Poverty Reduction Strategies Phase 2 Report

Biodiversity Challenge Funds: Building and Applying Evidence

Department for Environment, Food and Rural Affairs (Defra)

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Contents

Authorship and acknowledgements

This report was authored by Rosaleen Duffy. Inputs to the planning and execution of the study, and comments on drafts of the report were provided by Rachel Beattie, Victoria Reilly-Pinion and James Kinghorn.

Disclaimer

Cover photograph: Sunset over sturgeon spawning grounds of the Rioni River - Georgia - Stephanie Foote

1. Executive Summary

This report is for Phase 2 of the Illegal Wildlife Trade (IWT) Challenge Fund Poverty Reduction Strategies Deep Dive. It should be read in tandem with the Phase 1 report. It is based on close reading of the IWT Challenge Fund documentation provided for applicants, the IWT Advisory Group (IWTAG) and reviewers; a full list of the documents reviewed is provided in Annex 2.

First the report sets out the **key issues for the IWT Challenge Fund**. The central over-arching issue for the fund to decide upon is whether it operates **primarily as a development or a conservation fund.** The current Fund approach is that it supports projects on IWT, with a poverty reduction element. On the surface, switching this around, so that it supports poverty reduction projects that also tackle IWT, may appear a very minor adjustment, but it **fundamentally changes** how applicants design and implement projects. The **ways that the documentation is set out,** terminology used and the volume of material to read, understand and align with **can exclude lots of really good applicants and projects**. The terminology (developing countries) is **outdated**. The phrase **'What Works' can also be problematic** because it obscures a complex range of issues around what evidence is used and how benefits/disadvantages can be unevenly distributed. There is a need to engage more fully with **participatory approaches** in design and implementation of projects. Poverty tends to be articulated in a **very narrow economic sense** in the project documentation. **Very few projects offer innovative or creative** approaches to tackling poverty and IWT, and instead rely on a narrow range of ideas. Applicants tend to interpret **GESI** as about gender balance on the project team, even though the fund guidance defines it in much broader terms. Across the documentation there is little mention of how applicants or project teams should reflect on the **possible negative impacts of interventions** to tackle IWT for poverty reduction. Applicants often state they are applying under **multiple themes**, which makes it difficult for the IWT Challenge Fund to track patterns of support for different themes. The Fund guidance emphasises **behaviour change** as the central approach, especially for demand reduction, thereby obscuring the wider range of options such as **Conservation Basic Income**. The Fund guidance focuses on what can be delivered to beneficiaries and one way knowledge transmission rather than **two-way knowledge exchange and co-design**. The Round 10 guidance privileges scientific theory as a means of underpinning projects, but tackling poverty-IWT interactions also **require understandings from social sciences, arts and humanities**.

Second, the report offers a series of recommendations about **revising the text** of the Theory of Change and Standard Indicators. The report also **provides new guidance** for the IWTAG on how to assess the poverty reduction elements of applications, including additional guidance for demand reduction projects that aim to change consumer behaviour in wealthier communities.

Third, the report provides a series of **15 key recommendations**, summarised below:
1) Who or what is the fund trying to reach, support and benefit? The documentation needs to be re-written to be more accessible for people who are busy, unfamiliar with UK policy context/specialised terminology, and may not have English as a first language.
2) Require applicants to identify a lead theme for their project.
3) Coordinate with the other Biodiversity Challenge Funds (including Darwin Plus and Darwin Initiative) to exchange ideas on how to reduce the levels of reporting and the amount of information for applicants.
4) Recruit development and poverty reduction specialists to the IWT Challenge Fund Advisory Board and pool of reviewers.
5) Change terminology in the documents to move away from the term 'developing countries' and instead use 'eligible countries' as a neutral and accurate term.
6) Encourage participatory approaches in projects.

7) Require applicants to consider how their interventions to tackle IWT might exacerbate poverty, and how they will avoid or mitigate that.
8) Encourage applicants to move away from top-down design and implementation towards two-way knowledge exchange and project co-design.
9) Encourage applicants to shift away from top-down approaches of 'delivering' projects and shift towards co-delivery.
10) Training for IWTAG and reviewers on decolonisation, participatory approaches and current debates on poverty
11) Adjust the Fund guidance from tackling illegal wildlife trade towards designing poverty reduction projects that tackle the illegal wildlife trade.
12) Within the Theory of Change, suggest amending focus on 'most iconic species' to simply state 'threatens many of the world's species.' Additionally, consider splitting out public health and security into separate boxes.
13) Add a specific Standard Indicator on poverty reduction.
14) Emphasise innovation in the documentation; these can include approaches such as Conservation Basic Income, and applicants can be encouraged to bring in successful approaches from the development sector.
15) Emphasise the need to adopt GESI approaches: these should go beyond the gender balance of the project team and needs to be inclusive of intersectionality.

Fourth, the report concludes with **five areas for future work**:
1) Gather formal feedback from successful and unsuccessful applicants on the application process to understand their views on the levels of documentation, reporting requirements and the language/methods used for applications and for reports.
2) Convene a small number of focus groups to understand how the application procedures and documentation might be simplified and made more user friendly for smaller Global South organisations.
3) Survey groups and organisation that the Fund wishes to support but which do not apply to encourage more under-represented groups to apply.
4) Undertake a 'deep dive' on the projects via a sample of in-depth interviews with successful and unsuccessful applicants about their experience of developing the application, the process, developing Stage 2 application.
5) Select a small number of projects for on the ground analysis by an independent researcher to explore/compare the poverty reduction impacts claimed, and how were they experienced on the ground by partners and communities.

