

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TFOA4428
Printed On: 01/22/2020

Reporting Period: 07/01/2018 to 06/30/2019
Report Type: Progress Report
Report Status: Approved

Assignment: TFOA4428

Second Grant Agreement for Madagascar Readiness Preparation Support Readiness fund of the Forest Carbon Partnership Facility (FCPF)

FCPFR - Forest Carbon Partnership Facility

Task Team Leader: 00000256965 - Erik Winter Reed
Approving Manager: 00000251917 - Africa Eshogba Olojoba

Summary Information	
TF Status	ACTV
Recipient Country	Madagascar
Executed By	Recipient
Managing Unit	9835 - SAFE3
Grant Start Date / End Date	05/18/2017 to 06/30/2020
Original Grant Amount	5,000,000.00
Grant Amount	5,000,000.00
Outstanding Commitments	0.00
Cumulative Disbursements	1,225,415.47 as of 06/30/2019
Disbursed 07/01/2018 to 06/30/2019	725,415.47
Donor	TF602001 - MULTIPLE DONORS

This GRM report includes the following sections: Overview, Components, Outcome, Execution, Program(FCPFR), Disbursements.

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OVERVIEW

Overall Assessments

Grant Objectives:

The Project Development Objective remains unchanged: The development objective is improved institutional capacity and governance to design a national REDD+ strategy.

Overall progress from 07/01/2018 to 06/30/2019 with regard to Achieving Grant Objectives:

Comment:

The main objectives are largely met based on indicators set out in the Assessment Note. A national REDD+ strategy has been prepared and adopted nationally, safeguards instruments have been partially prepared and approved for the national strategy. The SESA has been conducted ESMF has been prepared and approved by the Bank as well at the national level through consultative and participatory processes. Nevertheless, two of the safeguards instruments at the national had to be revised and are currently under review by the Bank and expected to be submitted for final review by the Bank in coming weeks. Institutions are largely operational and the capacity is significantly improved. For example the observatory for monitoring is one of the significant successes from the project. Inventories and reference levels have been conducted for all for ecoregions for the first time in the country's history and Reference levels established, with almost exclusively national capacity rather than having to resort to international experts. A monitoring system is largely in place for REDD+ activities. An ER Program has been prepared and accepted into the pipeline of the Carbon Fund and negotiations are expected to begin in the coming weeks once the ERPA Term Sheet are revised. A National REDD+ degree is being prepared to harmonize national REDD+ initiatives including a standardization of procedures for managing funds. The disbursement rate was impacted by operational procedures related to national procedures that led to extreme delays as national elections took place at the end of 2018 and had a stunting effecting on implementation including for procedural reasons. The disbursements are currently over \$1.2M and will increase as the project clears or launches many activities that had been paused.

Overall progress from 07/01/2018 to 06/30/2019 with regard to Implementation of Grant Financed Activities:

Comment:

The implementing unit, the National REDD+ Office, continues to be relatively high as they are now familiar with WB procedures. They continue to suffer from personnel turnover which has frustrated certain implementation. Implementation was significantly hampered by national elections, which led to changes in financial procedures throughout the government as well as delays in nominating a new coordinator and ensuring that they had adequate signing authority. This delay was coupled with delays caused by forthcoming national elections at the end of 2018 that resulted in a substantial slow down in implementation. Following national elections that resulted in the first peaceful democratic transition of Presidential power in the country's history there has been a significant uptick in progress. Forest carbon has been identified as a national priority largely as a result of the effective use and work of the implementing team. Nevertheless the long delays in implementation are the reason for MU rating for the previous FY with an expectation of increase in the future. This coming FY is expected to include important steps such as a negotiation of an ERPA for the REDD+ program and continued improvement of REDD+ program. The groundwork of activities conducted (like the national inventory for all ecoregion and establishing of a national monitoring grid) have created positive opportunities beyond just the carbon fund and are a testament of how the program has helped to set the groundwork for national level REDD+.

Grant follow-up and structure

Description and context of Grant:

No restructuring has been carried out, additional funding has been approved and is effective.

