the projects with the explicit aim of offering services and resources that help people better cope with the impacts of climate change. It can focus on supporting individuals to further strengthen their adaptive capacity. It can also focus on improving structural defences against effects of climate change such as e.g. the modification of built and natural infrastructure, building of flood defences, slope anchorage, greening of roofs and walls and other measures within settlement areas.
- **Adaptation** is understood, in line with the IPCC, as "the process of adjusting to actual or expected climate conditions and their effects, in order to reduce harm or take advantage of beneficial opportunities."
- **Adaptive capacities** can be defined as the "ability of systems, institutions, humans and other organisms to adjust to potential damage, to take advantage of opportunities, or to respond to consequences".[9] These abilities can, for instance, be enhanced through improved accessibility of climate information, the capacity to use it, mainstreaming and coordination capacities, and risk management capacities.

The indicator differentiates between **people directly** and **people indirectly** supported to strengthen their individual adaptive capacities and assets.

- **Direct support**: People who receive targeted support specifically tailored to them. This means that assistance is provided to selected individuals or households who are aware that they are receiving support. In addition, the support must be of high intensity – that is, it should have the potential to significantly influence their personal resources, skills, or coping abilities.

[9] Millennium Ecosystem Assessment (MEA), (2005): *Ecosystems and Human Well-being: Current States and Trends. Findings of the Condition and Trends Working Group*, pp. 893–900.

- **Indirect support:** People who benefit from project activities without necessarily being directly and personally targeted. The support is typically of medium intensity and may reach individuals through broader measures such as improved services, infrastructure, or access to climate-relevant information. These individuals may not be aware of the project's involvement, but the support still contributes to strengthening their adaptive capacity.

People are not counted if they receive only low-intensity support and their adaptive capacities might only be affected in the long-run and to a limited extent. This includes indirect benefits from policy or institutional changes. Residents of areas where adaptation policies are developed are not to be counted unless there is a clear, tangible impact on people's individual adaptive capacities during the project term. In most cases, projects focused solely on strategy or policy development cannot report under this indicator, and public officials trained should also not be counted.

Examples of relevant interventions

The following examples illustrate how your project can **directly support people** in their adaptive capacities:

- People or households receiving cash transfers or equipment to safeguard their livelihoods.
- People living in households benefiting from climate-proofing of homes.
- People participating in training and other capacity-building initiatives specifically targeting adaptive capacities, such as interpreting climate forecasting data and identifying behavioural adjustments to cope with different climate scenarios.
- Participants in re-training initiatives whose livelihoods are threatened by climate change.
- Farmers receiving crop insurance.

People that benefit from some form of the following interventions can be counted as **indirectly supported:**

- Providing access to information services such as seasonal climate forecasting or harvest tips (without any additional services such as training).
- Providing climate-modelled early flood warnings or warnings for extreme weather events by app or text to at risk communities.
- Building of structural flood defences with IKI funds that improves the adaptive capacities of residents within the catchment area.
- Horizontal scaling: after learning of the success of an IKI pilot, a municipality decides to fund and implement similar climate-proofing measures for at-risk housing and receives technical support from the project. Residents who benefit from these measures would be counted as people indirectly supported.

IKI Project example: Ecosystem-based Adaptation (EbA) and forest restoration in vulnerable rural communities within the Caribbean Biological Corridor

The Caribbean hosts some of the world's richest ecosystem diversity, but climate change and human overuse pose serious threats. The project promotes EbA to strengthen the resilience of both people and nature in partner countries, while improving rural livelihoods. Through participatory processes, strategic EbA plans were developed to guide afforestation, soil improvement, and support for climate-adapted farming practices across agricultural, agroforestry, and silvopastoral systems.

With support of the project over 2 million tree seedlings were distributed and planted. More than 2,000 rural households received support to implement EbA measures, including 695 households with improved water access. Additionally, people were directly supported through training on EbA, climate change, and environmental protection.

Methodological requirements

Data collection

Data can be collected at the **level of individuals** or **households**. Where data is collected at household level, data needs to be converted to the absolute number of people reached. To this end, you should use standard multipliers used in national census or household surveys.

Data sources

Direct support should be monitored using reliable records such as service user lists, attendance sheets, or surveys.

Where medium-intensity support is provided at the individual or household level, the same methods may be used to monitor indirect beneficiaries—provided records contain sufficient information to identify the number of individuals reached.

In cases involving structural or system-level interventions targeting entire communities or administrative areas (e.g. construction of climate-resilient infrastructure or flood defences), official and up-to-date census data may be used to estimate the number of individuals potentially benefiting indirectly.

Baseline

As the indicator captures people supported through project measures, no baseline is required.

Data disaggregation

Data provided under this indicator must be disaggregated according to:

- Number of people directly supported
- Number of people indirectly supported

The absolute number of people directly supported should be further disaggregated according to:

- Gender (female, male, other, no answer)
- If possible: People identifying as members of IPCL (see definition box)

In line with the **do-no-harm approach**, data on gender and affiliation with IPLCs should only be collected when appropriate and safe. Responses must be treated confidentially, and data collectors should be trained to act respectfully and sensitively.

Definition: IPLC

There is no universally accepted definition of "Indigenous peoples and local communities".

Consequently, the term IPLC is used in line with the International Finance Corporation (IFC) Performance Standards generically, "to refer to a distinct social and cultural group possessing the following characteristics in varying degrees:

- self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;
- collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories;
- customary cultural, economic, social, or political institutions that are separate from those of the mainstream society or culture; or
- a distinct language or dialect, often different from the official language or languages of the country or region in which they reside."

STANDARD INDICATOR 4
CAPACITY PEOPLE

3.3.4 SI 4 – Capacity people

What does the indicator measure?

SI 4 - Capacity people

Number of people directly supported by IKI projects through networking and training to address climate change or to conserve biodiversity (number of people).

The SI counts individuals who receive support to strengthen their capacities to tackle climate change and promote biodiversity conservation. Thus, it is an indicator that only counts the number of people but does not measure the actual effect of this support on their individual capacities.

This includes any persons receiving direct support through training, on-the-job training, or networking activities including among others public officials, representatives of private sector and civil society organisations, researchers, practitioners and the general public.

Is SI 4 relevant for my project?

To assist you in determining whether SI 4 is applicable to your project, and if so, what you need to consider, please answer the following guiding questions.

- Does your project offer capacity development measures **specifically designed to enhance the skills and knowledge** of participants, rather than focusing solely on project implementation or coordination?
- Do the capacity development measures you provide fall under the defined categories of **"Training," "On-the-job training," or "Networking,"** and are they addressing climate change or biodiversity conservation?
- Are the capacity development measures **designed to empower participants** with new skills or knowledge, rather than on-off events that serve informational or consultative purposes?

If the answer to all questions is “yes” please ensure that the SI is selected in the project proposal and report accordingly in the IKI SI Report (Excel Tool).

Indicator guidance sheet

To ensure comparability of the data aggregated under this indicator, please adhere to the following definitions:

- **Direct support** is understood here as direct assistance by your project’s training and networking measures aimed at benefitting people in their personal or professional capability to address climate change or the conservation of biodiversity.
- **Training** includes technical and vocational education and training (TVET) or higher education, as well as project-specific training offers for various target groups.
- **On-the-job training** refers to continuous, practical training provided to individuals within their workplace, aimed at building knowledge, skills, and professional capacity. This type of training typically involves sustained guidance over an extended period, often through the assignment of advisors to individuals or teams. These advisors may take on mentorship roles and, ideally, work together with trainees to define shared learning objectives and work plans.
- **Networking** aims to help individuals build professional and personal connections that foster peer learning, knowledge exchange, and collaboration on climate action or biodiversity protection. This may include formal networks, peer-learning platforms, or cross-sector partnerships. For this indicator, networking must contribute to capacity development that strengthens climate and biodiversity-related action.

Accredited training programme is understood as a programme that leads to a formal qualification of an individual such as an advanced diploma, degree or certificate that is recognised beyond the training organisation in a distinct professional field or at the national level.

Participants of workshops or meetings that are not primarily focused on capacity development **should not be reported under this indicator**. This includes, but is not limited to, steering committee or coordination meetings related to project implementation, and events with only a minor capacity development component, such as partner or strategy consultations, one-off webinars, information sessions, and formal events which should not be counted.

Examples of relevant interventions

The indicator covers a broad range of interventions, and most IKI projects are able to report on it. The examples below represent only a small selection of such interventions:

- An IKI project partners with a technical college to design and deliver an online training course focused on nature-based solutions for the agricultural sector.
- An IKI project organises a series of workshops and networking events for sector experts, private sector stakeholders, and public officials on achieving a just energy transition in a partner country.
- An IKI funded Power-to-X (PtX) Hub offers trainings, train-the-trainer modules, technology consultations on PtX, as well as regional and international knowledge exchange through dialogue events and study tours.

IKI Project example: Transformative pathways – IPLCs leading and scaling up conservation and sustainable use of biodiversity

The project promotes biodiversity conservation by recognising and strengthening the role of IPLCs. It supports local, self-determined land and resource governance, fosters positive biodiversity and cultural outcomes, and co-develops community-owned monitoring frameworks. Communities receive training and support in monitoring, including from ICCS at the University of Oxford, which also provides capacity-building materials and technical guidance.

Methodological requirements

Data collection

This indicator requires your project to collect data at the **individual level** and track the absolute number of people supported through networking or training activities. Data should be disaggregated by gender, type of actor, and whether individuals identify as IPLCs as well as other relevant categories (see below).

Data sources

You should monitor the number of individuals using project records (e.g. stakeholder lists, attendance sheets) or through surveys.

Baseline

As the indicator captures people supported through project measures, no baseline is required.

Data disaggregation

The absolute number of people supported should be disaggregated as follows:

- Gender (female, male, other, no answer)
- Type of actor (public officials, civil society representatives, private sector actors, private citizens)
- If possible: People identifying as members of IPLCs.[10]

In line with the **do-no-harm approach**, data on gender and affiliation with IPLCs should only be collected when appropriate and safe. Responses must be treated confidentially, and data collectors should be trained to act respectfully and sensitively.

Wherever possible you should report on the number of people trained or supported to strengthen cooperation in relation to **biodiversity, REDD+, mitigation and/or adaptation**. In case a specific capacity development measure covers multiple topics, allocations of multiple topics to one person are possible.

Additional standardised information is gathered on three capacity development formats:

- Training of trainers / multipliers.
- Accredited training programmes developed or improved by the project.
- Formal (professional) networks / exchange platform developed or improved by the project.

[10] See definition box, page 28.

STANDARD INDICATOR 5
LEVERAGED FINANCE

3.3.5 SI 5 – Leveraged finance

What does the indicator measure?

SI 5 - Leveraged Finance

Volume of private and/or public finance leveraged for climate action or biodiversity purposes (in EUR).

The SI captures the amount of private and/or public capital made available for climate and biodiversity action, resulting directly (i.e. mobilised finance) and indirectly (i.e. catalysed finance) from the IKI's range of climate finance measures. Leveraged finance is the overarching term used for all finance that is either mobilised or catalysed through IKI projects.

The indicator does not count in-kind contributions or non-cash assets such as services, labour, infrastructure made available. Likewise, co-financing of partners or the consortium that are provided for implementing project activities are not covered by this indicator.

For capturing the amount of mobilised finance the IKI applies the OECD-DAC methodology on reporting amounts mobilised from the private sector in DAC statistics. Therefore, only specific financing mechanisms, as defined by the OECD, are considered as mobilised finance under this indicator.

Please make sure to familiarise yourself with the **OECD-DAC financing mechanisms** relevant for capital mobilisation. Aggregated results from IKI projects on the amount of private finance mobilised will be used for European and international official reporting purposes, thus strict adherence to the methodology is necessary.

Is SI 5 relevant for my project?

- Does your project **explicitly aim at leveraging private or public finances** for climate change or biodiversity purposes? → *If yes, please select SI 5*
- Does your project mobilise finance (either private or public) for climate change or biodiversity purposes **by contributing financially to financial mechanisms specified in the OECD methodology**, and do these contributions directly lead to additional investments from other actors? → *If yes, please select SI 5* ***'mobilisation'***
- Does your project's **technical assistance, aimed directly or indirectly at leveraging finance** from public or private actors, lead to investments for climate or biodiversity purposes within the project duration? → *If yes, please select SI 5* ***'catalysation'***

If any of the mentioned aspects apply to your project, please ensure that the SI is selected in the project proposal and report accordingly in the IKI SI Report (Excel Tool).

Indicator guidance sheet

- **Public finance** refers to transactions conducted by government agencies at their own risk, regardless of whether funds are raised through taxation or borrowing. This also includes transactions by public corporations that the government controls by owning a majority of voting equity or through special legislation that allows it to influence corporate policy (in accordance with OECD definition).
- **Private finance** includes all transactions that are not classified as public in accordance with the OECD definition above. This includes but is not limited to transactions undertaken by banks, enterprises, pension funds, NGOs, charitable trusts, foundations as well as further private sources.
- **Mobilised finance** is understood as funds leveraged for climate and biodiversity action through direct investments of IKI funds (i.e., financial assistance) into financial mechanisms/contributions, in line with the OECD mobilisation methodology, which currently includes the following specific financial mechanisms:

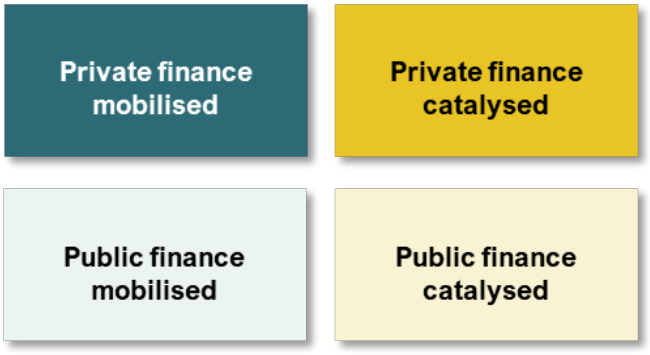
- Guarantees
- Syndicated loans
- Shares in Collective Investment Vehicles (CiV)
- Direct investment in companies
- Simple co-financing arrangements
- Credit lines

Leveraged finances from funds activities cannot be reported under the OECD methodology as they are considered **second-level mobilisation.** Please include second-level mobilisation effects under catalysation.

- **Catalysed finance** is understood as funds leveraged indirectly by IKI projects through the means of technical assistance and / or capacity development measures. The technical assistance measures implemented by the project must be clearly linked to the investments made. Examples of such technical assistance measures include but are not limited to:
  - Supporting companies / projects in getting access to financing by improving investment readiness (e.g. capacity development of key actors and institutions, development of project pipelines)
  - Providing specific evidence to investors (e.g. demonstration projects, feasibility studies), that lead to investments
  - Technical assistance to financial institutions (i.e. portfolio development, development of financial instruments)
  - Providing specific policy advice that leads to verifiable investment.
- **Leveraged finance** is the overarching term used for all finance that is either mobilised or catalysed through IKI projects.

Consequently, the indicator captures data in four categories:

Figure 8 Categories of leveraged finance



For transparency in reporting, the IKI does not aggregate mobilised and catalysed finance.

Causality

Your project must ensure that any capital leveraged for climate change or biodiversity purposes, especially funds counted as mobilized finance, can be clearly linked to the financial mechanism funded by the IKI.

Additionality

Additionally, you need to demonstrate that these leveraged funds would not have been committed without your project or would have supported less ambitious or less effective initiatives.

Examples of relevant interventions

The following examples illustrate two potential pathways of **mobilisation**:

- **Mobilisation through shares in CiVs**: IKI funds are invested in a (structured) fund targeting climate change and/or biodiversity objectives. This initial public investment encourages other public donors to contribute as well, thereby mobilising additional public finance. In addition, the presence of public capital reduces investment risk, which incentivises private investors to also contribute financially to the fund—resulting in the mobilisation of private finance.
- **Mobilisation through Simple Co-financing Arrangement**: An IKI project sets up a matching grant facility to foster the climate-friendly renovation of buildings. Applicants need to provide at least 60% of equity to receive a grant from the facility. Due to this co-financing offer, the owners decide to renovate these buildings. Ideally, this investment occurs before the end of the project - however, if a formal commitment has been made prior to the end of the project and payments are made later, the private equity is still considered mobilised finance.

IKI Project example: Emerging Market Climate Action Fund (EMCAF)

EMCAF is an umbrella fund designed to support fund managers in implementing commercially viable climate mitigation and adaptation projects. It operates globally across emerging and developing countries. Thematically, EMCAF focuses on investments in renewable energy and energy efficiency but also covers areas such as sustainable transport, forestry, land restoration, water supply, wastewater management, and the circular economy. In 2022, during Germany's G7 Presidency, the G7 recognised EMCAF as a flagship project for international climate finance.

Through a blended finance model, EMCAF mobilises significant private capital by reducing risks for private investors in higher-risk sectors. At the umbrella fund level, IKI investments in the highest-risk tranche (First Loss) directly trigger private investments in the lower-risk tranche (Senior Tranche). As a result, the IKI has mobilised 140 million euros in private capital into the fund. It is expected that EMCAF's investments will generate even greater indirect leverage effects at downstream levels (i.e. second level mobilisation).

The following examples illustrate some potential pathways of **catalysation**:

- An IKI project conducts **feasibility studies** of climate-friendly infrastructure projects. Due to the results of the feasibility studies, other actors decide to invest in the project.
- An IKI project provides **training for the development of financing instruments** to a financial institution. Due to the support given by the IKI project, the financial institution sets up a financing mechanism (i.e. credit lines) funding projects for climate change or biodiversity purposes.
- IKI invests in **early-stage financing** facilities that fund the development of project concepts and/or pre-feasibility studies. These early preparations help projects become investment-ready, enabling them to attract actual financing from investors at a later stage.
- An IKI project develops a **matchmaking platform** to connect private and public investors with EbA projects. It also builds a pipeline of investment-ready initiatives. These efforts lead to investment commitments from investors to implement the projects.