Finally, the report includes and Annex, a summary of the comments on the Darwin Initiative Poverty Information Note.

2. Review of IWT Challenge Fund documentation and the key challenges

This section provides an overview of the key issues and challenges identified in reviewing the IWT Challenge Fund documentation (list of specific documents provided in Annex 2 for reference). Although documents for Rounds 9 and 10 were reviewed, the comments and suggestions for revisions focus on Round 10 documentation as the most up to date version. It is specified below when the report refers to Round 9 documentation.

2.1. Emphasis of the IWT Challenge Fund
A key issue for the IWT Challenge Fund is to address whether the main emphasis of the fund is conservation/IWT or development/poverty reduction. More specifically, is it intended primarily as a fund to support conservation

projects which have a poverty reduction component, or is it a designed to support projects that are for poverty reduction with a focus on tackling IWT. The current Fund approach is that it supports projects on IWT, with a poverty reduction element. On the surface, switching this around may appear a very minor adjustment, but it fundamentally changes how applicants design and implement projects.

2.2. Amount of documentation

The ways that the documentation is set out, terminology used and the volume of material to read, understand and align with can exclude lots of really good applicants/projects. This issue was identified in the Phase 1 report, see recommendation (e). The Monitoring, Evaluation and Learning Guidance 2024-25 (p.8) table on reporting requirements across the funds show that the reporting requirements for IWT Challenge Fund are substantial.

The impact of this is clear from the Rounds 9 and 10 Sift Master tables for both Stage 1 and Stage 2. Large international conservation NGOs (WWF, Fauna & Flora, Wildlife Conservation Society (WCS) etc.) are the highest scorers (in green on the sift tables), and down at the bottom (in red on the sift tables) are a higher number of smaller Global South NGOs. The Sift tables indicate that larger NGOs have a definite advantage. This is further seen in the projects that are funded. There will be several factors that produce this outcome including having access to larger teams, more experienced grant writers, ability to articulate projects in ways that are intelligible to the IWTAG, and familiarity with the fund language around logframes, risk registers etc. It is important to note that there are also several large organisations in the lower score range (for example WCS), so it is not the case that they always score highly. However, the numbers of projects led by smaller grassroots organisations based in the Global South dwindle (note it is often difficult to define what is grassroots and what is not – there are national level organisations, ministries and Universities included here but they can have significant external linkages and support; as such they are not grassroots in a classic sense. For the sake of this report, grassroots is defined here as organisations that are not large scale mainstream conservation NGOs like WWF, WCS and TRAFFIC).

Table 1: The breakdown of grassroot organisations across Round 9 and Round 10 (as shown in the relevant Sift table) is as follows. Please note the below figures are representative of those applications which were deemed as high scoring (in the green zone of the Sift table) and not necessarily projects that were funded. These figures are also representative of only two funding rounds.

	Stage 1	Stage 2
Round 9	**Evidence**: 0 out of 8 applications **Main:** 6 out of 18 applications (Programa Tatô, Nature and Development Foundation, Namibia Nature Foundation, Vi Agroforestry, Endangered Wildlife Trust, Conservation South Luangwa). **Extra:** 3 out of 3 applications (although all 3 might be considered locally based they have significant international linkages - Cheetah Conservation Fund, PAMS and Snow Leopard Trust).	**Evidence**: 0 out of 4 applications. **Main:** 1 out of 6 applications (Nature and Development Foundation, Ghana, which received the top score) **Extra:** 3 applications scored in the amber zone[1][2] These 3 applications were the applications that scored in the green zone for Stage 1 (Cheetah Conservation Fund, PAMS and Snow Leopard Trust) - see note in Stage 1 column
Round 10	**Evidence:** 4 out of 11 applications (Greenhood Nepal, Lingnan University, University of Cape Town, JFW Solutions Malaysia). **Main:** 11 out of 38 applications (Lilongwe Wildlife Trust; National Trust for Nature Conservation Nepal; Conservation Justice, Yayasan Planet Indonesia, Integrated Rural Development and Nature Conservation, Himalayan Nature, Programa Tato, Wildlife ACT Fund Trust, My Trees Trust, Yayasan Inisiasi Alam Rehabilitasi Indonesia (YIARI), Department for Agriculture and Forestry of Xiengkhouang Province; however several of these are highly networked with global conservation NGOs and donors e.g. Conservation Justice or work across regions e.g. Wildlife ACT. **Extra:** 3 out of 9 applications (Uganda Conservation Foundation, Cheetah Conservation Fund; Lilongwe Wildlife Trust).	**Evidence:** 3 out of 4 applications (Greenhood Nepal, Lingnan University, JFW Solutions Malaysia). **Main:** 0 out of 7 applications. **Extra:** 8 application scored in the amber zone[3] and 5 out of 8 were led by organisations that were locally based – see note on Round 9 Stage 1 on the difficulties of defining globally networked organisations as 'locally based'. These were Uganda Conservation Foundation, Cheetah Conservation Fund, Lilongwe Wildlife Trust,, Lewa Wildlife Conservancy and Centre for Environment, Fisheries and Aquaculture Science (Cefas)

[1] For further discussion see Kermani, F. and S.T.A. Reandi (2023) 'Exploring the Funding Challenges Faced by Small NGOs: Perspectives from an Organization with Practical Experience of Working in Rural Malawi,' *Research and Reports in Tropical Medicine,* 14: 99-110; and Ismail, Z. (2019) *Advantages and Value of Funding NGOs in the Global South. Helpdesk Report K4D* (DfID)

[2] Due to the high request of funding for Extra projects, at Stage 2 all higher scoring projects are discussed in depth by the IWTAG and are represented as such in the amber zone.