Expected follow up (if any): Follow up project or grant (non-Bank funded)

Comment on follow up:

This additional funding for REDD+ readiness activities is already a follow up. The activities are being used to move towards signing an ERPA with the Carbon Fund in the coming year, although this is subject to the Carbon Fund Participants of course. The foundations of a strong program are now been used to seek programs for other ER Programs with additional partners (for mangroves for example), an important indication of the strength of the work that has been undertake. Work has continued to identify additional funding in the ER Program area and the potential of the ERPA is an important element of leverage for

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additional investments. The ER Program area also builds on the collaboration with other investments such as an IDA/GEF/AfD investment project, multiple protected areas being managed by delegated entities on behalf of, and in partnership with, the government.

Next concrete steps are to continue working with various partners on project proposals that align with the goals of the ER Program area, including with private investments in value chains and international climate funds.

End Date of Last Site Visit:

Restructuring of Grant:

No restructuring has been carried out, additional funding has been approved and is effective.

OUTCOME

Comments on outcome achieved from 07/01/2018 to 06/30/2019

The original outcomes of the grant have largely been achieved. The team is now working to improve on the results in preparation for the implementation of the ER Program, thus refining details of the program and making them operational.

Grant Outcome Indicators

Grant outcome indicators are listed below.

National REDD+ strategy is prepared and validated by national stakeholders

Baseline NO
Value:
Date: 03/02/2015
Progress to Yes
Date:
Date: 05/30/2018
Target Value: Yes
Date: 12/31/2018

MRV system for REDD+ is designed and operationa

Baseline No
Value:
Date: 03/02/2015
Progress to Yes
Date:
Date: 06/30/2019
Target Value: Yes
Date: 12/31/2019

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Mechanism for tracking financial contributions to REDD+ Strategy implementation in Place

Baseline No
Value:
Date: 03/02/2015
Progress to Yes
Date:
Date: 06/30/2019
Target Value: Yes
Date: 12/31/2019

COMPONENTS

Output and Implementation by Component

Component 1: Institutional Arrangements for REDD+ Readiness Mgmt

Status: Under Implementation
Planned Output: National and Regional Implementation structures in place
Actual Output: National and Regional REDD+ Platforms active, Nat'l Coordination is Strong, Regional needs further support

Component 2: Development of National REDD+ Strategy Including Consultations and SESA

Status: Under Implementation
Planned Output: National Strategy adopted safeguards instruments completed
Actual Output: National strategy adopted with consultations, SESA completed and ESMF prepared, other instruments including ER Program being finalized

Component 3: Development of a national Reference Level and Forest Monitoring System

Status: Under Implementation
Planned Output: National Reference Level developed and Forest Monitoring System active
Actual Output: National Reference Level Prepared, Forest inventory and national grid implemented, Forest Monitoring System in Place

Comment on planned and actual Output

Comment on component implementation progress

Component 1: The national level structures are strong and active, leading policy development and ER Program development. The regional level activities need further strengthening, recent elections and changes in regional personnel led to delays. The regional leads have recently been nominated and technical assistants hired. The teams have re-launched strengthening. Nevertheless there is strong collaboration with regional offices of the Ministry in charge of the Environment. The REDD+ Platforms at national and regional levels are active and strong and play an important role in shaping and influencing the direction of the REDD+ program.

Component 2: The National REDD+ Strategy has been developed and SESA prepared through a highly consultative process. Additionally the ESMF for the national process has been adopted. An ER Program has also been prepared and adopted and a national REDD+ Decree is being circulated for finalization that codifies the national processes for managing REDD+. Some of the safeguards instruments required additional consultations which have been completed and the instruments are being finalized and will soon be submitted to WB for clearance. The safeguards instruments for the ER Program are also in the process of final

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review and will soon be submitted to the WB for clearance. There is a robust information and tracking system that has been prepared to facilitate monitoring of different REDD+ initiatives, to monitor the program overall and to monitor the implementation of safeguards implementation.