IKI Project example: Global Innovation Lab for Climate Finance

Access to finance is crucial for tackling climate change. While private investors—often backed by public policy—are funding the low-carbon economy worldwide, developing countries still struggle to attract sufficient investment. The Global Innovation Lab for Climate Finance accelerates innovative financial instruments that unlock billions for energy efficiency, renewable energy, sustainable transport, climate-smart agriculture, and deforestation reduction, while lowering investor risks and improving returns. The Lab unites government and private sector efforts to scale up climate investments in developing countries by developing, testing, and promoting innovative financial instruments, convening key partners and thereby attracting investors.

Methodological requirements

The indicator requires you to monitor the amount of financing (in EUR) leveraged by your project for climate change or biodiversity purposes. The indicator exclusively refers to monetary flows and does not capture in-kind contributions or non-monetary assets and services. Likewise, co-financing of partners or the consortium that are provided for implementing project activities are not covered by this indicator.

Data collection

Data needs to be collected on the level of individual investments that were either mobilised through financial mechanisms listed above or catalysed through technical assistance / capacity development measures.

When determining the level of mobilised or catalysed funding committed, for each investment, the respective currency needs to be converted to EUR using the European Commission's Currency Conversion Tool (InforEuro). The conversion should be based on the yearly average exchange rate[11] of the year in which the investment commitment was made (i.e., when a firm formal obligation has been issued). We recommend converting to EUR before separating out the amount attributed to the project. That is, attribution calculations should be based on figures already converted to EUR.

Please only include **firm investment commitments** in your reporting. Estimates or projections should not be counted.

Specific requirements for mobilisation of finance

For the planned target and achieved values of mobilised private and public finance, implementing organisations should assess the additionality (i.e. funds would not have been committed to climate change purposes or would have been spent on a less ambitious or impactful climate project) and the causality assumption (i.e. what is the causal link between the mobilisation and the financing mechanism) as well as attribution (i.e. the amount of mobilised finance that was achieved with IKI funds).

You can find mechanism-specific information on additionality in the OECD's DAC methodologies on mobilisation.

[11] Go to list of countries, download the data for the year of the investment and calculate average yearly exchange rate.

To calculate the share of mobilised financing attributable to IKI, you must ensure to collect accurate information on the date and volume of financial contributions from IKI as well as from all other actors involved. When determining IKI's share in the mobilisation of funds (public or private) you must also account for the financial contributions of all other public actors involved in mobilisation.

The DAC methodologies on mobilisation focus on private mobilisation by official (i.e. public) actors, since only private mobilisation is reported and aggregated internationally. This SI captures public as well as private mobilisation. IKI projects must apply the same attribution methods for private and public mobilisation.

Attribution methods can vary in complexity depending on the mobilisation mechanisms (see indicator guidance sheet). Information on how to calculate IKI shares in each case can be found in the IKI SI Report (Excel Tool). Also, the OECD's DAC methodologies on mobilisation include detailed explanations on how to attribute mobilisation to individual donors (incl. examples) for each of the mobilisation mechanism. Projects must ensure that they calculate figures accordingly.

Specific requirements for catalysation of finance

You should only report the amount of finance catalysed if you can establish a clear and immediate link between your project's technical assistance and the subsequent financial contributions from other donors. Means of verification may include letters of intent, stakeholder testimonies, evaluation evidence, or a plausible description of the sequence of events and the context. Catalysation requires a more detailed qualitative explanation from your project compared to mobilisation.

For any finance catalysed for climate and biodiversity action, it is essential that you demonstrate the causal links between your original activities, the intermediary outcomes, and the private and/or public funds eventually catalysed. To assess the extent of your project's contribution to the catalysed funds, you are required to provide a brief qualitative assessment of your role in leveraging these funds.

Data sources

You should monitor investments from private and public sources using records of commitments and disbursements. The data sources will vary across individual projects.

Baseline

As the indicator captures the volume of financing leveraged through project measures, no baseline is required.

Additional relevant information / sources

- **OECD Instructions for reporting on amounts mobilised from the private sector**: in OECD, 2024. Converged Statistical Reporting Directives for the Creditor Reporting System (CRS) and the Annual DAC Questionnaire - Annex 6; p. 15ff https://one.oecd.org/document/DCD/DAC(2024)40/ADD1/FINAL/en/pdf

SELECTING THE RIGHT STRATEGIC OBJECTIVES (SOs)

3.4 Selecting the right Strategic Objectives

Summary: This chapter provides guidance on requirements related to your project's contributions to IKI's SOs. It includes general selection requirements, clear definitions of key terms, decision trees and detailed checklists to help determine those objectives your project needs to select and monitor.

IKI's Strategic Objectives up to 2030

With the **IKI Strategy**, the IKI set four SOs to be reached until 2030:

- **Raising ambitions**: More ambitious NDCs, NAPs and/or NBSAPs
- **Improving the enabling environment** for cross-sectoral or sector-transformative climate change mitigation, biodiversity conservation and/or climate change adaptation
- **Implementation** of climate change mitigation, biodiversity and/or climate change adaptation measures through piloting and scaling
- **Mobilising private investment**: the IKI mobilises 1.5 billion EUR private investment in climate change mitigation, biodiversity conservation and adaptation to climate change.

Is my project required to select IKI's SOs?

All projects must select (and report on) all SOs that they directly contribute to. To determine which SOs your project should select, please refer to the decision trees provided in the following sections for each SO. Projects developed from 2025 onwards should always aim to contribute to at least one SO.

What does it mean to "directly contribute"?

With the support of the IKI project, a measurable change must occur. This change may be achieved in collaboration with other stakeholders, but the project's specific contribution within the stakeholder constellation must be clearly identifiable would not have been possible without the IKI project.

Where in the project proposal should my project elaborate on intended contributions to the SOs?

Please submit Annex 9 for intended contributions to SOs 1-3, along with your project proposal. It should include a description of the baseline context at the start of the project, as well as the target scenario your project aims to achieve through its contributions.

For intended contributions to SO 4, please submit the IKI SI Report (Excel Tool Sheet SI 5 "Leveraged Finance").

What kind of evidence is necessary?

Only contributions for which sufficient evidence is available can be considered. Therefore, we ask to think about possible means of verification when developing your project. These may include studies, references to the project in publications or press releases, written statements from partners or target groups, etc.

Why does the IKI need country-specific data?

To make meaningful conclusions about IKI's impact in individual partner countries, data must be collected on a country-by-country basis. This means that projects working in more than one partner country must submit the respective Annex 9 for each country in which they directly contribute to one or more objectives.

Will the success of my project be measured by the contributions to IKI's SOs?

No. The SOs, as well as the SIs, are targets the IKI set on a programme level. Therefore, the results are used to measure the impact and success of the IKI as a funding programme.

Where can I find further support?

If you have any questions or require assistance regarding the SOs, please contact your designated focal point at the IKI Office at ZUG.

STRATEGIC OBJECTIVE 1: RAISING AMBITIONS OF NDCS, NAPS, AND NBSAPS

3.4.1 SO 1: Raising ambitions of NDCs, NAPs, and NBSAPs

Definition: Ambition

The IKI follows a broad understanding of **ambition**. Meaning that "raising ambition" of NDCs, NAPs, and NBSAPs not only encompasses an increase in quantitative targets, as is common in the UNFCCC setting, but also the enhancement of qualitative factors, such as increasing financial commitments or including new target groups or sectors, while also considering the feasibility of these frameworks. By adopting a comprehensive approach and providing tailored support to partner countries throughout their NDC, NAP, and NBSAP processes, the IKI recognizes that achieving national climate and biodiversity targets depends on a range of complex factors.

With the IKI Strategy, the IKI set itself the objective to demonstrably contribute to more ambitious NDCs, NAPs, and/or NBSAPs in at least 30 partner countries by 2030. To simplify the determination and categorization of your project's contributions to more ambitious NDCs, NAPs, and/or NBSAPs, we distinguish between the following three **ambition dimensions**[12]:

Dimension 1: Targets and robustness

includes both the quantitative and qualitative aspects of targets, as well as the clarity and transparency of the information provided in NDCs, NAPs, and NBSAPs. Key factors include the coverage and scope of targets, the robustness and clarity of data, and the alignment with other national and subnational strategies. Dimension 1 therefore focuses on the quality and scale of the submitted NDC/NAP/NBSAP document.

Dimension 2: Feasibility

focuses on the prerequisites for implementing the targets established in NDCs, NAPs, and NBSAPs. This includes conducting cost-benefit analyses, exploring financing options, as well as assessing the necessary institutional, human, and technological capacities, developing monitoring tools and addressing any existing gaps. This dimension considers both the content of the submitted NDC, NAP, and NBSAP documents as well as any explicitly related strategies or tools developed to meet the prerequisites for their implementation.

Dimension 3: Ownership and inclusiveness

focuses on improving accountability in countries by promoting inclusive participation and a whole-of-government approach in designing and implementing NDCs, NAPs, and NBSAPs. It highlights the importance of involving diverse social groups, including marginalized communities and various levels of government, to ensure that different needs and contributions are considered. The goal is to enhance efficiency, build trust, and foster a sense of ownership among all stakeholders regarding these documents and their ongoing updates. Dimension 3 considers both the content of the submitted NDC, NAP, and NBSAP documents as well as any explicitly related inclusion processes.

Definition: Ambition criteria + indicators

To simplify the determination of the relevance of project measures for SO 1, we have defined overarching **ambition criteria**, which are the same for NDCs, NAPs, and NBSAPs, such as “improved targets” or “stronger policy coherence”. For each framework specific **ambition indicators** were defined that represent possible improvements within the ambition of each criterion. To determine whether your project needs to select SO 1, please use the decision tree and the indicator lists (Tables 1-3) provided below.

We encourage you to **integrate** selected indicators directly into your **results framework**.

On the following page you will find a decision tree (Figure 9), that assists you with deciding if SO 1 is relevant for your project.

[12] Various organisations have created checklists to support the development of ambitious NDCs/NAPs/NBSAPs. To assess the increase in ambition within IKI’s SO 1, UNDP’s Quality Assurance Checklist for NDCs was used and further developed with the help of additional sources (e.g. NAP Technical Guidelines, NBSAPs We Need) and in accordance with the action areas of the IKI.

Figure 9 Decision tree for SO 1

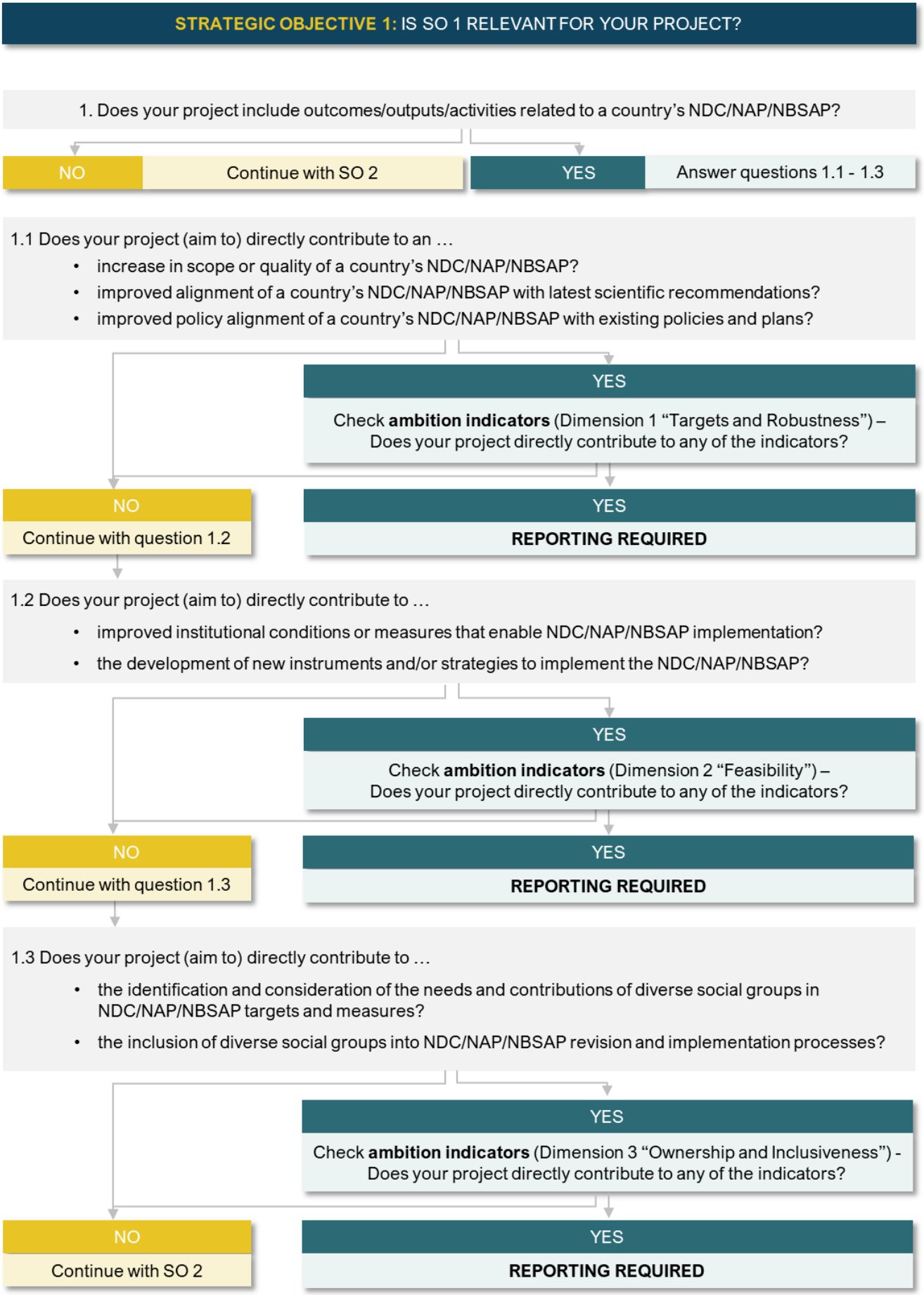


Table 1 NDC Ambition dimensions / criteria / indicators

NDC AMBITION		
DIM.	**CRITERIA**	**INDICATOR**
1: TARGETS + ROBUSTNESS	Strengthened targets / increased coverage	Quantitative GHG target strengthened/results in less cumulative GHG emissions compared to the previous NDC · 2035/2030 economy-wide targets added/strengthened · Sectoral GHG targets added/strengthened · 1.5°C alignment improved (including methodology) · Proportion of unconditional component in relation to conditional component increased · Quantifiable adaptation targets for 2030 / 2035 defined · Clarity on the NDC trajectory provided · GHG coverage increased/all gases covered · Sectoral coverage increased/all sectors covered · Scope within existing sectors expanded · Sectoral / geographical coverage of adaptation activities increased
	Stronger empirical foundation	NDC reflects outcome of the Global Stocktake (GST) · Mitigation targets are informed by the best available science · Targets include solid data sources, reference point and baseline · New / updated information on climate change impacts (emission development, sea level rise etc.), risks and vulnerability assessment · Updated/new timeframe for peaking emissions · New/updated Information on whether quality assurance and quality control of data, methodologies, and other relevant information has been carried out
	Stronger policy coherence	NDC targets, policies and actions stronger align with: Country's Long-Term Low Emission Development Strategies (LT-LEDS) · National/sectoral/sub-national development strategies · SDG targets and SDG implementation plan · Adaptation and biodiversity targets and actions of the country (e.g. NAP, NBSAP) · UAE Framework for Global Climate Resilience · Voluntary Land Degradation Neutrality Targets under the United Nations Convention to Combat Desertification (CCD)
2: FEASIBILITY	New information on costs	New/updated information on: … Costs and (co)benefits of achieving GHG targets, non-GHG targets (such as cross cutting actions, gender), and adaptation policies or actions · costs of BAU (business as usual)
	New/updated financing strategy	New/updated information on: … investment strategy for achieving targets and/or implementing specific policies or measures · how domestic public / private funding sources will be mobilized for reaching the identified unconditional targets · how international public / private funding sources will be mobilized for reaching the identified conditional targets · NDC-related financial mechanisms established or being developed ·Strategies to engage in international carbon markets · Strategies to reduce investor risks and/or remove barriers to attracting private sector finance · Strategies to engage in non-market approaches
	Gaps and needs for implementation identified	NDC identifies: … Institutional capacity development needs for public administration, as well as other key actors including the private sector · Technology gaps and needs that are essential for the implementation · Fiscal risks and structural barriers to enable finance and capital flows for climate investments · Policy, legal and regulatory gaps (barriers to implementing NDC actions)
	Improved institutional arrangements	NDC includes new information on … institutional arrangements, with clear roles and responsibilities for NDC implementation identified across sectors and different levels of government · institutional capacity development plans for public administration, as well as other key actors including the private sector · Roles and contributions of the private sector to support NDC implementation are clearly articulated · NDC coordination mechanisms (between sectors / level of government) are institutionalized · Mechanism to coordinate and engage non-government stakeholders in NDC process are institutionalized.
	New/updated Policy roadmap	Recommendations to address policy-, legal-, regulatory gaps / alignment with national legal framework / action plan to achieve targets, including policy, legal, fiscal, economic actions with a clear timeframe
	Improved monitoring / transparency	NDC includes… indicators enabling monitoring and evaluation of policies and measures · Information on the country's transparency system · Annex/table outlining all key information as per the ICTU guidelines · Transparency system is aligned with the Modalities, Procedures and Guidelines (MPGs) Enhanced Transparency Framework (ETF). National NDC monitoring system / transparency measures developed/strengthened