[3] As above

As outlined in the analysis conducted by NIRAS for the IWT Challenge Fund Round 10 Strategy, this shows that the larger mainstream conservation organisations dominate the list of high scoring applications, and smaller local or national organisations struggle to gain high scores across Rounds. As set out above and in the Phase 1 Report, this should not be surprising since the criteria, guidance and reporting requirements associated with the Fund act as a structural barrier to smaller scale grass roots and Global South organisations; these organisations may have more effective relationships with local communities and partners, and more innovative and locally acceptable strategies to tackle IWT. This should be regarded in the context of the need to have clear systems and guidance for applicants and reviewers to allocate funding from a very large grant scheme that operates across 50 countries. This is not a simple or easy task that can be done with very minimal criteria, guidance or reporting requirements. In an analysis presented at the Round 10 Strategy Day, it was identified that the fund received 26 applications from new applicants at Round 10 Stage 2. Of these 26 a further analysis was conducted against this list to see if there is a trend in smaller organisations supporting projects and building capacity before submitting an application as the lead organisation. It was noted this could be seen on five occasions with Greenhood Nepal, Justice for Wildlife Malaysia, Plant Biology and Ecology Department, Himalayan Nature and Uganda Conservation Foundation each having contributed to at least one previous or current IWT Challenge Fund project. This demonstrates the potential impact of seeing more locally led organisations submitting high scoring projects in the future perhaps with a question of how we enhance this and make sure it continues to grow.

2.3.   Terminology

The term 'developing countries' is used throughout the documentation, this is rather dated/outmoded now. Even the World Bank is shifting away from this term. In other documents, the terms 'low & middle income countries' are used. These are also contested terms, but are more nuanced than 'developing countries'. I suggest a shift towards using either 'eligible countries' or 'Global South' or 'majority world' as more up to date terms. These are not perfect, but at least do not communicate the increasingly outmoded idea that development is a linear trajectory and that poorer countries just need to catch up by 'developing'. Although 'developing countries' can be viewed as a useful shorthand, it is more accurate to refer to 'OECD DAC listed countries' and to distinguish between low, middle and high income countries. Although this is longer, it directly maps on to the criteria for accessing the Fund. A useful short explainer of the range of terms used is provided by Dados and Connell (2012).

In the Risk Management Guidance, the language is very UK specific, and harder for non UK or non-English speaking applicants. For example on p.11, "funding distributed to each delivery partner. High level risks involved in programme delivery, mitigating measures and associated controls". Unless applicants are familiar with risk management language used in the UK, this document is very difficult to understand and engage with.

The phrase 'What works?' is used in the Guidance for Applicants for Round 10 (p.8) under the law enforcement theme. The statement of focusing on what works can be problematic because it's important to place this in the context of what works for what and for whom. The phrase 'what works' obscures a complex range of issues around what evidence is used and how benefits/disadvantages can be unevenly distributed.

Recommendation: change developing and LMIC terminology to simply 'eligible countries' as a more neutral term.

2.4.   Participatory Approaches

Currently, the guidance does not specify the need for participatory approaches. The risk of not co-designing interventions for tackling IWT and poverty is that the project design fails to meet local needs and therefore has limited effectiveness.

Recommendation: Specific guidance and questions are added on how the project team have engaged with partners and/or communities to develop priorities and appropriate projects. Understandably, some applicants

may not want to unduly raise expectations, especially amongst marginalised and vulnerable communities. If this is a genuine concern then this can be robustly explained in the application, with a clear plan of how the team intend to work in a participatory way if funded. In the application form for Stage 1, on Methods Q15a – I suggest a rephrase to: 'Please explain how you have engaged with partners or communities involved to design the project; if this has not been done please explain why'. This question can be repeated for application form Stage 2, Q4. This was raised in the Phase 1 Report, recommendation (c). There are several recommendations related to this for the Standard Indicators, which are detailed in a separate section below.

2.5. Definitions of poverty

The ways poverty is articulated/defined across the documents prompts applicants and project teams to interpret poverty in the narrower sense (income, livelihoods) rather than as about empowerment and choice over lifeways (see Phase 1 report).

Recommendation: More up to date understandings of poverty can be emphasised across the guidance for applicants, the Standard Indicators and in guidance for IWTAG reviewers. For example, in the Round 10 Guidance for Applicants the Gender Equality and Social Inclusion (GESI) section provides lots of resources and guidance on what GESI means however the Poverty Reduction section on p.11 section 1.4 does not provide resources apart from an information note on the Darwin Initiative. More hyperlinks to resources can be added here – it may be worth linking directly to the text of the UK International Development Act and the 'Leaving No-One Behind' commitment. These can include (but are not limited to):

- OECD Understanding the Multi-Dimensional Nature of Poverty
- Joseph Rowntree Foundation on Deep Poverty and Destitution
- The Alkire and Foster Method

Applicants could be asked to articulate how they understand poverty and how that relates to the specific context they will work in. This can include guidance on recommending partnering with trained development professionals to enhance and refine poverty reduction element of the project – mirroring the later section on intelligence approaches.