Component 3: A national reference level has been prepared as has a reference level for the ER Program. An inventory for forests and other land uses has been undertaken for all ecoregions, and as a national grid was adopted, one (of four) ecoregions is being re-inventoried to update the data and make it as robust as possible and to provide a consistent baseline for the entire country. This will serve for the ER Program but also for other potential programs. The Forest Observatory is in place and serves as a national reference for forest monitoring.

EXECUTION

Bank project related to the grant

Project ID / Name:	P124655 - MG-FCPF READINESS GRANT
Project Status:	Lending
Global Focal Area:	Climate change
Product Line:	CN - Carbon Offset

Implementing agency and contact details

Agency:	Bureau National de la Changement Climatique Carbon et de la REDD+		
Contact:	Andrianina Rakotosoa , Coordinator of BNC REDD+		
Address:	Ministère de l'Environnement, de l'Écologie et des Forêts Nanisana, Antananarivo		
Phone:	+261 34 05 902 16	Email:	andrianinarakotosoa@gmail.com
Website:	https://www.bnc-redd.mg		

PROGRAM

Program Specific Questions

1. Describe progress in how the Grant activities are being coordinated with other REDD+-related initiatives, including those funded by Describe progress in how the Grant activities are being coordinated with other REDD+-related initiatives, including those f

While there are no UN-REDD activities that REDD+ coordination team is highly engaged with other initiatives. With the preparation of the ER Program there has been even more need to reach out to other initiatives (such as WB financed project teams, NGOs, national park managers, private sector operators) to identify collaborations. Increasingly the BNCCCREDD+ is seen as a reference point because of their work on national forest inventories and national REDD+ strategy and even mining projects have come to gain insight into national processes and direction for forest management and carbon revenues.

2. Describe any important changes in the technical design or approach related to the Grant activities.

The main difference since the beginning has been the evolution and preparation of the ER Program. This is a positive evolution in the sense of making the program more concrete and has been able to utilize the grant resources to complete tasks beyond the initial expectations of the project.

3. Describe progress in addressing key capacity issues (implementation, technical, financial management, procurement) related to this Grant.

The grant built on the initial grant in building and strengthening capacity for fiduciary management. The team is now more capable of handling multiple donors and project and is designing the national REDD+ financial mechanism. The main capacity issue has been related to the turnover in government staffing, as nearly all staff are civil servants, when the government changes the personnel have also changed. The team has worked diligently to bring new team members up to speed and this

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seems to have been resolved.

4. Describe progress in addressing social and environmental issues (including safeguards) related to the Grant. Is the SESA conducted in accordance with the Common Approach?

Robust national level consultations have been conducted to complete the SESA. There is no UNREDD+ money so there is no specific need for a common approach nevertheless the process has followed WB standards. Nevertheless the Cancun Safeguards have also been taken into account.

5. Is the ESMF prepared in accordance with the Common Approach?

The ESMF for the national REDD+ strategy has been prepared, and cleared by the WB, there is no UN REDD funding so there is no specific need for a common approach. Nevertheless the Cancun Safeguards have also been taken into account. The ESMF for the ER Program has been drafted and several iterations have been prepared following comments from WB specialists. The final version is expected in the coming days and will be submitted for final clearance before being published.

6. Describe progress in stakeholder consultation, participation, disclosure of information, and the FGRM related to this Grant.

An FGRM has been designed and defined in the ESMF which has been disclosed. Nevertheless additional strengthening of the system is needed. A consultant is being hired to reinforce the FGRM and support the team in operationalizing it.

DISBURSEMENTS

Disbursements Summary in USD

Date From	Date To	Planned Cumulative	Planned Period	Actual Cumulative	Actual Period
01/01/2017	06/30/2017	0.00	0.00	0.00	0.00
07/01/2017	12/31/2017	0.00	0.00	500,000.00	500,000.00
01/01/2018	06/30/2018	0.00	0.00	500,000.00	0.00
07/01/2018	12/31/2018	0.00	0.00	920,553.85	420,553.85
01/01/2019	06/30/2019	0.00	0.00	1,225,415.47	304,861.62
07/01/2019	12/31/2019	0.00	0.00	1,646,985.02	421,569.55
01/01/2020	06/30/2020	0.00	0.00	1,885,461.20	238,476.18