NDC AMBITION		
DIM.	**CRITERIA**	**INDICATOR**
3: OWNERSHIP + INCLUSIVENESS	Capacities for NDC revision	Relevant government stakeholders are capacitated to perform NDC revision process · Vulnerable / underrepresented groups are empowered to actively engage in the revision of NDC
	Improved multi-actor engagement	Meaningful engagement/ involvement in decision-making in NDC processes of… key ministries, departments, government agencies relevant sectors at both the national and sub-national level · private sector · civil society · academia · people of all genders · youth · vulnerable and marginalized groups · Indigenous Peoples and Local Communities (IPLCs)
	Improved gender responsiveness / inclusion of IPLCs, youth, vulnerable groups	Underrepresented gender/IPLCs/youth representatives/other vulnerable groups (e.g. elderly, people of colour, economically disadvantaged people, people with disabilities) have been meaningfully engaged and consulted throughout the NDC revision process · NDC includes targets, policies and/or measures that address the needs, rights, and priorities of vulnerable groups / are gender-responsive / gender-transformative (aligned with UNFCCC Gender Action Plan) · Socio-economic impacts of NDC targets, policies and measures have been assessed ·NDC identifies steps and measures for an inclusive, rights-based, just, equitable and orderly transition and economic diversifications including green skills and jobs

Table 2 NAP Ambition dimensions / criteria / indicators

NAP AMBITION		
DIM.	**CRITERIA**	**INDICATOR**
1: TARGETS + ROBUSTNESS	Strengthened targets / increased coverage	Quantifiable adaptation targets for 2030 / 2035 defined · Quantitative adaptation targets strengthened · Scope of qualitative adaptation targets strengthened · Targets defined follow SMART criteria · Sectoral coverage of adaptation targets/ activities increased · Geographical coverage of adaptation targets/ activities increased · Adaptation approaches added/updated, including e.g. adaptation pathways method, ecosystem-based adaptation, community-based adaptation, livelihood diversification, risk-based approach, economic diversification, sectoral or thematic approaches, and avoidance of maladaptation
	Stronger empirical foundation	Adaptation targets and plans are informed by the best available science · Targets include solid data sources, reference point and baseline · New / updated information on climate change impacts (emission development, sea level rise etc.), risks and vulnerability assessment · New/updated information on whether quality assurance and quality control of data, methodologies, and other relevant information has been carried out
	Stronger policy coherence	NAP targets, policies and actions stronger align with: Country's LT-LEDS ·National/sectoral/sub-national development strategies · SDG targets and SDG implementation plan · Mitigation and biodiversity targets and actions of the country (e.g. NDC, NBSAP) · UAE Framework for Global Climate Resilience · Voluntary Land Degradation Neutrality Targets under CCD · National priorities for adaptation have been identified
2: FEASIBILITY	New information on costs	New/updated information on: … Costs and (co)benefits of achieving adaptation targets, policies, measures · costs of BAU (business as usual)
	New/updated financing strategy	New/updated information on: … investment strategy for achieving targets and/or implementing specific policies or measures · how domestic public / private funding sources will be mobilized for reaching targets · how international public / private funding sources will be mobilized for reaching targets · NAP-related financial mechanisms established or being developed · Strategies to reduce investor risks and/or remove barriers to attracting private sector finance · Strategies to engage in non-market approaches

NAP AMBITION		
DIM.	**CRITERIA**	**INDICATOR**
2: FEASIBILITY	Gaps and needs for implementation identified	NAP identifies: … Institutional capacity development needs for public administration, as well as other key actors including the private sector · Technology gaps and needs that are essential for the implementation · Fiscal risks and structural barriers to enable finance and capital flows for climate investments · Policy, legal and regulatory gaps (barriers to implementing NAP actions)
	Improved institutional arrangements	NAP includes new information on … (permanent) institutional arrangements, with clear roles and responsibilities for NAP implementation identified across sectors and different levels of government · institutional capacity development plans for public administration, as well as other key actors including the private sector · Roles and contributions of the private sector to support NAP implementation are clearly articulated · NAP coordination mechanisms (between sectors/level of government) are institutionalized · Mechanism to coordinate and engage non-government stakeholders in NAP process are institutionalized
	New/updated Policy roadmap	Recommendations to address policy-, legal-, regulatory gaps · NAP action plan to achieve targets, including policy, legal, fiscal, economic actions with a clear timeframe
	Improved monitoring / transparency	NAP includes… indicators enabling monitoring and evaluation of policies and measures · National NAP monitoring system / transparency measures developed/strengthened
3: OWNERSHIP + INCLUSIVENESS	Capacities for NAP revision	Relevant government stakeholders are capacitated to perform NAP revision process · Vulnerable / underrepresented groups are empowered to actively engage in the revision of NAP
	Improved multi-actor engagement	Meaningful engagement/ involvement in decision-making in NAP processes of… key ministries, departments, government agencies relevant sectors at both the national and sub-national level · private sector · civil society · academia · people of all genders · youth · vulnerable and marginalized groups · IPLCs
	Improved gender responsiveness / inclusion of IPLCs, youth, vulnerable groups	Underrepresented gender/IPLCs/youth representatives/other vulnerable groups (e.g. elderly, people of colour, economically disadvantaged people, people with disabilities) have been meaningfully engaged and consulted throughout the NAP process · NAP includes targets, policies and/or measures that address the needs, rights, and priorities of vulnerable groups / are gender-responsive / gender-transformative (aligned with UNFCCC Gender Action Plan)

Table 3 NBSAP Ambition dimensions / criteria / indicators

NBSAP AMBITION		
DIM.	**CRITERIA**	**INDICATOR**
1: TARGETS + ROBUSTNESS	Strengthened targets / increased coverage	Quantitative biodiversity targets strengthened ·Targets to reduce threats to biodiversity / address natural ecosystem and species loss increased in scope · Targets defined follow SMART criteria · Target for integrated and biodiversity inclusive spatial planning and effective management processes covering all areas added/updated · Targets for restoration of all degraded ecosystems added/updated · Targets for the recovery of threatened species added/updated · Footprint targets defined/updated accompanied by sectoral and cross-sectoral plans of action · Targets defined/updated to ensure businesses monitor, assess and transparency disclose their risks, dependencies and impacts on biodiversity and reduce them
	Stronger empirical foundation	Biodiversity targets and plans are informed by the best available science · Targets include solid data sources, reference point and baseline · New / updated information on biodiversity assets, values, threats and drivers, and opportunities · New/updated analysis of: socio-economic context; circumstances and needs of vulnerable groups; effectiveness of past actions, existing policies or monitoring systems

NBSAP AMBITION		
DIM.	**CRITERIA**	**INDICATOR**
1: TARGETS	Stronger policy coherence	NBSAP targets, policies and actions align with… targets to global mission of halting and reversing biodiversity loss globally by 2030 / 30 by 30 / national, sectoral, sub-national development strategies or plans / SDG implementation plan / land degradation neutrality target / other policies / alignment and synergies between climate mitigation, adaptation and biodiversity targets (e.g. NDCs, NAPs)
2: FEASIBILITY	New information on costs	New/updated information on: … Costs and (co)benefits of achieving biodiversity targets, policies, measures · costs of BAU (business as usual)
	New/updated financing strategy	National Biodiversity Finance Plans (NBFPs) developed/updated · Strategy for mainstreaming biodiversity into national, sectoral and/or sub-national budgeting processes · New/updated information on: … investment strategy for achieving targets and/or implementing specific policies or measures · how domestic and/or international public / private funding sources will be mobilized for reaching targets · NBSAP-related financial mechanisms established or being developed · Strategies to reduce investor risks and/or remove barriers to attracting private sector finance · Strategies to engage in non-market approaches · Elimination of harmful incentives
	Gaps and needs for implementation identified	NBSAP identifies: … Institutional capacity development needs for public administration, as well as other key actors including the private sector · Technology gaps and needs that are essential for the implementation · Fiscal risks and structural barriers to enable finance and capital flows for climate investments · Policy, legal and regulatory gaps (barriers to implementing NBSAP actions)
	Improved institutional arrangements	NBSAP includes new information on … (permanent) institutional arrangements, with clear roles and responsibilities for NBSAP implementation identified across sectors and different levels of government · institutional capacity development plans for public administration, as well as other key actors including the private sector · Roles and contributions of the private sector to support NBSAP implementation are clearly articulated · NBSAP coordination mechanisms (between sectors/level of government) are institutionalized · Mechanism to coordinate and engage non-government stakeholders in NBSAP process are institutionalized
	New/updated Policy roadmap	Recommendations to address policy-, legal-, regulatory gaps · New/updated NAP action plan to achieve targets, including policy, legal, fiscal, economic actions with a clear timeframe (which demonstrates how implementation will achieve sustainably managed productive areas, including through significantly scaling up agroecological and ecosystem approaches / by ensuring all supply chains are deforestation/conversion free
	Improved monitoring / transparency	NBSAP includes… indicators enabling monitoring and evaluation of policies and measures · National NAP monitoring system / transparency measures developed/strengthened · Plans for an inclusive and participatory process to produce regular national reports that link to national systems for monitoring, evaluation and reporting for other biodiversity related Multilateral Environmental Agreements (MEAs)
3: OWNERSHIP + INCLUSIVENESS	Capacities for NBSAP revision	Relevant government stakeholders are capacitated to perform NBSAP revision process · Vulnerable / underrepresented groups are empowered to actively engage in the revision of NBSAP
	Improved multi-actor engagement	Meaningful engagement/ involvement in decision-making in NBSAP processes of… key ministries, departments, government agencies relevant sectors at both the national and sub-national level · private sector · civil society · academia · people of all genders · youth · vulnerable and marginalized groups · IPLCs
	Improved gender responsiveness / inclusion of IPLCs, youth, vulnerable groups	Underrepresented gender/IPLCs/youth representatives/other vulnerable groups (e.g. elderly, people of colour, economically disadvantaged, people with disabilities, groups and communities highly impacted by biodiversity loss) have been meaningfully engaged and consulted throughout the NBSAP process · NBSAP includes targets, policies and/or measures that address their needs, rights, coping strategies and priorities / are gender-responsive/gender-transformative (aligned with Gender Plan of Action der CBD) · Improved targeted awareness-raising

STRATEGIC OBJECTIVE 2: IMPROVING THE ENABLING ENVIRONMENT

3.4.2 SO 2: Improving the enabling environment

With the IKI Strategy, the IKI set itself the objective to demonstrably help to improve regulatory and /or societal environments for cross-sectoral or sector-transformative climate change mitigation, biodiversity conservation, and / or climate change adaptation, in at least 20 partner countries by 2030.

Definition: Enabling environment for climate and biodiversity action

An enabling environment for climate change mitigation, biodiversity conservation, and/or climate change adaptation refers to the supportive political and social conditions necessary to effectively reduce greenhouse gas emissions, enhance ecosystem health, and build climate resilience. This environment should facilitate actions aimed at protecting climate and biodiversity, along with the essential structural and societal changes that are necessary to achieve sustainable change. An enabling environment arises from a complex interplay of various factors, including political structures, available resources and capacities, legal and regulatory frameworks, as well as the knowledge, skills, and attitudes of different societal actors, such as those in politics, business, science, and civil society.

The IPCC Sixth Assessment Report confirms that strong government leadership and political institutions are the biggest leverage for long-term emission reductions, especially when policies are sector-wide and politically anchored. Therefore, the IKI emphasizes on the following four dimensions:

Dimension 1: Regulatory- / Policy Frameworks

Laws, regulations, policies on climate change / biodiversity loss related topics in the country

Examples: National Climate Policy · Legal incentives for the sustainable use of natural resources · Free market access for renewables and sustainable products · Regulation on deforestation-free supply chains · Long-Term Mitigation Strategy (LTS) / LT-LEDS, etc.

Dimension 2: (Political) Institutional Set-up

Institutional structure, capacities, resources to coordinate and address climate change / biodiversity loss / adaptation

Examples: Climate Forum · Civil society consultation processes · Inter-ministerial Climate Change Commission · Coordination Mechanism for Nature-based Solutions (NbS) · South-south alliance on methane, etc.

Dimension 3: Implementation and / or Financing Strategies and Instruments

Plans and instruments to finance and implement policies and laws to reach the desired set of goals to tackle climate change and biodiversity loss in the country

Examples: National Roadmap for Renewable Energies · Finance strategy for transport sector · Software to implement a national carbon market · State-funded nation-wide training programme in the field of renewable energy ·Removal of barriers to investment · Reduction of climate-damaging subsidies with reinvestment of revenues into climate action · Financing Facility for NbS implementation · Carbon taxation with reinvestment of revenues into climate action, etc.

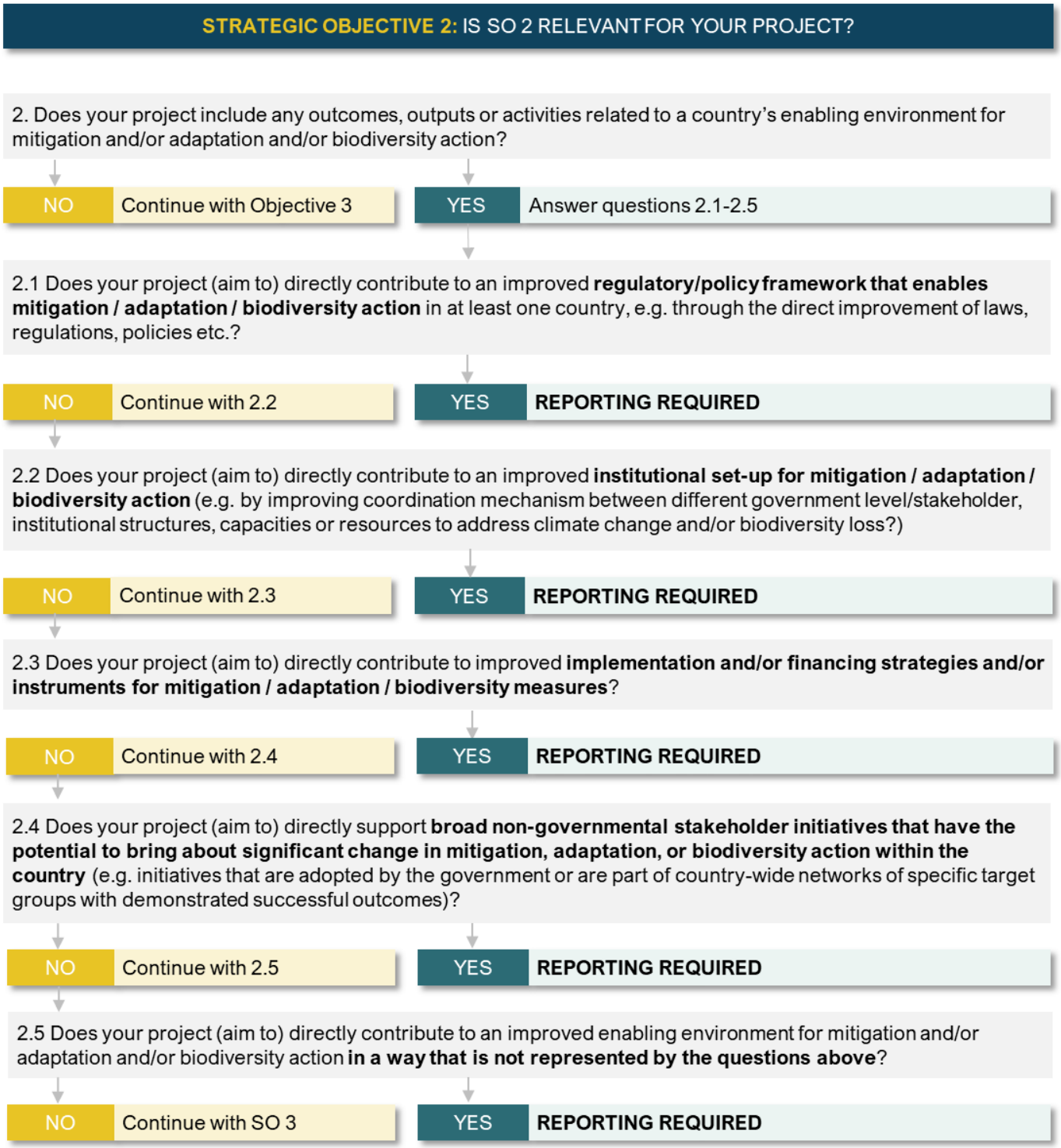
Dimension 4: Non-governmental Stakeholder Initiatives

Broad initiatives by non-governmental stakeholders with transformative potential in the country

Examples: Development of an open-source app by an NGO, that warns people about extreme weather events, taken up by the government · Multiple universities include a climate course in their curricula broadly available to students of different academic disciplines · “Climate News” TV programme broadcasted on national television, (…)

On the following page you will find a decision tree (Figure 10), that assists you with deciding if SO 2 is relevant for your project.

Figure 10 Decision tree for SO 2



STRATEGIC OBJECTIVE 3: IMPLEMENTATION THROUGH PILOTING OR SCALING

3.4.3 SO 3: Implementation through piloting or scaling

With the IKI Strategy, the IKI set itself the objective to demonstrably contribute to the implementation of climate change mitigation, biodiversity and / or climate change adaptation measures through piloting and scaling up in at least 20 partner countries by 2030.

Definition: Implementation

Implementation refers to mitigation, adaptation or biodiversity measures that produce **measurable effects** once carried out. These effects include actual GHG reductions, increased resilience to climate impacts like extreme weather, or positive impacts on biodiversity and ecosystems in specific areas.