See recommendations in the Phase 1 report for training for reviewers around poverty and decolonisation. The Fund could go further and seek to recruit reviewers with development/poverty expertise. In the Guidance for Applicants, (p.28) Reviewer criteria, the shift from numerical scoring (Round 9) to low/medium/ high etc (Round 10) indicated that reviewers differed in how they scored the poverty reduction aspects of the proposals; it was clear that reviewers needed more guidance on applying the poverty reduction criteria. Reviewers can benefit from training on current debates around what poverty is and how to evidence poverty reduction impacts, especially where projects claim indirect benefits (see Phase 1 report, recommendation g). A suggested framework is provided in section 3 of this report.

2.6. Encourage innovation

In the Round 10 Guidance Notes for Applicants, p. 6, it states 'the IWT Challenge Fund sets out to stimulate the development of innovative and unconventional solutions to IWT that are responsive and relevant to local contexts.' This is key, as it is important to encourage applications that are innovative and unconventional - but having read 69 projects for Phase 1, very few (if any) offer anything unconventional, and a small number offer innovation. However, it is important to note that guidance around unconventional approaches was only introduced in Round 8.

Recommendation: Emphasise in the documentation how innovation and unconventional are welcome in the communications about the fund and the guidance for applicants. This could include approaches like Conservation Basic Income (based on Universal Basic Income), which none of the projects assessed in Phase 1 used. Emphasising innovation can also include using approaches that have worked in other sectors and partnerships with development sector organisations or local organisations with strong links to communities to improve poverty reduction can be encouraged.

2.7.   Gender Equality & Social Inclusion (GESI)

In reading the documentation for Phase 1 it was clear that many of the applications and project reports interpret GESI very narrowly, and in terms of ensuring a gender balance in the project team.

Recommendation: In the guidance and in the application forms for Stage 1 and 2 more emphasis on GESI could be useful; The guidance to applicants can state that applicants should think beyond this (also see Stage 1 report, p.13).

2.8.   Potential negative impacts of projects

Across the documentation there is little mention of how applicants or project teams should reflect on the possible negative impacts of interventions to tackle IWT for poverty reduction. Very few projects assessed in Phase 1 indicated any reflection on or concern about (also see Phase 1 report). Concern about harms is implicit in the guidance on risks, safeguarding and prevention of harms/negative impacts for participants and partner organisations (more information on safeguarding and prevention of harms in international development research is available here).

Recommendation: Applicants, teams and reviewers should be provided with more guidance on how to think through the ways in which, for example, law enforcement or shifting to alternative livelihoods (and away from involvement in IWT) could produce harms by exacerbating poverty, especially in the short term.

In the Round 10 Guidance for Applicants (p.8) figure 1, there is an opportunity to add something about how projects, regardless of theme, need to mitigate or reduce the ways that tackling IWT can exacerbate poverty. This could be added as a separate point or be added under sustainable livelihoods and under law enforcement. On p.11 in the section on poverty reduction, a sentence can be added to encourage applicants to consider how their interventions could exacerbate poverty; plus how the project aims to mitigate any negative effect on poverty/inequality. Possible phrasing: 'Applicants should address the ways in which the project might have negative impacts on poverty reduction e.g. through increased law enforcement.'

In the table on p.24 of the Guidance for Applicants for documents required at each stage – although applicants are asked to address ethics in the application form, it may be useful to require a short statement if they progress to Stage 2 on how the project has been ethically reviewed and approved. If this recommendation is taken up then guidance should be developed to assist applicants. This is to ensure that there is some oversight of the ethical approach of projects. This would of course increase, rather than decrease, the amount of paperwork needed to submit to Stage 2; a balance that needs to be struck here. However, if ethics is not central to the application process, this could put communities and the funders at risk. A lot is being taken on trust, but there are serious ethical challenges in many projects that rely on law enforcement approaches and intelligence gathering especially.

2.9.   Identify a Lead Theme

Applicants are asked to identify which theme(s) the project is aligned with. Applicants often select multiple themes, and it is sometimes not clear why the project contributes to all of the identified themes. Currently the

ability to (theoretically) identify all four themes for each project makes it harder to determine changes in the allocation of funds across the four themes.

Recommendation: Where applicants select multiple themes, I suggest they are required to identify a lead theme and then secondary themes. This can help reviewers make more nuanced judgements in their assessments. Being clear about a lead theme will assist reviewers in understanding what the goals of the project are and whether the strategies to deliver them are appropriate. It will also assist the Fund in analysing the balance of types of projects funded across all four themes. It may also help to encourage more applications under the themes demand reduction and sustainable livelihoods – and ensure that projects that are primarily about law enforcement are not identified as sustainable livelihoods projects.