Projects focused on implementation have a shorter pathway to measurable climate and biodiversity benefits compared to those that aim to improve overall conditions like the enabling environment of frameworks like NDCs, NAPs and NBSAPs.

Implementation includes pilot measures testing new actions or scaling up proven solutions. Projects contribute to IKI's SO 3 if they are directly involved in executing these measures, which can involve:

- Planning, implementing, and financing measures alone
- Providing technical support during implementation
- Funding others' measures through loans, guarantees, or financial instruments

Definition: Piloting

Piloting measures aim at testing new or adapted actions for mitigation, adaptation, or biodiversity protection. They help generate knowledge to improve, scale, or finance these measures in the future.

Projects may involve developing new approaches, technologies, concepts, or test measures already used elsewhere but not yet proven effective in the current context.

Definition: Scaling

Scaling means expanding proven climate and biodiversity measures. IKI projects can build on pilot actions or approaches tested by others. The main goal is to establish and widely implement specific measures or practices in new contexts.

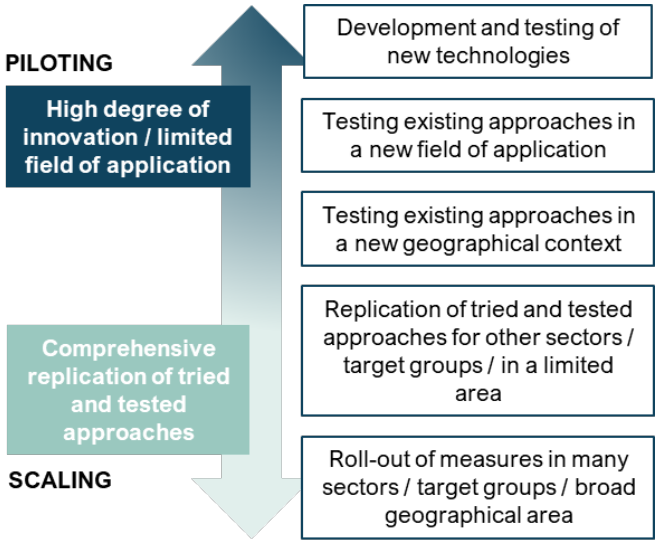
While literature discusses different types of scaling - such as vertical (policy or legal reforms) and functional (expanding existing programmes) - SO 3 focuses mainly on horizontal scaling, which involves replicating measures across sectors or regions.

The potential impact of scaling varies widely, from applying measures in a few additional areas to nationwide or regional adoption of successful climate and biodiversity actions. The expected measurable effects of the individual projects vary accordingly.

Continuum piloting - scaling

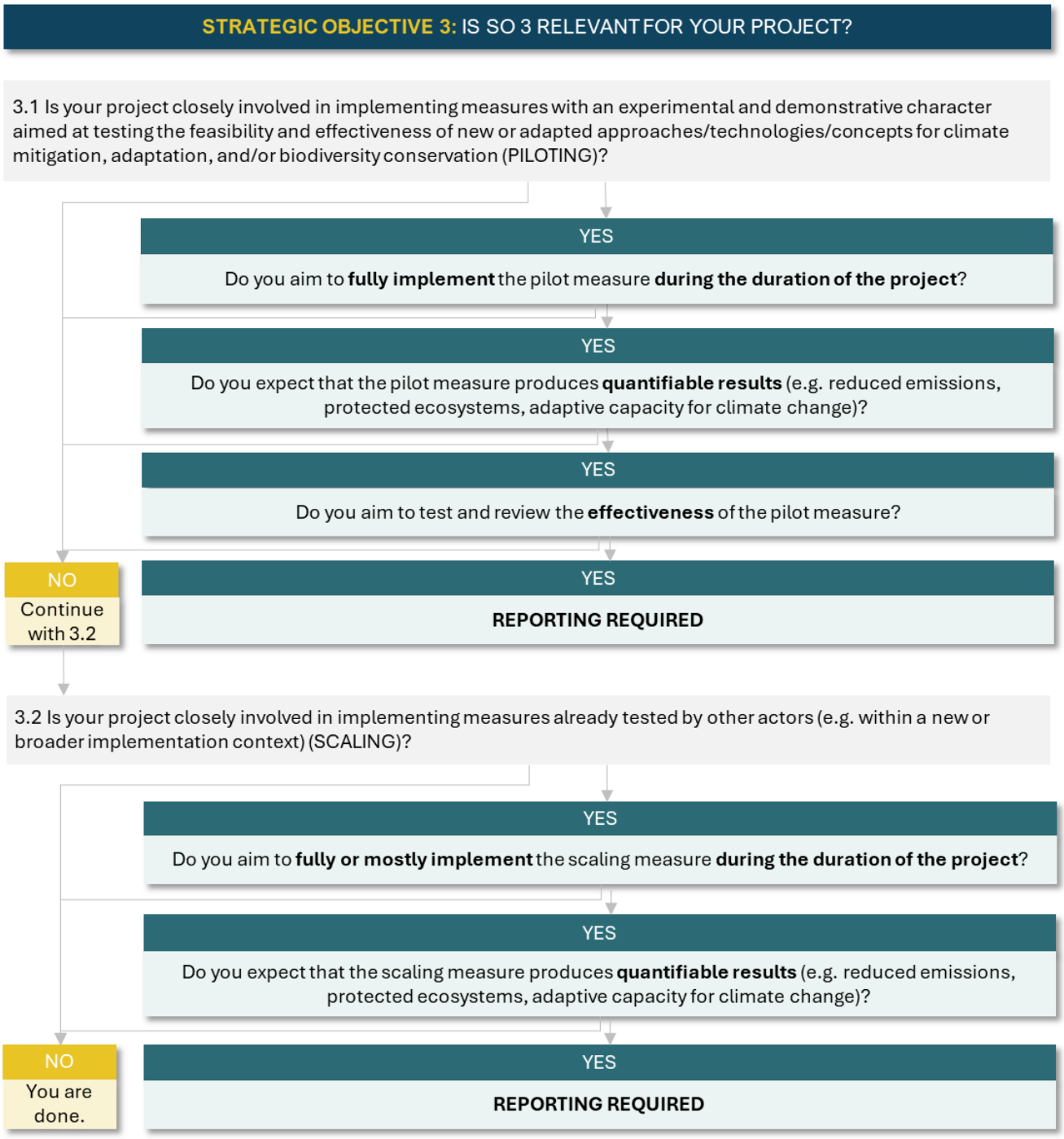
The pilot and scaling measures in IKI projects range from exploring new or innovative actions to widely replicating successful measures. The transition from piloting to scaling is fluid (see Figure 11).

Figure 11 Continuum piloting – scaling



The following decision tree (Figure 12) assists you with deciding if SO 3 is relevant for your project.

Figure 12 Decision tree for SO 3



3.4.4 SO 4: Mobilising private investments

SO 4 captures the amount of **private investment mobilised** for climate and biodiversity action. For detailed definitions and guidance, please see Chapter 3.3.5 on **SI 5 Leveraged Finance**.

When your project mobilises private investment according to the provided definition, please hand in IKI SI Report (Excel Tool) with your project proposal.

3.4.5 Delineation and overlapping of SOs 1-3

SOs 1-3 and the concepts behind them are closely interconnected and do have some unavoidable overlaps. As a result, the boundaries between these objectives might sometimes feel a bit "artificial." However, this separation is important to help clearly assign measures to each specific objective. If you are unsure whether your project activities align more with one objective or another, please refer to the following chart (Figure 13) for guidance.

Figure 13 Delineation and overlapping of SOs 1-3

Strategic Objective 1: More ambitious NDCs/NAPs/NBSAPs	Strategic Objective 2: Improved enabling environment	Strategic Objective 3: Implementation through piloting and scaling
	Regulations or strategies aimed at 'translating' the targets defined in NDCs, NAPs, and NBSAPs into national structures **[Dim. 1: Regulatory/Policy Framework]**	
	National Climate Law	
	Regulation on deforestation -free supply chains	
Implementation or financing strategies explicitly for NDC/NAP/NBSAP **[Dim. 2: Feasibility]**	Policy implementation measures **[Dim. 3: Implementation/ Financing Strategies or Instruments]**	Implementation measures with measurable mitigation, adaptation or ecosystem conservation effects
NBSAP investment plan	Action Plan to implement a Carbon Market	Construction of a pilot plant for recycling climate-damaging refrigerators
NAP implementation plan	Roadmap to implement Nature Protection Law	Scaling up solutions for the protection of coastal and marine biodiversity
	Biodiversity Investment Strategy	
Improvement of institutional arrangements for NDC/NAP/NBSAP revision/implementation **[Dim. 2: Feasibility]**	Improvement of institutional arrangement for climate/ biodiversity protection in general **[Dim. 2: (Political) Institutional Set-up]**	
Cross-sectoral NDC working group	Citizens' Council for Climate Protection	
	Institutionalized cross-sectoral / multi-level working group on biodiversity	

SAFEGUARDS REQUIREMENTS

3.5 Safeguards requirements

Summary: This chapter offers an overview of the safeguards requirements that all IKI projects must adhere to. It covers the environmental and social risk analysis, presents IKI's Safeguards Standards along with key guiding questions to facilitate compliance, and provides detailed information on safeguards measures and indicators.

Please note, that this chapter only provides a **summary of safeguards requirements** for IKI projects. **Please also carefully read the IKI Safeguards Policy** before completing the safeguards chapter in the project proposal.

Please read Chapter 3 of the IKI Safeguards Policy carefully to familiarise yourself with the different **risk categories**. The Policy contains all relevant information on identifying the correct risk category and assigning an overall category for your project.

3.5.1 Environmental and social risk analysis

IKI implementing organisations need to provide an environmental and social risk analysis as part of the project proposal. This serves to understand the environmental and social risks potentially caused by the project and provides the basis to develop adequate measures to reduce or avoid these risks.

We ask you to provide as **detailed information as possible regarding the probability of the risk and the magnitude of potential negative impacts** in terms of concrete numbers of people or hectares of land affected. We also encourage you to be as specific as possible in terms of description of project-affected people and any other details relevant for a proper understanding of risks associated with the project (see IKI Safeguards Policy, Chapter 6).

Projects are required to:

- **Engage stakeholders** to inform the environmental and social risk analysis, safeguards measures, and overall project design.
- **Conduct a risk analysis of project activities** for the Performance Standards (PS) 2-8 of the International Finance Corporation (IFC) and **provide a risk categorisation** from A [high risk] to C [low risk] or n/a.
- **Provide an overall risk categorisation** for the IKI project from A [high risk] to C [low risk].
- **Develop appropriate safeguards measures** to avoid, minimise or mitigate potential negative impacts.

Stakeholder engagement

Stakeholder engagement forms part of the environmental and social risk analysis and serves to integrate the views and concerns of project-affected people and interested parties into the risk analysis and development of safeguards measures (see IKI Safeguards Policy, Chapter 9).

The focus should be on including women, indigenous communities, marginalised or vulnerable groups and individuals (potentially) affected by planned project activities. All projects need to conduct a stakeholder analysis during project preparation and develop their stakeholder engagement approach based on the results of the analysis.

If you want to know what kind of stakeholder engagement would fit your project, please consult the publication Meaningful Stakeholder Engagement by the MFI Working Group on Environmental and Social Standards.

Topics covered in the environmental and social risk analysis

The environmental and social risk analysis must cover all IKI Safeguards Standards. Below you find a brief summary of the Safeguards Standards / IFC Performance Standards (PS):

PS 1: Assessment and Management of Environmental and Social Risks and Impacts

This PS requires to assess potential environmental and social risks and impacts caused by a project and to develop adequate avoidance, minimization or mitigation measures. For this purpose, it furthermore requires that organisations establish and maintain organisational structures that define roles, responsibilities, and authority to implement an environmental and social management system.

PS 2: Labour and Working Conditions

This PS requires the project to promote fair working conditions, non-discrimination, and equal opportunities as well as the health and protection of employees. Child labour and forced labour must be prevented. Compliance with national employment and labour laws as well as international labour standards set out by the International Labour Organisation (ILO) must be guaranteed. This applies to direct workers, contracted workers and supply chain workers.

PS 3: Resource Efficiency and Pollution Prevention

This PS requires the project to avoid or minimise any negative impact on human health and the environment as much as possible. This particularly applies to the pollution of air, water and soil as well as the emission of GHG. The project also commits to promoting the sustainable use of resources.

PS 4: Community Health, Safety, and Security

This PS requires the project to eliminate or minimise potential risks to the health, safety and security of the affected population that may result from project activities or project infrastructure. Relevant international and regional human rights agreements must be respected. This must particularly be considered in conflict or post-conflict areas.

PS 5: Land Acquisition and Involuntary Resettlement

The project is required to eliminate or minimise negative social and economic consequences that may result from land acquisition or land use restrictions. Resettlement includes physical relocation (moving to another place, loss of housing) and economic relocation (loss of income or assets). Projects involving forced resettlement are not funded by the IKI. If voluntary resettlement is unavoidable, it must be ensured that there is at least no deterioration and if possible, an improvement of living conditions. It must be guaranteed that voluntary resettlement is truly voluntary, e.g. through a well-documented, inclusive consultation process. The consent of a village council is not sufficient.

PS 6: Biodiversity Conservation and Living Natural Resources

This PS requires the project to protect or sustainably use biodiversity and ecosystem services and to promote the sustainable management of biological resources and the integration of conservation and development priorities. The avoidance hierarchy applies: Priority is given to preventing negative impacts on biodiversity and ecosystem services. If the negative impacts are not completely avoidable, they must be minimised as far as possible or restored within the scope of the project. Project activities that require biodiversity offsets due to their significant negative impacts on biodiversity and ecosystem services are not supported by the IKI. The introduction of invasive alien species is also not permissible under the IKI.

PS 7: Indigenous Peoples

The project is required to eliminate or minimise potential negative consequences for affected indigenous or other marginalised groups regarding their rights, their access to or use of land or resources, and their cultural identity in areas inhabited or used by them. The human rights and dignity of the affected groups must be respected.

For project measures that could potentially have a direct negative impact on the rights, use, or access to traditionally used land, the principle of Free, Prior and Informed Consent (FPIC) must be obtained from the affected groups before the start of any such project measures. Ongoing participation and consultation of these groups must be ensured during the project.

PS 8: Cultural Heritage

This PS requires the project to protect and preserve cultural heritage and to ensure the fair distribution of benefits that may arise from the usage of cultural heritage.

Please note that in case there are any **violations of the IKI Safeguards Standards**, this must be **communicated within 72 hours** (see IKI Safeguards Policy, chapter 7).

Guiding questions for the environmental and social risks analysis

PS 2: Labour and Working Conditions

Might the project possibly…

- cause workers' rights to be violated (working hours, wages, healthy and safe working environment, right to association of workers or to unionise, according to national legislation and international labour standards)?
- tolerate or promote discrimination or impede equal opportunity?
- permit child labour, which is illegal, dangerous or endangers the child's right to an education?
- permit or facilitate forced labour (work carried out under threat of violence or punishment)?

PS 3: Resource Efficiency and Pollution Prevention

Might the project possibly…

- result in energy, water and other resources being used inefficiently?
- not apply technically / financially feasible methods for more efficient use of resources (according to Good International Industry Practices)?
- emit a high amount of GHG emissions?
- produce hazardous or non-hazardous waste and/or not apply technically and financially feasible measures for pollution prevention (according to Good International Industry Practices)?
- result in hazardous materials being used?
- result in pesticides being used?

PS 4: Community Health, Safety, and Security

Might the project possibly…

- cause risks to the health and safety of the affected population, for example because Good International Industry Practice (GIIP) is not (sufficiently) considered in infrastructure projects or the population is exposed to hazardous materials?
- cause conflicts with, or human rights abuses by, security personnel or park rangers?
- expose the affected population to communicable diseases by project workers (including indirect and supply chain workers)?
- expose the affected population to water-based diseases?

PS 5: Land Acquisition and Involuntary Resettlement

Might the project possibly…

- directly or indirectly disadvantage the affected population in their access to land, the use of land or their property rights through project activities or land acquisition?
- increase the risk of resettlement? Here, the possibility of the project exerting economic or social pressure on these groups to resettle must also be taken into account.
- cause voluntary resettlements as part of the project that result in a deterioration of the overall conditions for the persons concerned? The project should ensure that voluntary resettlement only takes place if it is absolutely necessary and if fair and appropriate compensation is provided.

PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources

Might the project possibly…

- transform or negatively affect natural habitats or critical habitats (habitat conversion, degradation, fragmentation)
- implement activities in protected areas or internationally recognised areas? (UNESCO World Cultural Heritage, UNESCO Biosphere Reserve, Ramsar Sites)
- introduce new alien species that are not yet established in the country or region?
- negatively impact the access to ecosystem services for local communities?
- purchase primary products that are produced in regions where the risk of significant transformation of natural or critical ecosystems is high?

PS 7: Indigenous People

Might the project possibly…

- negatively influence the formal or customary rights of indigenous or marginalised local groups through its activities?
- have a negative impact on the cultural identity and traditional way of life of these groups through its activities?
- risk not sufficiently consulting Indigenous or marginalised groups regarding planned measures that may have an effect as mentioned above?

PS 8: Cultural Heritage

Might the project possibly…

- negatively impact cultural goods or a limitation of access to cultural goods for local communities?
- result in a commercial usage of cultural heritage (e.g. traditional knowledge, innovations, local practices)?

3.5.2 Safeguards measures

Depending on the identified risks, safeguards measures must be developed to prevent, reduce, or mitigate risks in order to ensure ecological and social sustainability of IKI projects. Safeguards measures vary greatly depending on the risk, and can include participatory processes in land reform or protective zones, conflict sensitive project management in conflict areas, pesticide management in agricultural projects or grievance mechanisms to protect workers rights.

The IFC Performance Standards and Guidance Notes provide a good overview of safeguards measures that need to be taken for specific risk

3.5.3 Safeguards indicators

Projects with **risk category A or B** must integrate at least one **safeguards indicator** in the results framework and describe the most relevant **safeguards measures** in the corresponding work packages. This safeguards indicator is to be based on the most significant risk identified by the environmental or social risk analysis. The indicator should make it possible to gauge whether expected adverse impacts occurred or whether safeguards measures had a positive effect. Integrating safeguards measures in the work packages is encouraged for all projects.

Examples of safeguards indicators

Please note that some safeguards indicators may follow a different logic than that of project-specific indicators, as they **measure the avoidance** – not achievement – **of a particular outcome** (i.e. avoiding the occurrence of negative impacts from projects). There are, however, also safeguards indicators that measure positive effects (e.g. satisfaction of affected people with the outcome of safeguards implementation).

Which of the two logics is best suited for your safeguards indicator depends on the identified risk and the project context. Below are some examples for safeguards indicators:

- Number of cases of child labour or forced labour that are detected during regular, unannounced inspections of the workplace (target value: 0; means of verification: inspection reports) (indicator relates to PS 2)
- Number of cases of hazardous pesticide use (according to existing regulations for forest landscapes restoration (FLR) activities and IKI exclusion criteria) in pilot sites. (target value: 0; means of verification: analysis of plans and measures on FLR, field sampling in pilot sites) (indicator relates to PS 3)
- Percentage of project-affected people reporting that security personnel trained through the project have interacted with them in a manner consistent with human rights. (target value: 100%; means of verification: regular monitoring through community-based institutions) (indicator relates to PS 4)
- Percentage of affected households who have accepted alternative income opportunities as part of a Livelihood Restoration Plan and who confirm at project end that their livelihood situation has not worsened or has improved compared to before the project. (target value: 100%; means of verification: livelihood restoration plan, signed agreements, interviews with households at project end) (indicator relates to PS 5
- Number of hectares of forest deforested by cocoa producers that are supported by the project. (Target value: 0 ha; means of verification: vegetation monitoring system reports) (indicator relates to PS 6)
- Percentage of Indigenous Peoples' representatives who confirm that they have been consulted and involved appropriately regarding all aspects of the planned project. (target value: 100%; means of verification: interviews one year after project start and at end of project) (indicator relates to PS 7)
- Percentage of affected households that continue to have access to their cultural heritage sites (target value: 100%; means of verification: survey, project documentation) (indicator relates to PS 8)

GENDER REQUIREMENTS

3.6 Gender requirements

Summary: This chapter provides you with an overview of the gender requirements all IKI projects must follow. It addresses the integration of gender considerations into outcomes, outputs, and work packages, and outlines information on indicators for measuring gender-related objectives. It also includes examples of gender-indicators and highlights the importance of collecting gender-disaggregated data to ensure effective monitoring and reporting.

Your project is also required to work at least in a **gender-responsive and if possible, gender-transformative manner**. As such, you should recognise and actively address the diverse needs and realities of women, men, and all other genders such as inter, trans*, and non-binary persons (i.e. gender-responsive design). If possible, include components that address the root causes of gender-based discrimination (i.e. gender-transformative design). Furthermore, the **do-no-harm approach** should be adopted, and an intersectional approach addressing potential intersections between different systems of discrimination is welcome.

It is mandatory for all IKI projects to perform a **gender analysis** and to develop a **Project Gender Action Plan (P-GAP)** during the preparation phase. Please see the **IKI Gender Guidelines** for more information. A template for the gender annex is available here.

Please note that for **IMG** projects there is no separate gender annex but a respective section in the project proposal, to support the gender analysis.

In line with the results of the mandatory **Gender Analysis and P-GAP** you should ensure that gender is integrated in your project proposal through the following aspects:

- **Integrate gender in your outcome and output objectives** as well as work packages, where appropriate.
- **Use gender-specific indicators** (beyond disaggregation), where possible, to measure the quality and effects of project measures tackling gender inequality.
- **Collect gender-disaggregated data** for all headcount indicators.
- **Enable broader participation** in project planning (as well as implementation, monitoring and evaluation).

Gender in outcomes, outputs and work packages

Your analysis regarding gender should inform your project planning and implementation. Ideally, gender is mainstreamed across your results framework incl. outcome(s) and outputs as well as your work packages. As such, gender should ideally not be treated as another add-on but project-specific objectives within your intervention area should have a gender dimension where feasible. For instance, one outcome objective could include a gender dimension, or an output could centre on promoting gender justice. Your measures for promoting gender justice and combatting existing forms of discrimination can also become visible in your work packages, where relevant.

Using indicators to measure gender-related objectives

Wherever possible, you should use project-specific indicators that capture gender-differentiated outcome(s) and outputs.

That is, indicators should measure the quality and effects of project measures tackling gender inequality. If your outcome and output objectives include an explicit gender dimension, the indicators should equally reflect and measure this in a meaningful way.

In this sense, gender-specific indicators go beyond headcount indicators that are disaggregated by gender. If for instance your project provides policy advice on adaptation and in doing so promotes gender justice, you could monitor the uptake of the policy advice in partner policies not only with regards to adaptation but also with regards to whether a gender / social inclusion dimension was introduced to these policies.

Examples of gender-specific indicators that measure the quality and effects of project measures tackling gender inequality:

- # and % of female and gender minority public transport users who are satisfied with the safety of available public transport for their daily commutes. (example for outcome level indicator)
- Extent to which priority measures for public transport improvement selected for implementation reflect the voiced concerns of local citizens identifying as women or gender minorities (example for qualitative output level indicator)

Gender-disaggregated data

Wherever possible, you should collect gender-disaggregated data for headcount indicators (e.g. number of training participants disaggregated by gender, number of beneficiary households disaggregated by indicated gender of heads of household). As opposed to sex-disaggregated data, gender-disaggregated data focuses on capturing a person's self-identified gender rather than their biological sex. It goes beyond categories such as female and male and is inclusive of non-normative genders (e.g. transgender or gender-fluid persons) that do not fall within these binary categories.

In doing so, the following basic principles should be respected:

- **Do-no-harm approach:** you should seek to collect gender-disaggregated data of all genders (beyond female / male) where it is possible and appropriate to do so without putting any person at risk. This requires that a person's responses are treated with confidentiality and that data collectors are sensitised and respectful.
- **Self-identification and determination:** if you offer the opportunity for people to indicate their gender, it is crucial that you allow them to freely express their gender and do not put their response into question. What counts is a person's self-identification and not how this person's gender might be read or interpreted by someone else.

In practice, gender-disaggregated data collection instruments can be designed in the following ways:

- **Open-ended questions:** Design questions on a person's gender in attendance forms or surveys as an open-ended question without pre-defined categories. This provides maximum freedom for people to indicate their gender identity.
- **Questions with pre-defined response categories**: In surveys or forms where you have pre-defined response categories, include categories that go beyond female and male. For instance, a survey could have the response options "female", "male", "other" (incl. an open text field), "No answer". Ensure that the categories chosen are adapted to your country and cultural context. Always allow people not to answer the question if they prefer to do so.

In case it is not possible to collect gender-disaggregated data on all genders (incl. non-normative genders) without putting people at risk, you should at a minimum collect data on the categories female and male and include the option not to respond to the question.

3.7 Project classification

Summary: After defining your project's objectives and expected results, you can classify your project by selecting the most appropriate OECD-DAC policy markers (including Rio markers), Creditor Reporting System (CRS) purpose codes, and Team Europe Initiatives (TEI) that best represent your project. This chapter will guide you through the process of choosing the right markers and codes and filling out the relevant section in your project proposal.

Why do we need to classify IKI projects?
Since IKI funds are Official Development Assistance (ODA), the programme requires this information for official statistical reporting to the OECD's Development Assistance Committee (DAC). Beyond official reporting, the markers and CRS codes are useful knowledge management instruments, i.e. to track the mainstreaming of important crosscutting issues within the portfolio.

3.7.1 Selecting OECD-DAC policy markers (incl. Rio markers)

The OECD-DAC uses the following policy markers to track the contributions of member state's ODA measures to certain crosscutting policy objectives:

Rio markers

- Climate change mitigation (KLM)
- Climate change adaptation (KLA)
- Biodiversity (BTR)
- Desertification (DES)

Policy markers

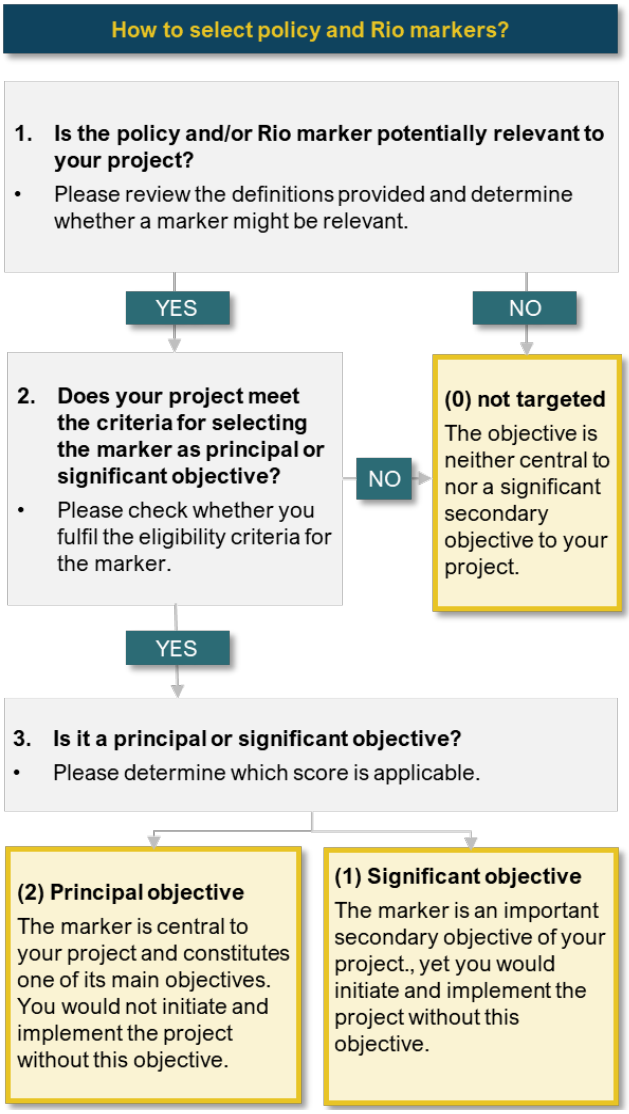
- Gender equality (GG)
- Democratic and Inclusive Governance (DIG)
- Aid to environment (UR)
- Disaster risk reduction (DRR)
- Disability
- Nutrition
- Contributions to reproductive, maternal, new-born and child health (RMNCH)
- Trade development (TD)

General eligibility criteria

- Markers should be selected with your project proposal.
- Each policy marker can get a score of 0, 1 or 2:
  - **(0) Not targeted:** A score of 0 means that the respective policy objective is not significantly targeted by a certain measure. As such, the measure / intervention might not consider it at all or might only address it to a minor or even negligible extent (e.g. Even though a measure addresses it through some activities, it is not an important part of the objectives and overall results logic).
  - **(1) Significant objective:** A score of 1 means that while a policy objective is a significant goal of a measure, the measure would nevertheless have taken place without this objective.
  - **(2) Principal objective:** A score of 2 means that a policy objective is the main goal of and reason for a measure. As such, the measure would not have taken place without this objective.
- Markers can only be selected when meeting respective eligibility criteria.
- In most cases, your project might have more than one principal and / or significant objective. Please make sure that the combinations of markers best reflect the thematic orientation of your project.
- **Rio markers KLM and KLA must always equal 2 for every project**: As the IKI is a climate finance instrument, the sum of markers KLM and KLA always needs to equal 2. This also holds true for projects with a focus on biodiversity. In most cases, IKI projects will also have Aid to Environment (UR) as a principal objective (2).

Eligibility criteria for each marker

Figure 14 Selecting policy and Rio markers



Rio marker: Climate Change Mitigation (KLM)

Climate change mitigation is a principal (KLM 2) or significant objective (KLM 1), if your project aims at Greenhouse gas (GHG) mitigation and/or carbon stock enhancement.

KLM 2 applies if:

- Your project directly and explicitly aims at contributing to mitigation. This must be clearly visible in the project's results framework (ideally at outcome and output level) and the activity documentation. The project can pursue one or more of the following pathways:
  - Reduction of anthropogenic GHG emissions and reservoirs
  - Protection / enhancement of GHG sinks
  - Integration of climate change concerns with the partner countries' development objectives through institution building, capacity development, strengthening the regulatory and policy framework, or research
  - Support to partner countries' efforts to meet their obligations under the United Nations Framework Convention on Climate Change

KLM 1 applies if:

- Your project makes significant contributions to climate change mitigation but does not primarily aim at mitigation. Contributions can be made through any of the pathways named above and should be visible in the activities.

As the IKI is a climate finance instrument, the marker **KLA and KLM must always equal 2**. Hence, the following three combinations are possible:

- **KLA 1 & KLM 1:** Climate change mitigation and adaptation are significant objectives.
- **KLM 2 & KLA 0:** Climate change mitigation is the principal objective.
- **KLA 2 & KLM 0:** Climate change adaptation is the principal objective.

Please pick the combination that reflects your project with most accuracy.

Rio marker: Climate Change Adaptation (KLA)

Climate change adaptation is a principal (KLA 2) or significant objective (KLA 1), if your project aims at maintaining or increasing the adaptive capacities and resilience within the partner countries against the effects of climate change. Your project can aim at promoting adaptation through a range of different pathways. These include and are not limited to (institutional) capacity development with a focus on adaptation, policy work, planning and implementation of adaptation measures and / or information and knowledge generation.

KLA 2 applies if:

- Climate change adaptation is the main objective of your project. You would not initiate or implement the project without the aim of supporting the adaptation to the effects of climate change. This should be clearly visible in the results framework (ideally on outcome level) and the activity documentation.
- Your project has planned concrete work packages or outputs aimed at increasing resilience of people or nature to effects of climate change. This can include measures aimed at directly increasing the adaptive capacity as well as measures aimed at indirectly increasing adaptive capacity through e.g. policy support or institutional capacity development.

KLA 1 applies if:

- Adaptation to the effects of climate change is an important secondary objective and this is clearly visible in your project's results framework and activities.
- Your project has planned concrete work packages or outputs aimed at increasing resilience of people or nature to effects of climate change. This can include measures aimed at directly increasing the adaptive capacity as well as measures aimed at indirectly increasing adaptive capacity through e.g. policy support or institutional capacity development.

The marker **KLA and KLM must always equal 2**. Hence, the following three combinations are possible:

- **KLA 1 & KLM 1:** Climate change mitigation and adaptation are significant objectives.
- **KLM 2 & KLA 0:** Climate change mitigation is the principal objective.
- **KLA 2 & KLM 0:** Climate change adaptation is the principal objective.

Please pick the combination that reflects your project with most accuracy.

Rio marker: Biodiversity (BTR)

The policy marker biodiversity is a principal (BTR 2) or a significant (BTR 1) objective, if the project promotes at least one of the three objectives of the Convention on Biological Diversity (CBD) outlined in Article 1:

- Conservation of biological diversity
- Sustainable use of its components
- Fair and equitable sharing of the benefits arising out of the utilisation of genetic resources

BTR 2 applies if:

- Your project aims at mainly or fully contributing to promoting the objectives of the CBD and the project would not have been undertaken without this aim.
- The intended contributions to CBD objectives are visible in the formulation of the Outcome objectives and the outcome indicators.

BTR 1 applies if:

- Your project contributes significantly to the objectives of the CBD even though this is not the main project objective. On outcome level, at least one indicator needs to illustrate and measure this contribution.

Coherence with CRS Codes

As a rule, you should select Biodiversity as principal objective (BTR-2), if the CRS Code 41030 Biodiversity is the main applicable code for your project. Please note: In case you use multiple CRS codes, please do not automatically apply the marker but ensure that you fulfil all eligibility criteria.

In case the project chose more than one CRS-Codes (one of them 41030), BTR-2 marker should only be selected, if the share of project funds allocated to CRS Code 41030 is more than 50%.

Please note that the **Biodiversity marker is independent of the Rio markers on climate change mitigation (KLM) and adaptation (KLA)**. Even if your project has Biodiversity as principal or significant objective, the marker **KLA and KLM must always equal 2**.

Rio marker: Desertification (DES)

The policy marker desertification is a principal (DES 2) or a significant (DES 1) objective, if your project aims at combating desertification or mitigating the effects of drought in dry areas (i.e. arid, semi-arid or dry sub-humid) through any of the following measures:

- Prevention of land degradation
- Reduction of land degradation
- Rehabilitation of partly degraded land or reclamation of desertified land

DES 2 applies if:

Your project primarily aims at combating desertification and / or land degradation on drylands or drought-prone areas through any of the following pathways:

- Protection or enhancement of dryland ecosystems or remediation of existing environmental damage
- Integration of desertification concerns with recipient countries' development objectives through institution building, capacity development, strengthening the regulatory and policy framework, or research
- Support for developing countries' efforts to meet their obligations under the Convention on Combating Desertification.

DES 1 applies if:

- Your project contributes significantly to the combating desertification and / or land degradation on drylands or drought-prone areas through any of the pathways above, even though this is not the main project objective.

Policy marker: Aid to environment (UR)

The policy marker UR applies if your project aims to contribute to the improvement of the physical or biological environment within the partner country, project area or for the target group. It also applies to capacity development projects that aim to increase the institutional or staff capacity for mainstreaming environmental protection / environmental concerns in various policy areas.