2.10.   Behaviour Change

The guidance emphasises behaviour change approaches which could steer applicants towards this as the best or only approach. This may prompt applicants to assume that demand reduction based on behaviour change is what is favoured by the Fund. Some guidance or reflection on who gets to define and implement behaviour change is also needed because very often behaviour change approaches are designed by external organisations and make little sense locally. For example, Vu details how externally driven behaviour change programmes to tackle IWT in Vietnam, constitutes ungrounded environmentalism that lacks effectiveness;[4] similarly Wong demonstrates that consumer behaviour campaigns in Hong Kong fail to reach key wildlife consumers because they are designed by external actors.[5]

Recommendation: I suggest offering a more diverse range of options in the guidance. Furthermore, it is important to offer other suggestions for approaches in demand reduction especially; such approaches can include strategies like Conservation Basic Income; or (as in the case of several projects funded by IWT Challenge Fund) provision of alternatives to wildlife products such as alternative protein sources to reduce demand for wild meat. These approaches can shift consumer behaviour, but are not reliant on behaviour change science. Conservation Basic Income, for example, takes a more structural approach that places consumption within its social, political and economic context; it can be used to address consumption of wildlife products driven by livelihood needs (rather than by luxury consumption or traditional/historical cultural demand).

2.11.   From knowledge transfer to two-way knowledge exchange

The Guidance for Applicants very much focuses on what projects can deliver for beneficiaries – this can prompt applicants to focus on top-down approaches to design and implementation.

Recommendation: To ensure that projects work in a participatory and decolonial way, it is better to guide applicants towards thinking though knowledge exchange rather than top-down delivery. An emphasis on co-design and co-learning will help to avoid projects that seek to impose solutions on partners and communities in a top-down manner. For example, in the Round 10 Guidance for Applicants (p.11) section 1.4 on Capacity and Capability - this section is very much about a one way knowledge transfer from grant holders to partners and communities. Best practice now is about understanding the opportunities for two-way exchange. In this formulation it is presented as grantees delivering capacity and capability instead of working closely with partners

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[4] Vu, A. N. (2023) 'Demand reduction campaigns for the illegal wildlife trade in authoritarian Vietnam: Ungrounded environ-mentalism,' *World Development*, 164,

[5] Wong, R. (2019) *The Illegal Wildlife Trade in China: Understanding the Distribution Networks* (Palgrave MacMillan).

and communities to co-design solutions. This section ends with a statement about knowledge exchange but what comes beforehand is about knowledge transfer.

2.12. Disciplinary Focus

Round 10 Guidance for Applicants section 1.5 on Evidence and best practice (p.11) specifically mentions evidence and 'scientific theory', this privileges natural sciences over other approaches. Poverty reduction requires engagement with social sciences, arts and humanities – especially criminology, development studies, policy studies and conservation social science.

Recommendation: I suggest a rephrase in this section so that it is clear projects that are founded on other disciplines are welcome; suggested rephrasing is 'best available evidence and state of the art theoretical approaches from across natural sciences, social sciences, arts and humanities.'

2.13. Specific recommendations on Theory of Change document

Under 'The Challenge' section, the first box states 'the IWT is a widespread and lucrative transnational network that threatens some of the world's most iconic species'. I suggest this is amended to simply state 'threatens many of the world's species.' One of the problematic areas for IWT debates is the overfocus on charismatic or iconic species, leaving the less iconic out, because they are less likely to garner attention resources and support. The current phrasing adds to that problematic narrative.

Furthermore, one of the consequences outlined states 'Public health and security are undermined'. These are two different things. I suggest separating them into two boxes, and specifying what kind of security is referred to: international/national security or human security? A human security approach fits better with focus on poverty reduction but is very different to concerns about national/international security which is often a focus of IWT debates. Human security encompasses health, wellbeing, education and livelihoods. National and international security are more narrowly interpreted as risks to the state or international community, often specified as risk of conflict, exposure to organised crime and corruption.

2.14. Specific recommendations on the Standard Indicator draft document

I read both the 2023 Standard Indicators document, and the Standard Indicators draft document (April 2024); the comments that follow pertain only to the draft document as the most up to date version. It is positive to see that the number of Standard Indicators has been reduced. The indicators that have been deleted, e.g. number of cooperatives established, number of loans etc. could lead project teams to think these are recommended approaches but this may not necessarily be the case.

In terms of titles for groups of indicators (p5): there is an imbalance in the ways the different groups of indicators are articulated, and that has produced problematic text. Groups B and D have no additional steers with them. Group A has the additional steer that livelihoods is linked to economic development. Group C steers readers to see demand reduction as achieved through behaviour change – while this is accurate to a degree, it frames demand reduction as linked to behaviour change science. There are no indicators linked specifically to poverty reduction, which seems odd if it is a key to the IWT Challenge Fund. This could be taken up in Group D rather than adding a new category. Suggested rephrasing below:

Group A Indicators: Sustainable Livelihoods and Economic Development Measures
Suggest simply rephrase to 'Sustainable Livelihoods Measures'.

Suggested changes to Group A Indicators:

- IWT Challenge Fund -A01 – possibly add ethnicity, class/caste as optional characteristic.
- IWT Challenge Fund-A03 (d) refers to human security, which encompasses food security mentioned separately above
- Here the indicators refer to numbers of loans, cooperatives, credit savings etc; if projects want to use Conservation Basic Income approaches, then these can be rephrased to include 'number of people receiving CBI payments'.

Group C Indicators: Behaviour Change for Demand Reduction Measures
Suggest simply rephrase to 'Demand Reduction Measures'.