UR 2 applies if:

- Your project has as its main objective to protect or improve the environment and / or to remedying environmental damage. It would not have been initiated or implemented without the objective. This should be clearly visible in the results framework and activity documentation.
- Your project has planned concrete work packages or outputs aimed at environmental protection / remedying environmental degradation and / or contributing to improved environmental policy or the improved capacities of environmental agencies in the partner country.

UR 1 applies if:

- Environmental protection is an important secondary objective, and this is visible in your projects' results framework and activity documentation.
- Your project has planned concrete work packages or outputs aimed at environmental protection / remedying environmental degradation and / or contributing to improved environmental policy or the improved capacities of environmental agencies in the partner country.

Your project cannot select Aid to environment as principal or significant objective, if it solely seeks to mitigate potential negative environmental effects of project activities.

Coherence with CRS Codes

If your project uses the CRS codes 41010 Environmental policy and administrative management, 41020 Biosphere protection, 41030 Biodiversity, 41040 Site preservation, 41081 Environmental education/training or 41082 Environmental research, you should select UR 2.

In case you use multiple CRS codes (including codes not listed above), please do not automatically apply the marker but ensure that you fulfil all eligibility criteria.

In case you chose more than one CRS-Code (one or more of them being CRS codes 41010 Environmental policy and administrative management, 41020 Biosphere protection, 41030 Biodiversity, 41040 Site preservation, 41081 Environmental education/training or 41082 Environmental research), UR-2 marker should only be selected if the aggregated share of project funds allocated to the aforementioned CRS Codes is more than 50%.

Please note that it is very likely that IKI projects will have Aid to the environment (UR) as principal objective (2). In some instances, UR 2 might not be applicable. For instance, if an IKI project is focused on adaptation and is constructing flood defences, the project might not necessarily qualify for UR 2 but might have Aid to environment as significant objective (UR 1) or might not target it at all (UR 0). In these cases, please justify why UR 2 is not applicable to your project.

Policy marker: Gender equality (GG)

The policy marker GG applies, if your project explicitly aims at combating gender-based discrimination and / or promotes gender equality within its area of intervention.

GG2 applies if:

- Gender equality is the main objective of your project. Consequently, gender equality is fundamental in its design and expected results of the project and explicitly visible in the project's results framework.
- The project fulfils **all** the following (minimum) criteria:
  - The project has conducted a gender analysis as part of its planning and preparation.
  - Results of this gender analysis have informed the project's design (e.g. visible through distinct work packages or activities) and the project adopts a do-no-harm approach.
  - The main ambition of the project on outcome level is to advance gender equality and / or women's empowerment.
  - The results framework measures progress towards this outcome and relevant output objectives through gender-specific indicators.
  - Data and indicators are disaggregated by gender in all applicable instances.

GG1 applies if:

- Your project aims at promoting gender equality as an important and deliberate objective and is explicitly included in the project's results framework, even though it is not the principal reason for initiating / implementing the project. The project is designed to have a positive impact on gender equality, reducing gender discrimination, or meeting gender- specific needs

- The project fulfils **all** the following criteria:
  - The project has conducted a gender analysis as part of its planning and preparation.
  - Results of this gender analysis have informed the project's design (e.g. visible through distinct work packages or activities) and the project adopts a "do no harm approach".
  - Advancing gender equality and / or women's empowerment should be an explicit objective within the project's results framework on outcome and/or output level.
  - The results framework measures progress towards gender-specific objectives through at least one gender-specific indicator.
  - Data and indicators are disaggregated by gender in all applicable instances.

Please note that **IKI projects need to conduct a gender analysis**, when stated in the project proposal. If the measures taken by your project after this analysis do not go beyond a do-no-harm approach*, the marker should be set at "not targeted" (GG 0). Similarly, your project does not qualify for the Gender equality marker if its activities (such as training courses, skills programmes and others) should be conducted with equal participation of all genders (without an aim to address gender-specific barriers) or where activities incidentally happen to reach more women and gender minorities than men. An explicit aim to promote equality and dismantle gender-specific barriers beyond do-no-harm that is backed by concrete measures is necessary.

*The IKI understands a do-no-harm approach in relation to gender as ensuring that projects do not unintentionally exacerbate forms of gender-based discrimination and forms of gender-based violence through their activities.

Policy marker: Disaster Risk Reduction (DRR)

The policy marker DRR applies, if your project promotes the goal and global targets of the Sendai Framework to achieve substantial reduction of disaster risk and losses in lives, livelihoods and health and in the economic, physical, social, cultural and environmental assets of persons, businesses, communities and countries.

Thereby your project should contribute to the prevention of new disaster risk; the reduction of existing disaster risk; and/or the strengthening of resilience.

Examples of activities include among others:

- Development, testing and introduction of agricultural practices / techniques that are more resilient to disasters and climate variability in farming and plant breeding;
- Introduction of forest systems to reduce vulnerability to landslides, flooding and natural hazards;
- Mangrove preservation and afforestation to improve a coastal community's resilience to disasters;
- Environmental policy, laws, regulations, planning and programmes, and institutional capacity development that integrates disaster risk reduction;
- Support to, development and use of approaches and methods for assessment, valuation and sustaining of ecosystem services in managing disaster risk.

DRR 2 applies if:

- Your project directly and explicitly contributes to one or more of the four Priorities of Action of the Sendai Framework (see below) and thereby has as its main objective to build resilience:
  - Priority 1: Understanding disaster risk.
  - Priority 2: Strengthening disaster risk governance to manage disaster risk.
  - Priority 3: Investing in disaster risk reduction for resilience.
  - Priority 4: Enhancing disaster preparedness for effective response and to "Build Back Better" in recovery, rehabilitation and reconstruction.
  - The focus on promoting resilience is clearly visible in the project's results framework and activity documentation.

DRR 1 applies if:

- Disaster risk reduction (incl. building of resilience) is an important secondary objective of your project.
- The objective is visible in the project's results framework and activity documentation.

Additional examples and guidance on Policy marker DRR can be found here (Page 56).

Coherence with CRS Codes

If your project uses one of the following CRS codes it should be assigned DRR 2: 43060 Disaster Risk Reduction; 74020 Multi-hazard response preparedness. Please do not automatically apply the marker but ensure that you fulfil all eligibility criteria.

Policy marker: Democratic and Inclusive Governance (DIG)

The policy marker DIG applies, if your project intends to enhance fundamental elements of democratic and inclusive governance.

Projects should thereby contain specific measures to promote one or several of the following governance aspects:

- **Participatory development:** Promotion of inclusive participation and equal representation of citizens in decision-making processes; support for institutions to improve the scope and quality of providing and/or making use of public goods and services. This includes efforts to improve participation of marginalised groups in accordance with the principle of *leaving no-one behind.*
- **Democratisation:** Promotion of horizontal and vertical accountability. This includes efforts to improve reciprocal control of state entities, legitimate and credible elections, support to elected bodies, citizen engagement and media.
- **Good governance:** Efforts to uphold the rule of law, improve transparency in the public sector as well as to combat corruption and illicit financial flows.
- **Human rights:** Efforts to strengthen respect and protection of among others internationally agreed upon civic and political rights, such as the right to security and peace, the right to freedom of expression and assembly. It also covers human-rights-based approaches that seek to e.g. expand social services.

DIG 2 applies if:

- Your project's main objective is to promote democratic and inclusive governance. It would not have been initiated or implemented without this objective. This should be clearly visible in the results framework and activity documentation.
- Your project has planned concrete work packages or outputs aimed at promoting one or more of the above-mentioned governance aspects.

DIG 1 applies if:

- Democratic and inclusive governance is an important secondary objective, and this is visible in your project's results framework and activity documentation.
- Your project has planned concrete work packages or outputs aimed at promoting one or more of the above-mentioned governance aspects.

Policy marker: Disability

This policy marker is not very common among IKI projects. If your project aims at the inclusion of people with disabilities as a main or principal objective, please consult the respective OECD handbook.

Policy marker: Nutrition

This policy marker is not very common among IKI projects. If your project aims at addressing the immediate and underlying determinants of malnutrition as a main or principal objective, please consult the respective OECD handbook.

Policy marker: Contribution to reproductive, maternal, newborn and child health (RMNCH)

This policy marker is not very common among IKI projects. If your project aims at contributing to reproductive, maternal, newborn and child health as a main or principal objective, please consult the respective OECD handbook.

Policy marker: Trade development (TD)

This policy marker is not very common among IKI projects. If your project aims at improving or implementing trade development strategies or at stimulating cross-border trade as a main or principal objective, please consult the respective OECD handbook.

3.7.2 Selecting CRS Purpose Codes

Definition: CRS Purpose Codes

Creditor Reporting System (CRS) Purpose Codes are 5-digit codes that provide information on the "sector of destination" of a specific measure or financial contribution. They are complementary to the Policy and Rio markers and offer more insights regarding the project's thematic orientation.

Projects can choose **up to four CRS Purpose codes** to describe in which sectors they seek to promote changes. Since OECD-DAC uses the codes to determine the amount of official development assistance that flows into a certain sector, projects need to **indicate the amount of project funds that can be allocated to a certain code**.

Please apply the following steps to determine the CRS Purpose Codes for your project:

Step 1: Please consider the full list of codes and respective explanations and ask the following question: *In what specific economic or social area in the partner country / countries does our project seek to promote change?*

Please note that the sectors do not refer to the type of goods or services produced by the project. Instead, please choose those sectors in which these goods and services contribute to changes.

Step 2: Choose between one and four codes that (in combination) best reflect your project.

- **If you select one code:** Please indicate that 100% of project funds can count towards this code.
- **If you select more than one code (max. four):** Please estimate what proportion of funds can be allocated to each code. Please note that the sum of all percentages of funds for your project always needs to be 100% and individual codes cannot receive less than 1% of funds. Please also ensure that you select one primary code that receives the largest allocation of funds (in full percentage points) and then rank the other codes in descending order of importance (indicated by the percentage of funds).
- Please note, equal percentages cannot be allocated to all selected codes. It is not possible to select four purpose codes and indicate that they each account for 25% of project funds. Consequently, you need to always select one code accounting for a larger share of funds than the others.

Step 3: Ensure that the combination of CRS Purpose Codes and policy / Rio markers makes sense and fulfils all requirements. The selection of some CRS Purpose Codes makes it necessary for you to select a respective marker:

If you chose the following CRS Codes…	… you need to select the following marker.
41010 Environmental policy and administrative management	UR 2: Aid to environment as principal objective
41082 Environmental research	UR 2: Aid to environment as principal objective
41030 Biodiversity	BTR 2: Biodiversity as principal objective

How to best manoeuvre the long list of codes:

The list of codes concerns all activities that fall within international cooperation and are considered Official Development Assistance. Most codes will most likely not be relevant to your IKI project.

To assist you in choosing codes, we recommend that you first consult the DAC 5 Code which is a certain category of code (e.g. 230 Energy; 410 General Environment Protection; 310 Agriculture, Forestry, Fishing). The three respective digits will always be the first three digits in codes falling within those categories. In addition, find some codes below that might be especially relevant for IKI projects:

41010 Environmental policy and administrative management

41020 Biosphere protection

41030 Biodiversity

23110 Energy policy and administrative management

23183 Energy conservation and demand-side efficiency

32174 Clean cooking appliances manufacturing

31219 Forestry policy and administrative management

31220 Forestry development

31291 Forestry services

3.7.3 Selecting Team Europe Initiatives

Definition: Team Europe Initiatives

Team Europe Initiatives (TEI) were initiated in 2021 as an instrument for coordination and joint programming of international cooperation efforts among the European Commission, other European Institutions, and the European Union member states. Together these are referred to Team Europe members. Each TEI provides a strategic framework for Team Europe members to jointly work on select objectives and topics with partners in particular regions, countries or globally.

So far, a total of 168 TEIs have been formulated that fall within one or more of the following thematic priorities:

- Governance, Peace and Security,
- Green Deal,
- Human Development,
- Migration Partnerships,
- Science, Technology, Innovation and Digital,
- Sustainable growth and jobs.

About three quarters of the TEIs are bilateral initiatives followed by regional initiatives (about 30 TEIs) and global initiatives (about 4 TEIs). For more information see the Team Europe Initiative Dashboard.

All Team Europe members (incl. Germany and thus also the IKI) need to report which TEIs their international cooperation measures significantly contribute to. Consequently, IKI projects also need to assess their relevance for Team Europe Initiatives.

In screening and (potentially) selecting a relevant Team Europe Initiative IKI projects should consider the following:

- To determine whether or not the project contributes to a Team Europe Initiative, screen the list of Team Europe Initiatives provided in the IKI TEI Codes Tool and review the information provided on these initiatives on the Team Europe Website. Respective links are included in the tool, as well as detailed instructions on the screening process.
- Each IKI project can select a maximum of one Team Europe Initiative to which it contributes within the project proposal.
- An IKI project can select a respective TEI Code, if it significantly contributes to the objectives of the TEI and this contribution is clearly visible in the projects outcome(s) and outputs. The project also needs to be implemented in the country or region that is covered by the respective TEI.
- Depending on the geographic orientation of the project, projects should go about the screening differently:
    - For bilateral projects: first screen TEIs for the respective country of implementation. If no applicable code exists, please review regional TEIs that geographically fit with the country of implementation, and subsequently global TEIs. If the project does not contribute significantly to any of these TEIs, please select “Not applicable” in the project proposal. Otherwise select the applicable TEI code.
    - For projects with two or three countries of implementation: first screen regional / global TEIs. If not relevant review bilateral TEIs for the countries of implementation. If the project contributes to one of these TEIs significantly, the respective code should be selected. If the project does not contribute significantly to any of these TEIs, please select “Not applicable” in the project proposal. Otherwise select the applicable TEI code.
    - For projects with four or more countries of implementation: first screen regional / global TEIs. If not applicable, screen bilateral TEIs for the countries of implementation. If the project contributes significantly to one or more of these bilateral TEIs, please select the general TEI Code “TEI000”. If the project does not contribute significantly to any of these TEIs, please select “Not applicable” in the project proposal. Otherwise select the applicable TEI code.

3.8 Knowledge management requirements

Why do we need knowledge management in the IKI?

Each IKI project not only builds on existing knowledge but also generates new insights and valuable experiences. This accumulated knowledge plays a key role in shaping the ongoing development of the IKI programme. Effective knowledge management ensures that the expertise of all involved actors is utilised efficiently, helping to continuously refine and improve the IKI as a programme.

In the **project proposal** you are asked to provide information on your project's knowledge management measures.

Knowledge exchange with relevant stakeholders

To avoid duplications, foster synergies and encourage the replication of successful approaches, we ask for:

- A list of those projects (IKI and other donors) and institutions that are relevant for your project in terms of target setting, target groups, activities, including expected synergies and linkages.
- Planned measures for knowledge exchange with above-listed projects: Which formats are planned to which purpose, how often? How are results and learnings of knowledge exchange documented?
- If applicable, a list of important existing and/or planned results/products by other projects, which are relevant to the proposed IKI project.

Knowledge management within projects

Additionally, you are asked to outline your internal knowledge management strategy:

- Name a focal point for knowledge management within the project.
- Structures, mechanisms, formats and instruments used for knowledge management.
- Describe your strategy for communicating project results:
  - *How are results communicated to target groups, IKI Office at ZUG, project partners, implementing organisations, and the public?*
  - *Which tools are used to disseminate knowledge and project results? (e.g. project website, newsletter, IKI-website, workshops/ conferences, online cooperation platforms)*

All knowledge management activities listed here should be integrated into your projects monitoring framework and implemented throughout the project.

In chapter 4.2 you find more information on reporting concrete project results in the Biannual project update.

IMG projects are not required to provide an internal knowledge management strategy.

Interface projects

In all 14 IKI priority countries[13], where the IKI portfolio is particularly pronounced, so-called "interface projects" (IFP) have been set up. These projects support the knowledge exchange and networking between IKI implementing organisations within the country to promote synergies and cooperation.

IFP serve as knowledge centres. They bundle country-specific knowledge, are in dialogue with the projects to collect and share good practice examples and lessons learned and support the dissemination of the principles of IKI knowledge management in the country.

When you are implementing a project in one of IKI's priority countries:

- include the cooperation with the IFP into your knowledge management strategy,
- get in contact with the IFP after the project has been approved (contact details will be provided),
- and participate at yearly IFP events.

[13] Currently, interface projects are being implemented in Brazil, China, Colombia, Costa Rica, India, Indonesia, Mexico, Peru, Philippines, South Africa, Thailand, Vietnam and Ukraine.

4 Project implementation - monitoring and reporting

Summary: In Chapter 2.1, we highlighted the importance of a robust monitoring system at the project level. This chapter will guide you through the information needed to meet IKI's reporting requirements throughout your project cycle. We will start by explaining what steps to take if circumstances in your project change. Following that, we will cover the different reporting types: **interim reports**, **biannual project updates**, and **final reports**, always including cross-cutting topics as well.

4.1 Where to report what kind of changes?

There is one thing all projects have in common: They cannot foresee the future. A lot can change in the course of a project, especially the circumstances. This chapter gives you an overview on where, when and how to report those changes.

This chapter only concerns **changes regarding project monitoring** (objectives, indicators, SI, SO, results framework, risks etc.). For other types of changes, like funding, political partners, extensions etc. please check the IKI Template Amendment request. If in doubt, contact your focal point at the IKI Office at ZUG.

What if project objectives change?

If for some reason substantial amendment(s) of outputs and/or outcomes are necessary, an **amendment request** must be provided. This includes all changes to the nature and definition of objectives (output and outcome).

In contrast to other IKI projects, changes to **IMG** project objectives do not require the formal approval of the respective ministry responsible for the project but of ZUG as the responsible agency for managing the funding instrument. From a project perspective, however, the process remains identical to other IKI projects. **Changes that require approval must be addressed in a formal request to the IKI Office at ZUG**.

What if we want to change an indicator?

If your overall objective remains the same but you find a better way to measure progress—meaning you want to update the indicator—you can do so if necessary. However, for information and review purposes, an informal notification must be sent to the project manager responsible for your project at the IKI Office at ZUG before switching to the adjusted indicator. Please make sure to report and highlight any changes in the **interim report** ("progress statement" for IMG). Keep in mind that such changes should be kept to a minimum to ensure consistency and clarity.

What if the target value of a project-specific indicator cannot be achieved due to changing circumstances?

If you realise you will not achieve the initial target value of a project-specific indicator, please do not change the target value defined in the project proposal. Please report the current state in the **interim and final report** and explain the circumstances due to which the target value could not be reached.

If, however, the difference between initially defined target value and actual number is so significant that it implies that an outcome or output objective will not be achieved, an **amendment request** might be necessary. If in doubt, please get in touch with the project manager responsible for your project at the IKI Office at ZUG.

What if we want to change activities?

As long as the change does not affect the achievement of project objectives, adjustments to activities can be made. However, for information and review purposes, an informal notification to the IKI Office at ZUG about any amendments is necessary before starting their implementation. Please make sure to report changes in the **interim report**.

What if the target value of a SI cannot be achieved due to changing circumstances?

Any changes to the SIs (e.g., target values) can be made without additional administrative procedures. Just ensure you **provide a transparent explanation** in your **interim report**.

What if environmental and social risks, identified in the risk analysis, change?

The overall **risk category** you selected in your project proposal can change during project implementation due to changes in project context or new/modified project activities. In these cases, the environmental and social risk analysis and project management must be adapted accordingly. Please consult Chapter 3.3 and 6.3 of the IKI Safeguards Policy for detailed information on changes to the risk category.

4.2 Biannual project updates

Twice a year we ask implementing organisations for a project update, including:

- **Relevant political developments** that potentially impact the course of the project (for internal use only). The information is used by the BMUKN and AA for internal consultation both at the technical and the management level to ensure a better understanding and management of IKI activities within partner countries and with regards to the communication with partners.
- **Concrete project results and update of the short description**: This information will be used to update your project profile on the IKI website. Project profiles provide comprehensive core information about each project, including funding amounts, implementing organisations, countries of implementation, short descriptions, and achieved results.

Due date: **15 March** as well as **15 September** of every year.

IMG

Please note that **IMG** projects are required to send project updates once a year. Due date is 15 September every year. You can find the template here.

Publications and videos

Please share any relevant videos or publications such as studies, newsletters, and other publications. They are made available to the other IKI projects, to promote thematic exchange between projects. Please check out the IKI website for more information on Public Relations.

4.3 Interim and final report

All IKI implementing organisations must submit an annual report on the progress of their project referred to as **interim report**[14]. It includes a technical report and a financial statement. The technical report is an opportunity for you to outline project progress according to agreed indicators and milestones (and beyond). Interim reports are to be submitted each year by **April 30** unless differing agreements were made with the IKI Office at ZUG.

In addition, all IKI projects must submit a **final report** within six months of the project's completion which consist of a factual report and a financial statement, as well as an inventory list, if applicable. The factual report provides information if the project pre-defined objectives have been accomplished and whether the purpose of the grant has been fulfilled.

Both reports include information on the contributions to the SIs and SOs, as well as information on IKI safeguards and gender. You as the project implementer are responsible for determining and carrying out appropriate quality assurance, e.g. by verifying that the reported data is plausible, accurate and in line with IKI reporting requirements.

All relevant templates that must be completed and submitted as part of the interim and final report can be found on our website. **We are continuously working to improve our reporting. Please ensure you always use the most up-to-date version of the templates.**

IMG

The annual report for **IMG** is called “progress statement”. All relevant templates for IMG can be found here.

Remember to store any underlying data that feeds into your reporting to the IKI Office at ZUG for twice the project duration, or at least five years.

[14] The corresponding report for IMG is called “progress statement”.

4.3.1 Standard Indicator reporting

For detailed information on the IKI SI, as well as guidance on selecting all relevant SI for your project, please refer to Chapter 3.3.

All IKI projects are required to report on the SIs within the framework of the interim and final report. Please ensure that all relevant SIs for your project are selected.

All SI data must be submitted using the official IKI SI reporting format (Excel Tool). Please make sure to download the most recent version of the template each time you prepare a report.

Reporting requirements for SI 1 - Mitigation

Projects need to report the following for direct and indirect mitigation effects over the project cycle.

Planned target estimate

…of GHG emissions to be reduced or carbon stocks enhanced (in tonnes of CO_2e) reflecting both annual estimate within the duration of the project and projection of long-term GHG impacts, i.e. overall mitigation over technology / mitigation measure lifetime until 2030, 2040, 2050 in tCO_2e expected (ex-ante estimate)

To be submitted as early as possible (with project proposal or first interim report). Adjustments of "planned target estimate" during project implementation can be made and have to be reported in interim reports.

Achieved value (ex-post, annual and cumulative)

…of GHG emissions reduced or carbon stocks enhanced (in tonnes of CO_2e) reported annually during the project duration to date in a given reporting year (ex-post estimate), e.g. based on monitored outputs and verified activities.

To be reported annually during project implementation within interim and final reports

Overall mitigation over technology / mitigation measure lifetime

…until 2030, 2040, 2050 in tonnes of CO_2e expected (ex-ante estimate, incl. partly ex-post for cumulative achieved over project duration).

To be submitted based on project-specific calculations and estimates, where this is feasible, as early as possible (with project proposal or first interim report), as part of the planned target estimate.

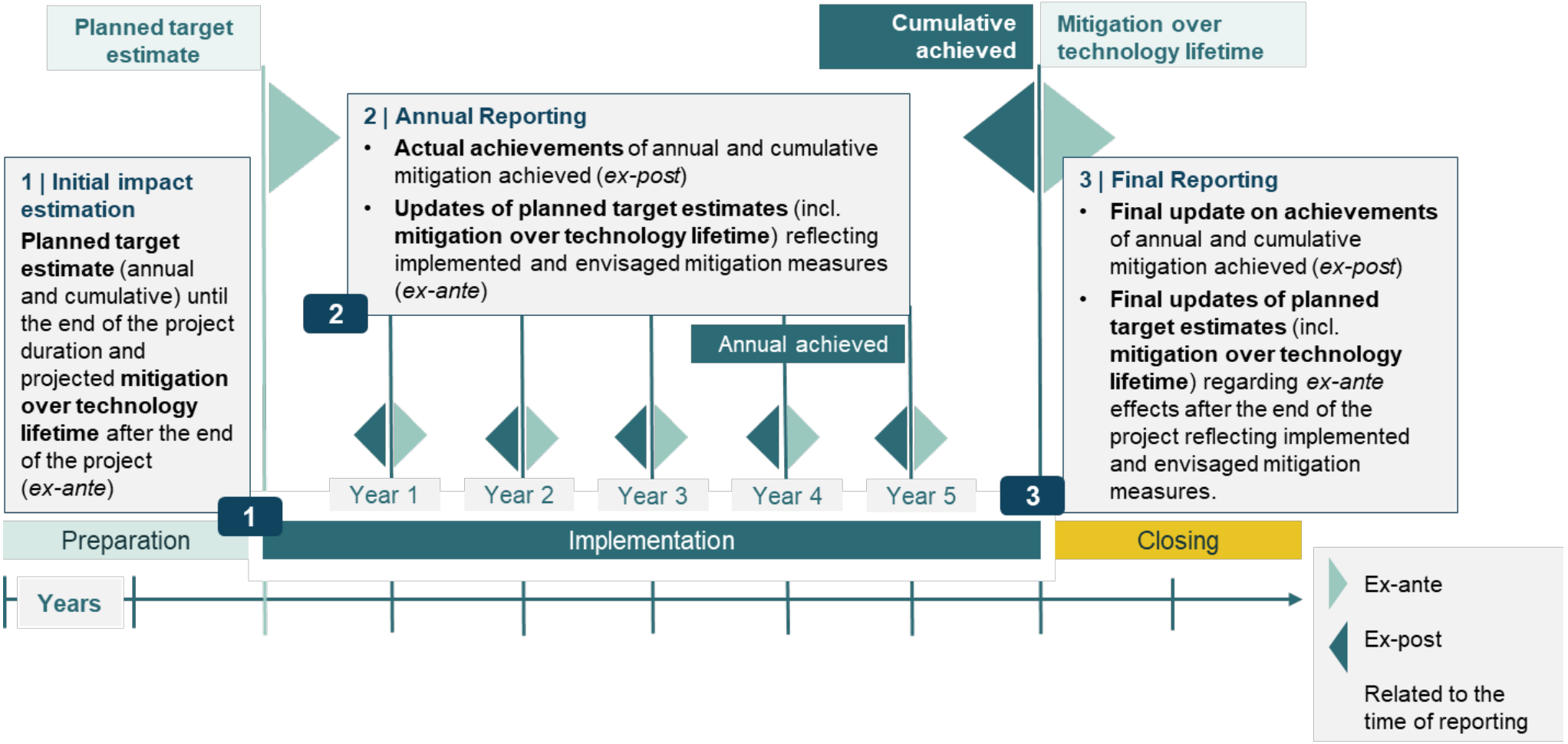
Estimations should be reviewed annually and adjusted where necessary in light of project implementation in interim and final reports, including the period after the project's conclusion.

Baseline assumptions and calculations might change during the project. Technological advances and contextual changes might make baseline scenarios more favourable to a low-emission pathway. If this is the case, make adjustments to the baseline scenario calculations to ensure that effects are not overestimated (or underestimated). If necessary, adjust assumptions regarding mitigation effects arising over the entire technology / mitigation measure lifetime including after the end of the projects' duration.

For the final report, double-check the values (cumulative) for direct and indirect GHG emissions reduction / carbon stock enhancement achieved during the project's duration.

Figure 15 summarizes the reporting requirements for direct and indirect mitigation throughout the project cycle and emphasizes the importance of distinguishing between ex-ante and ex-post reporting.

Figure 15 Overview ex-ante and ex-post reporting for direct and indirect mitigation effects



Ensure that GHG emissions reduced / carbon stocks enhanced are reported in line with the definitions of direct and indirect effects. In collecting data, do NOT report the GHG emissions reduced / carbon stocks enhanced in the following cases:

- Do *not* report GHG emissions / carbon stock enhancements as annual or cumulative achieved values, if these effects have not occurred yet.
- Do *not* report GHG emissions / carbon stock enhancements if these effects cannot be plausibly linked back to project measures.

Please ensure to report on the data sources, methodology (incl. any underlying assumptions and emission factors) and means of verification used. For direct and indirect mitigation effects, the IKI SI Report (Excel Tool) requires you to describe the assumptions and lay out your calculations in detail.

The IKI SI helpdesk might approach you to gain further insights into the methodology used and data reported. Therefore, please keep records of methodological notes as well as any documentation substantiating the reported data

Reporting on mitigation effects can be complex and requires detailed technical data. To support this process, we provide additional sector-specific guidance and practical examples on our website to help you complete the relevant data fields for S1 of the IKI SI Report (Excel Tool).

In addition, we offer individual support for projects facing challenges in reporting mitigation data under SI 1.

Avoid double counting

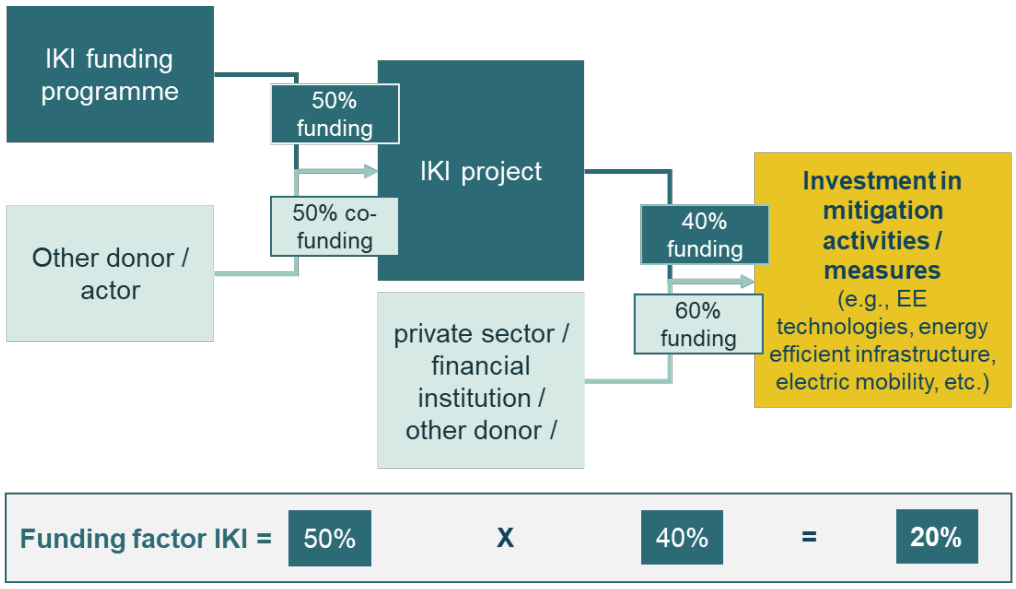
If reporting on both direct and indirect mitigation effects, projects must ensure that the total mitigation potential (e.g. 100 tCO_2e) is not double counted but proportionally allocated. The emission reduction should be split according to the IKI funding share of the mitigation measure. For example, if IKI funds 40% of a mitigation action (e.g. via grants), then 40 tCO_2e should be reported under direct mitigation. If the investment was enabled by the project's technical assistance, and this support can be plausibly linked to the implementation, then the remaining 60 tCO_2e (60%) may be reported under indirect mitigation. Attribution must be conservative, well documented, and based on a clear causal chain between the assistance provided and the investment decision.

Attribution of direct mitigation to IKI financing: pro-rata share for direct mitigation

If your project receives funds from other donors, funds or climate / biodiversity programmes, and/or the actual mitigation measure is co-financed by another actor (e.g., development bank, government, private sector actor) you should estimate the share of reduced emissions / carbon stock enhancements that accrue specifically from IKI support on a pro-rata basis.

For instance, if the IKI funding programme contributes 50% of the IKI project budget and the IKI project finances 40% of the mitigation measure (e.g., energy efficient technologies / infrastructure or installation of a solar park), then 20% of the project's GHG reductions would be attributed to the IKI project. Figure 16 illustrates the attribution calculation for direct mitigation effects.

Figure 16 Attribution method of direct mitigation



Reporting on enhanced policy frameworks

If your projects contribute to long-term mitigation effects by working on enhanced policy frameworks, you need to consider the following aspects for reporting.

Expected contributions to policies

Does the project aim at enhancing the mitigation potential of policy frameworks? If so, how?

To be reported initially in project proposal.

Qualitative description of project contributions

…to strengthening policy frameworks' mitigation potential incl. status of the policy

To be reported annually within interim and final reports.

Planned GHG reductions / carbon stock enhancement (if available)

…as indicated within the respective policy framework

To be reported annually within interim and final reports.

Reporting requirements for SI 2 - 5

As part of your interim reporting (annually), as well as the final reporting, you need to report:

Planned target values

Total impact of the project measures expected to be reached by end of project

To be submitted as early as possible (with project proposal or first interim report). Adjustments during project implementation can be made and have to be reported in interim reports.

Achieved value (per annum)

Impacts of the project measures achieved within the reporting year.

To be reported annually within interim and final reports.

Achieved value (cumulative)

Impacts of the project measures achieved since start of the project until the end of the reporting year.

To be reported annually within interim and final reports.

Furthermore, you must transparently report the data sources, methodology (including any underlying assumptions), and means of verification used. Ensure that your project has appropriate data quality assurance measures in place.

The IKI SI Helpdesk might approach you to gain further insights into the methodology used and data reported. Therefore, please ensure to keep records of methodological notes as well as any documentation substantiating the reported data.

Avoid double counting

Good data quality is essential. Please ensure that results are not double counted, as this can lead to overstated impacts. The IKI places strong emphasis on avoiding inflated figures in its SI reporting. Your project's data should therefore be based on the most accurate and realistic assumptions about the effects of your project's intervention.

- **For SI 2 – Ecosystems:** If an area within an ecosystem receives multiple types of support from your project, it should be counted only once.
- **For SI 3 – Adaptation:** To ensure accuracy in cumulative totals, if a person receives more than one type of support classified as direct from your project, they should only be counted once under direct support. However, if the same person receives both direct and indirect support, they may be reported in both categories. For example: An individual who participates in training (direct support) and also lives in a catchment area where your project implements flood defence measures (indirect support) may be reported under both.
- **For SI 4 – Capacity People:** Do not count any individual more than once, even if your project supports them through multiple activities or across multiple years.

Adjustments for pro-rata share

If your project receives funding from other donors, funds, or climate/biodiversity programmes, you should estimate the share of impacts attributable to IKI support. For example, if a project supports a total of 100 people and uses 40% IKI funding and 60% funding from another donor to finance these support measures, only 40 people should be reported under SI 4 – Capacity people. For SI 3 - Adaptation, this adjustment only needs to be applied to direct beneficiaries.

Please be aware that calculating the IKI contribution for mobilised finance (SI 5) needs to follow the **OECD DAC methodology**. For more information, please check chapter 3.3.5

4.3.2 Strategic Objectives reporting

For detailed information on the IKI's SO, as well as guidance on selecting all relevant SOs for your project, please refer to Chapter 3.4.