Suggested changes to Group C Indicators:

- p.17 introduction to this section: Suggest this is rephrased because it could; be read as privileging behaviour change science/social marketing over other approaches. For example: 'demand reduction should not solely be about 'awareness raising'; instead measures should seek to capture the impact of project activities in producing reduced demand for wildlife products in key consumer groups.
- The fund could include an indicator on CBI, number of people receiving payments etc it is not only focused on campaigns to change consumer behaviour. It's a very different, more structural approach that addresses underlying drivers of IWT, not just desire for products or demand rooted in longstanding cultural factors.

Group D Indicators: Cross Cutting Measures
Suggest rephrase to 'Cross cutting measures, including poverty reduction.'

- p.5 If poverty reduction is central then all projects should be required to report against a revised Group D indicator
- It is notable that all categorisations are binary men/women or 'other'; the IWTAG could consider if there is scope to think about adding non binary or 'prefer not to say' specifically? This of course will be sensitive in some contexts, but for non-binary people it is important to have the option to be made visible if they want to be/feel safe to be identified

Suggested changes to Group D Indicators:

I suggest changing the title to include an explicit reference to poverty reduction.
I suggest adding a specific indicator on poverty reduction in this section along the lines of the following:

Ref. no.	IWT Challenge Fund Standard Indicator	Units	Disaggregation
IWT Challenge Fund - DXX	Number of people with reduced poverty	Number of people	Obligatory: household, country, age, gender, race, indigenous status. Specify if improved/alternative livelihoods, Conservation Basic Income payments, enhanced access to educational opportunities, women's empowerment. Optional: disability, sexuality, community organisation, national organisation or network.

## 3.	Proposed New Guidance on Poverty Reduction for IWT Challenge Fund Reviewers

The table below provides guidance for the IWTAG on how to assess the poverty reduction elements of applications. Specific additional guidance is provided for demand reduction projects to allow reviewers to assess the potential poverty reduction impacts of projects that are focused on changing consumer behaviour in wealthier communities.

Potential evaluation question	High	Medium	Low
Demonstrates evidence of a highly collaborative approach, involving early and strong participation of local partners, stakeholders, and communities, with locally led approaches proposed.	The project team operate in a participatory way; they centre local communities and locally based stakeholders in the design, management and implementation of the project. The project clearly has locally led and defined solutions to poverty reduction and tackling IWT. The project is focused on empowerment of vulnerable or marginalised communities or groups.	The project team set out some participatory strategies. Local communities and stakeholders have been extensively consulted in the design stage of the project; however it may not be clear how local stakeholders will lead aspects of the project; or the project is top-down, will primarily be led, managed and implemented by actors external to the local area (including national and international level organisations); but the applicants outline how local stakeholders will lead the project once it is established.	The project is top down in design, management and implementation. It offers little or no engagement with local communities or stakeholders in the design of the project. The exception is where there is a robust defence of the ethical reasons for not consulting with local communities e.g. unfairly raising expectations amongst vulnerable communities, or communities that already feel over stretched by external demands.
Gender Equality and Social Inclusion (GESI) is understood and appropriately reflected in the project's design, implementation, monitoring and evaluation. Intentional or unintentional increased	Using the GESI approach, the project is Empowering & Transformative. For example, the project team have carefully integrated GESI principles throughout the design of the project; project team show	The project is GESI sensitive. Project team have considered gender balance in the team and designed aspects of the project to empower women; project has not considered other forms of	The project is not GESI Sensitive. The Project team have interpreted GESI and gender as gender balance in the project team; or have not considered gender at all. Project team do not indicate awareness of other forms of

Potential evaluation question	High	Medium	Low
inequality or exclusion will be prevented.	awareness of how IWT and poverty are shaped by intersectionality (gender, age, race, class, caste, ethnicity, disability, sexuality).	intersectionality/protected characteristics.	intersectionality and protected characteristics.
The proposed project team and partners are development / poverty reduction specialists, with the skills and experience necessary to deliver the poverty component of the project.	The project team have actively partnered with local level organisations, and/or development/poverty reduction experts or organisations.	The project has consulted with development and/or poverty reduction experts or organisations at the design stage, but they are not involved in managing or implementing the project.	The project has not consulted development and/or poverty reduction experts or organisations.
The project demonstrates a holistic understanding of poverty within the project context and meaningful integration of considerations of poverty to the project's design.	Poverty is defined as lack of power, prestige, ability to shape one's future and thrive, which goes further than conventional interpretations of wellbeing. This definition acknowledges how intersecting characteristics may exacerbate inequalities (gender, race, ethnicity, class, caste, sexual orientation, disability).	Poverty is defined as lacking in resources for and access to basic needs such as health, education, security; encompasses livelihoods and is linked to wellbeing.	Includes a basic definition poverty as income/economic deprivation. This may vary along intersecting lines such as gender or age within the same household.
The project has outlined clear logic of the links between poverty and IWT, including why and how its outputs will contribute towards the outcome for poverty	Clearly defined and articulated link between poverty and IWT. The team have set out how the project has direct and/or indirect impacts on poverty reduction. Demand reduction projects,	The application indicates some understanding of the links between poverty and IWT. The project does not clearly articulate if it has a direct or indirect link to poverty reduction. For demand reduction projects, the	The application poorly, or fails to, articulate the link between poverty and IWT; the link is implicit rather than explicit. For demand reduction projects, there is no or little consideration of how to ensure that

Potential evaluation question	High	Medium	Low
reduction. The approach to MEL will consider how the linkages between IWT and poverty will be evidenced.	which need to clearly demonstrate how activities in wealthier consumer communities will support poverty reduction in poorer more marginalised communities. This can be addressed in a range of ways e.g. clearly articulating how conserving a particular species through demand reduction in one country/region assists poverty reduction in another country or region; or having a poverty reduction aspect of the project working with robust local or national partners in the country /community where impact is being claimed.	link to poverty reduction is weakly articulated & there is no in-country or in-community component of the project.	poorer communities benefit from poverty reduction as a result of demand reduction in wealthier communities.
The project has considered the potential negative impacts on poverty of their approach, including how these risks will be mitigated.	The project team have considered how their strategies to reduce IWT could have negative impacts on poverty reduction e.g. through incarceration of breadwinners or removal of wildlife trade as a key aspect of local livelihood strategies. The project team have set out clear ways of mitigating negative impacts.	The project demonstrates some understanding of how reducing IWT can increase poverty, but do not offer mitigation strategies, where appropriate.	The project does not define or address how reducing IWT could negatively impact on poverty reduction. The project team have not included a strategy to mitigate this, where appropriate.

Potential evaluation question	High	Medium	Low
The poverty reduction components of the project have the potential to lead to longer term, and potentially transformative, benefits.	Poverty reduction strategies are central to the project; strategies aim to be transformative in the long term by focusing on addressing structural inequalities e.g. through supporting aspirations of individuals and communities. Strategies linked to land rights, and empowerment of marginalised and vulnerable communities.	Poverty reduction strategies are part of the project but are unlikely to be transformative in the long term. Examples might include handicrafts initiatives, poultry farming, village savings and loans, ecotourism, biodiversity offsets, payments for ecosystem services.	Poverty reduction strategies are absent or narrowly focused on economic solutions.
The proposed approach to MEL includes how poverty reduction benefits will be monitored and the linkages between IWT and poverty evidenced.	The project team will regularly review the progress towards poverty reduction.	The project team will evaluate the progress towards poverty reduction as a secondary concern, and/or at the end of the project.	The project team do not intend to evaluate progress towards poverty reduction at any stage.

4.   Phase 2 Recommendations

1) It is useful for the Challenge Fund to think through: who or what is the fund trying to reach, support and benefit. The documentation needs to be written in a way that is easily understandable and accessible for people who are busy, unfamiliar with UK policy context/specialised terminology, and may not have English as a first language.

2) Require applicants to identify a lead theme for their project.

3) Coordinate with the other Biodiversity Challenge Funds (including Darwin Plus and Darwin Initiative) to exchange ideas on how to reduce the levels of reporting and the amount of information needed by applicants to develop a successful application.

4) Specifically recruit development and poverty reduction specialists to the IWT Challenge Fund Advisory Board and pool of reviewers. The current IWTAG is mostly people from the conservation sector with variable experience of development and poverty reduction (see Phase 1 Report, recommendation (c)).

5) Change terminology in the documents to move away from the term 'developing countries' towards using 'Global South' or 'majority world' as more up to date terms. A more neutral and accurate term is simply to refer to 'eligible countries' as the shortest version. If more detail is required then guidance and applicants can use OECD DAC listed countries (and then list if referring to lower, middle or upper income). This is more complicated in the text, but is better than 'developing countries'.

6) Encourage and increase the levels of participatory approaches in projects by introducing specific guidance and questions how the project team have engaged with partners and/or communities to develop priorities and appropriate projects. Where this is not possible, applicants should provide a clear statement of why (see recommended wording in section 2 above).

7) Require applicants to reflect on and articulate how their interventions to tackle IWT might exacerbate poverty, and how they will avoid or mitigate that.

8) Encourage applicants to move away from top-down design and implementation towards two way knowledge exchange and project co-design.

9) Encourage applicants to shift away from top-down approaches of 'delivering' projects and shift towards co-delivery

10) Training for IWTAG and reviewers: training may be required on decolonisation, participatory approaches and current debates on poverty (see Phase 1 report and overarching recommendations below for further details).

11) Adjust the Fund guidance from tackling illegal wildlife trade towards designing poverty reduction projects that tackle the illegal wildlife trade. The current Fund approach is that it supports projects on illegal wildlife trade, with a poverty reduction element. On the surface, switching this around may appear a very minor adjustment, but it fundamentally changes how applicants design and implement projects.

12) Within the Theory of Change, suggest amending focus on 'most iconic species' to simply state 'threatens many of the world's species.' Additionally, consider splitting out public health and security into separate boxes.

13) Add a specific Standard Indicator on poverty reduction. While the addition of a Standard Indicator on wellbeing and capacity and capability are good, more could be done around a Standard Indicator that focuses on empowerment and ability to shape one's own life choices. Examples of the development of Standard Indicators using the Alkire and Foster method are available from the Oxford Poverty and Human Development Initiative (OPHI).

14) Emphasise innovation in the documentation: provide applicants with additional suggestions to assist them in moving beyond the tried and tested, especially over-reliance on tourism as a method of poverty reduction. For demand reduction encourage applicants to think beyond behaviour change and social marketing to address the underlying drivers of demand. These can include approaches such as Conservation Basic Income (detailed above), and applicants can be encouraged to bring in successful approaches from the development sector.