When your project contributes to one or more of IKI's SO the Annex 9 "IKI's Strategic Objectives report" must be submitted with your project proposal,[15] which should include a description of the baseline context at the start of the project, as well as the target scenario your project aims to achieve through its contributions.

When/in which frequency is reporting required?

When submitting your **interim report**, please provide an updated version of the Annex 9 that reflects the current state of your project.

The Annex is a **living document.** When reporting updates in context of the interim and final report, please always use the last submitted document and update information by adding "year XXXX:" in the line that states "current state", without deleting the information you provided previously.

Please note, that after submitting the Annex 9 for the first time stating your planned contributions, you only need to provide the SO report with your **interim report**, **in case you have results to report.**

Always include Annex 9 in your **final report**, detailing the results related to your project contributions, even if they did not meet expectations.

Advice for the SO reporting

- Your project's success will not be determined by the information you provide in the SO report. Therefore, please only report direct/identifiable contributions to the respective SOs.
- Please be precise, only provide relevant information, stick to the character limit, and use bullet points in free text fields. The number of characters always includes spaces. You can delete tables that are not relevant to you.
- The means of verification you provide, will be used to verify the project's contribution. Therefore, we ask projects to provide any existing means of verification. These may include studies, references to the project in publications or press releases, written statements from partners or target groups, etc. Only verified contributions can be considered for IKI's SOs. If there is insufficient evidence by the end of the project, interviews may be conducted as part of final reviews and corresponding evaluations to fill existing data gaps.

IMG projects do not need to submit Annex 9 but are requested to fill in an online form about their contributions to IKI's SOs.

4.3.3 Safeguards reporting

The interim report template contains a chapter on environmental and social safeguards. In this chapter, please provide **updates on safeguards-related developments**, especially any changes to the risk assessments of the Performance Standards or overall risk category, and provide an update on progress made in the implementation of safeguards measures in the project.

The final report template also contains a chapter on environmental and social safeguards. In this chapter, please provide a final update on the implementation of safeguards measures during the project.

4.3.4 Gender reporting

The interim report contains a chapter on gender responsive project implementation and management. Please report any measures implemented, that foster gender justice or mitigate risks of gender-based discrimination.

[15] In case your project submitted the project proposal before July 2025, you are requested to submit the Annex for the first time with the interim report for the reporting year 2025 (by April 2026).

5 Glossary

Ambition (of NDCs, NAPs, NBSAPs, SO 1)	The IKI follows a broad understanding of ambition. Meaning that "raising ambition" of NDCs, NAPs, and NBSAPs not only encompasses an increase in quantitative targets, as is common in the UNFCCC setting, but also the enhancement of qualitative factors, such as increasing financial commitments or including new target groups or sectors, while also considering the feasibility of these frameworks. By adopting a comprehensive approach and providing tailored support to partner countries throughout their NDC, NAP, and NBSAP processes, the IKI recognizes that achieving national climate and biodiversity targets depends on a range of complex factors.
Baseline	A baseline is a value or a starting point on a scale that serves as a reference point for an indicator before the start of project measures. Comparing the evolving status quo of the indicator with the baseline provides an indication of the changes achieved by the project. The baseline may either reflect the state of the indicator before the start of project activities or the expected state if no IKI funding had been provided (‘business-as-usual’), or a combination of the two.
Co-benefits	Co-benefits are positive socio-economic effects and/or improved quality of life brought about by measures that are primarily designed to address climate mitigation, adaptation and biodiversity improvements.
Direct mitigation effect	Refers to GHG emission reduction / carbon stock enhancement and the amount of CO2e reduced, avoided or sequestered immediately through mitigation measures that are (partly) financed by the IKI project.
Do-no-harm approach	The do-no-harm approach originates in international development work and was developed to increase conflict sensitivity and to prevent harm that may result from project work.
Enabling environment (for climate change mitigation, biodiversity conservation, climate change adaptation, SO 2)	An enabling environment for climate change mitigation, biodiversity conservation, and/or climate change adaptation refers to the supportive political and social conditions necessary to effectively reduce greenhouse gas emissions, enhance ecosystem health, and build climate resilience. This environment should facilitate actions aimed at protecting climate and biodiversity, along with the essential structural and societal changes that are necessary to achieve sustainable change. An enabling environment arises from a complex interplay of various factors, including political structures, available resources and capacities, legal and regulatory frameworks, as well as the knowledge, skills, and attitudes of different societal actors, such as those in politics, business, science, and civil society.
Gantt chart	Project planning instrument for scheduling the implementation of activities as well as the attainment of milestones, outputs and outcome(s).

Gender analysis	Gender analysis is a critical study of the question of how differences in roles, activities, needs, opportunities and rights/entitlements affect the genders in particular policy areas, situations and contexts. This includes collecting and evaluating quantitative gender disaggregated data (often only binary data is available) and qualitative information. These help to understand the differences and gaps between genders, identify gender-related impacts and risks, determine measures to avoid negative impacts on genders and recognise and tap the potential for overcoming gender-based inequalities. A gender analysis is thus a prerequisite for programmes and projects under development policy that seek to promote social change and foster social transformation.
Gender-responsive	Gender-responsive refers to the consideration of gender norms, roles and relations in order to actively tackle the associated gender-based disadvantages, inequalities and discrimination, as well as potentials. Gender-responsive approaches identify and highlight existing gender related needs, priorities, power dynamics, problems and potential and integrate the findings into the design, implementation and evaluation of strategies and measures. The goal is to ensure that these strategies and measures have no unintended negative impacts, and that people participate in and benefit from these measures irrespective of their gender.
Gender-transformative	Gender-transformative goes beyond the impacts of gender-based inequalities to transform the gender roles, imbalances in power relations and structures, social norms and rules which lead to inequality, discrimination and exclusion. The goal of gender justice can only be achieved by analysing the root causes which reinforce and proliferate gender-based inequalities and discrimination, and by changing them accordingly.
Goal	See “objective”.
Impact (on a project level)	Impacts are the long-term social, environmental, and economic effects of an intervention. These arise from the interaction of various factors and stakeholders, with the IKI project being just one of them. Impacts reflect the sphere of interest of IKI projects, which may include long-term and large-scale reductions in greenhouse gas emissions, adaptation to climate change or the preservation of biodiversity.
Implementation (SO 3)	Implementation refers to mitigation, adaptation or biodiversity measures that produce measurable effects once carried out. These effects include actual GHG reductions, increased resilience to climate impacts like extreme weather, or positive impacts on biodiversity and ecosystems in specific areas.
Indicator (project-specific)	An indicator is a means or a sign that indicates the extent to which a desired change has happened. Indicators help to determine if something is working as intended, and ultimately if objectives have been achieved. In other words, indicators serve as a means for assessing the progress and success of your IKI project.
Indirect mitigation effect	Refers to GHG emission reduction / carbon stock enhancement and the amount of CO2e reduced, avoided or sequestered through enabling activities supported by the IKI project such as capacity building, advisory services, or other forms of TA.
IKI Compete	One of IKI’s funding instruments. The basis of IKI Compete are competitive selection processes. Through those competitions, the IKI seeks to identify and support the most promising and innovative project ideas from a wide variety of potential implementing organisations.

IKI Gender Action Plan	The IKI Gender Action Plan (IKI GAP) serves to implement the IKI Gender Strategy and applies to the IKI as a whole, encompassing all projects and funding areas.
IKI Invest	One of IKI's funding instruments which exclusively supports multi-donor initiatives and financing funds with the objective of strengthening and effective further development of multilateral cooperation to protect the climate and biodiversity and conceptualising promising financing instruments for the mobilisation of private capital and investments in climate action and biodiversity conservation.
IKI Strategic Action	One of IKI's funding instruments. which makes use of non-competitive selection procedures to set up projects for very specific purposes.
IKI Strategy up to 2030	Published in 2023, the IKI Strategy up to 2030 sets out how the IKI intends to make the greatest possible contribution to overcoming climate and biodiversity crises in its partner countries by 2030.
IKI's Strategic Objectives (SO)	With the IKI Strategy from 2023, the IKI sets itself four Strategic Objectives to be reached until 2030: •): More ambitious NDCs, NAPs and/or NBSAPs in at least 30 partner countries. • SO 2: Improving the enabling environment: Improved enabling environments for cross-sectoral or sector-transformative climate change mitigation, biodiversity conservation, and/or climate change adaptation in at least 20 partner countries. • SO 3: Implementation through piloting or scaling: Implemented climate change mitigation, biodiversity, and/or climate change adaptation measures in at least 20 partner countries. • SO 4: Mobilising private investments: The IKI mobilises 1.5 billion EUR private investment in climate change mitigation, biodiversity conservation, and adaptation to climate change in the partner countries.
IPLC	There is no universally accepted definition of "Indigenous peoples and local communities". Consequently, the term IPLC is used in line with the International Finance Corporation (IFC) Performance Standards generically, "to refer to a distinct social and cultural group possessing the following characteristics in varying degrees: • self-identification as members of a distinct indigenous cultural group and recognition of this identity by others; • collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories; • customary cultural, economic, social, or political institutions that are separate from those of the mainstream society or culture; or • a distinct language or dialect, often different from the official language or languages of the country or region in which they reside."

Means of verification	An appropriate data source for an indicator including methodologies used for collecting data as well as analytical tools (such as organisational capacity assessment tools).
Monitoring	Monitoring is an ongoing, systematic process of collecting and analysing information about individual project activities and progress, as well as the overall progress of the IKI at a programme level. Its primary purpose is to help track whether projects and the IKI are on course to meet their objectives, identify challenges early, and ensure resources are used effectively. Essentially, monitoring provides the data and insights needed to make informed decisions, steer projects, and keep the IKI moving in the intended direction.
Objectives	Objectives describe the changes a project or a programme seeks to achieve.
OECD-DAC Policy Markers	Within the context of Official Development Assistance (ODA) reporting, the Federal Republic of Germany reports on the breakdown of German climate financing contributions to the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD).
Outcome (on a project level)	Outcomes are the overarching objectives of the project, i.e. the positive intended changes the project aims to achieve for the target group(s). Outcomes generally are not changes that can be achieved by the IKI project alone but changes that the IKI project seeks to influence to a substantial extent. This dimension of change therefore reflects the sphere of direct influence of the project.
Output (on a project level)	Outputs are products and services developed and delivered by IKI projects, which are expected to make a verifiable contribution to the outcome(s). The IKI uses a definition of outputs that does not end with the creation of products and services but also incorporates their immediate uptake by partners or the target groups, if this is verifiable. Since the attainment of outputs can be largely controlled by the project itself, this dimension of change falls within the project's sphere of control.
P-GAP	The Project Gender Action Plan (P-GAP) is a template that translates the results of the Gender Analysis into concrete measures for the project. This plan makes suggestions for integrating targets and measures to foster gender justice and to avoid gender-based discrimination into the project's results logic and the project's overall management.
Piloting (SO 3)	Piloting measures aim at testing new or adapted actions for mitigation, adaptation, or biodiversity protection. They help generate knowledge to improve, scale, or finance these measures in the future. Projects may involve developing new approaches, technologies, concepts, or test measures already used elsewhere but not yet proven effective in the current context.
Policy frameworks (for mitigation)	Policy frameworks are understood as comprising any public policies, strategies, legal incentive, laws, acts, decrees or regulations on the regional, national or subnational level that specifically aim to lower GHG emissions and include quantitative targets to this end.
Results-based monitoring	Results-based monitoring not just verifies whether activities have been completed, but by assesses whether these interventions are effectively leading to the desired changes or outcomes. It emphasises setting clear, verifiable objectives and conducting regular reviews of progress that incorporate monitoring data and evidence. The entire IKI monitoring framework is designed to ensure that projects and the IKI at large remain aligned with their objectives and that efforts translate into tangible outcomes.

GLOSSARY

Results logic / Result chain	A results logic (also called results chain) refers to the underlying reasoning or theory that explains how and why a project is expected to achieve its results. It focuses on the causal links between the project's activities and expected deliverables and results, detailing the assumptions that underpin these connections.
Results Framework / Logical Framework	A results framework (also called a logical framework or Log Frame) is a structured visual tool that outlines the expected results of a project. It typically includes the expected impacts, outcomes, outputs, and activities, along with indicators to monitor progress and success. The results framework helps stakeholders understand the relationships between these elements and provides a clear pathway for achieving the desired results. Therefore, the results framework is considered the core of your project.
Scaling (SO 3)	Scaling means expanding proven climate and biodiversity measures. IKI projects can build on pilot actions or approaches tested by others. The main goal is to establish and widely implement specific measures or practices in new contexts. While literature discusses different types of scaling - such as vertical (policy or legal reforms) and functional (expanding existing programmes) - SO 3 focuses mainly on horizontal scaling, which involves replicating measures across sectors or regions.
Standard Indicators (SIs)	Standard Indicators refer to IKI's key performance indicators, which capture selected results of all projects that can be aggregated across the entire IKI portfolio on a programme level.
SI 1 - Mitigation	SI 1 measures GHG emissions reduced, or carbon stocks enhanced directly or indirectly by project measures (Tonnes of carbon dioxide equivalent – tCO2e).
SI 2 - Ecosystems	SI 2 measures the area of ecosystems with improved conservation and sustainable use due to project measures (in hectares or km of coastline).
SI 3 - Adaptation	SI 3 counts the number of people supported by projects to better adapt to the effects of climate change (number of people).
SI 4 – Capacity people	SI 4 counts the number of people directly supported by IKI projects through networking and training to address climate change or to conserve biodiversity (number of people).
SI 5 – Leveraged finance	SI 5 captures the volume of private and/or public finance leveraged for climate action or biodiversity purposes (in EUR).
ZUG gGmbH	Zukunft – Umwelt – Gesellschaft (ZUG) gGmbH supports the German government in implementing its funding policy aims. One of the programmes it manages is the International Climate Initiative (IKI).

6 Annex

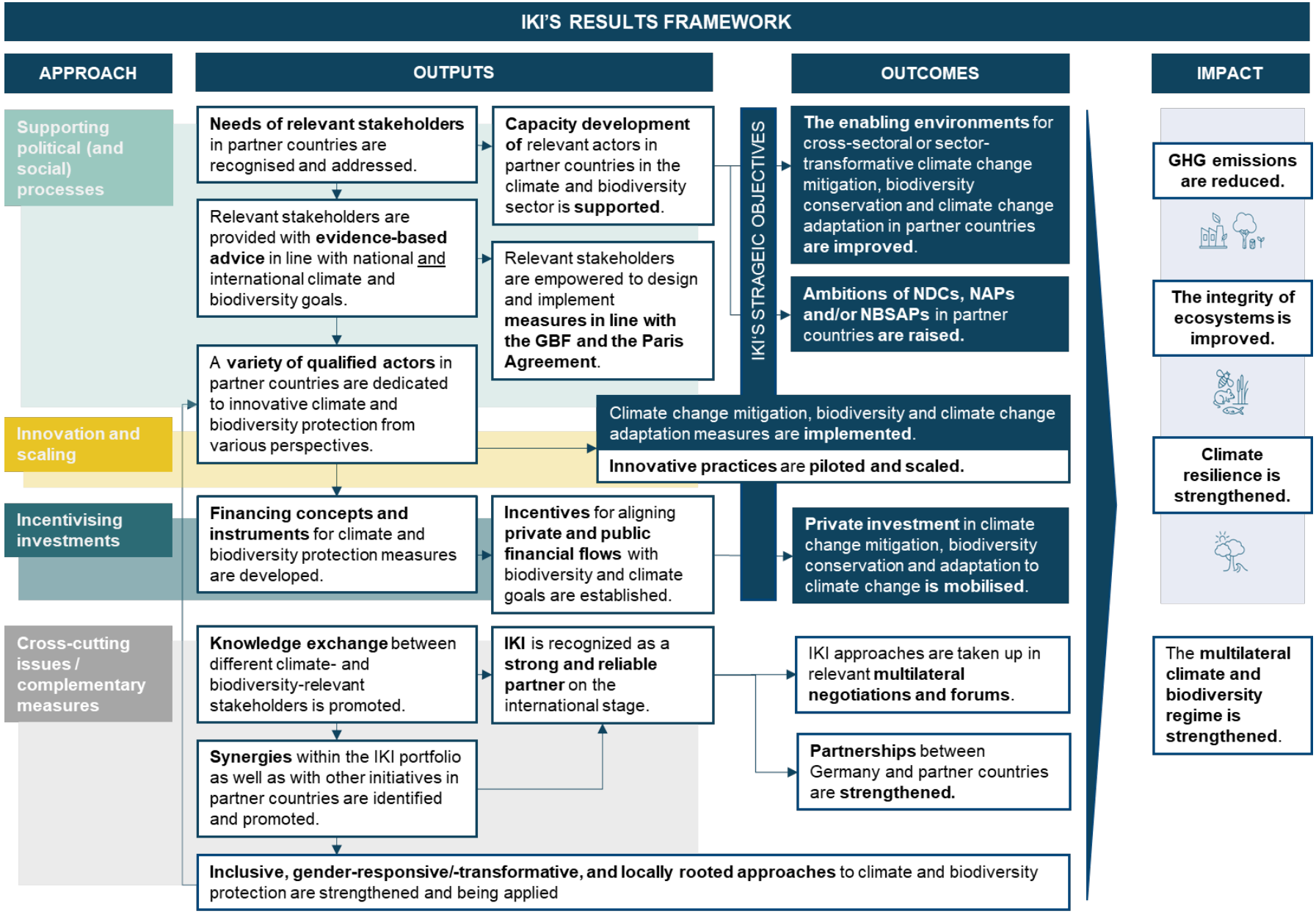


Figure 17 IKI's results framework