15) Emphasise the need to adopt GESI approaches: these should go beyond the gender balance of the project team and needs to be inclusive of intersectionality.

5.   Possible Further Work

1) Gather formal feedback from successful and unsuccessful applicants on the application process to understand their views on the levels of documentation, reporting requirements and the language/methods used for applications and for reports. This will assist the fund in understanding of the levels of documentation are too onerous or not easily understood by key communities they wish to support.

2) Convene a small number of focus groups bringing together applicants, IWTAG members and reviewers – and if possible representatives of partners or communities. The purpose of these focus groups is to understand how the application procedures and documentation might be simplified and made more user friendly for smaller Global South organisations.

3) If possible it will be useful to send a survey out more widely to understand why some people/organisations do not apply; this will be important for redrafting the guidance and application process to encourage more under-represented groups to apply.

4) Undertake a 'deep dive' on the projects via a sample of in-depth interviews with successful and unsuccessful applicants about their experience of developing the application, the process, developing Stage 2 application. For successful applicants – interviews can focus on their experience of the monitoring/ reporting process, through to final report and final report review.

5) Select a small number of projects for on the ground analysis by an independent researcher, not part of the IWTAG team and not a member of a conservation organisation. The researcher can explore /compare the poverty reduction impacts claimed, and how were they experienced on the ground by partners and communities. It is important to note that there will be a degree of self-reporting success in all of these because projects will want to show their best side (see Phase 1 report recommendations).

Annex 1: Review of Darwin Initiative Poverty Information Note

This section offers specific comments on the Darwin Initiative Poverty Information Note. It is important to focus on this document particularly because it is used in the Darwin Initiative to explain approaches to poverty reduction; it is also provided as part of the information package to IWT Challenge Fund applicants to assist them in understanding the poverty reduction element of tackling illegal wildlife trade. Therefore, the Information Note has the capacity to powerfully shape how applicants understand, articulate and implement poverty reduction in projects. It is essential that this document is regularly reviewed and revised to ensure that it keeps pace with the latest thinking and practice in international development.

During the Phase 1 section of this report, I noted that the Information Note had some useful information and definitions in it, and I was keen not to repeat/replicate that. However, I did have some suggestions on how the Information Note could be updated, and these are set out below.

- p.2 The list of examples of poverty reflects what is defined as definitions of poverty 1 and 2 in the Phase 1 Report. So it captures how poverty is about more than money, which is great but then focuses on how poverty is about lack of access to things (clean water, finance, education); it could go one step further to indicate how multidimensional poverty also means lack of voice, lack of power/choice over one's life. This would draw more fully on Sen (1999) and Alkire and Foster (2011).

- p.2 Include a mention GESI in the paragraph on SDGs and gender

- The use of images – There is an imbalance in the images used, ten images are from Africa, one is Myanmar and another is probably South East Asia (location not specified); one is South Georgia, which is relevant to Darwin Plus, but since this is also used for IWT Challenge Fund I suggest replacing with an image of a place that is covered by all the relevant funds of Darwin and IWT Challenge Fund to avoid criticisms; one is an unspecified location 'Atlantic forest'. Since this is a poverty information note it plays in to stereotypes of Africa/African poverty. There is a need for a better geographical spread in the images that are representative of areas funded by IWT Challenge Fund.

- p.5 Value for Money – 'targeting ' I suggest a rephrase to 'including /involving' to communicate that the projects should be designed in tandem with local communities - rather than defining them as targets for top down interventions

- p. 7 reference to SMART indicators is not explained; I understand that previously there were relevant hyperlinks which are now broken, so this can be updated. It is worthwhile spelling it out on first use. SMART means different things in different contexts so it may not be immediately apparent to applicants what this means.

- The note needs a dedicated section on working in a participatory way to co-design projects with beneficiaries, stakeholders and communities to avoid top down interventions that can be less effective. This is the main omission of the document and adding it would make it clear how projects need to be designed in partnership in line with best practice – which will be a shift in culture for some organisations.

- p. 8 direct and indirect support: ecotourism is given as example - given the problems with evidencing that tourism/ecotourism does benefit poor people, a different example could be used such as Conservation Basic Income, or employment in the wildlife economy.

- p.10 text box – 'commonly identified poverty benefits' - this is a really good list, but perhaps ask Dilys Roe if she has a more up to date reference that could be provided. Also could add to list of benefits 'increased choice over lifeways'

- The title of the text box reads oddly - could be read as 'benefits of being in poverty', which is not what is meant.

- p.11 'reliance on tourism' - really good to see this here but need to add something clearer about how projects should not assume that benefits from tourism automatically flow to poorer communities – how will projects ensure that benefits are not captured by elites?

- p.14 include or consult with a development expert – this could be introduced in the IWT Challenge Fund scheme to enhance the poverty reduction aspects of projects

Annex 2: List of Documents Reviewed in Phase 2

Application Forms for Round 10 Stage 1 and 2

Guidance for Applicants (Rounds 9 and 10 because there was a change in how poverty was scored between the different rounds).

MEL Guidance

Standard Indicators Guidance, Version 1 (published) and Version 2 (draft form)

Risk Management Guidance

Sift Tables for Round 9, Stages 1 and 2

Sift Tables for Round 10, Stages 1 and 2

IWT Challenge Fund Theory of Change and Results Framework

Darwin Initiative Poverty Information Note