

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TF010691
Printed On: 11/05/2013

Reporting Period: 07/01/2012 to 06/30/2013
Report Type: Progress Report
Report Status: Approved

Assignment: TF010691

Republic of Congo: FCPF Readiness Grant

FCPFR - FOREST CARBON PARTNERSHIP FACILITY

Task Team Leader: 00000092763 - Jean-Christophe Carret
Approving Manager: 00000086169 - Benoit Bosquet

Summary Information	
TF Status	ACTV
Recipient Country	Congo
Executed By	Recipient
Managing Unit	8107 - AFTN1
Grant Start Date / Closing Date	01/11/2012 to 09/30/2015
Program Manager	
Original Grant Amount	3,400,000.00
Grant Amount	3,400,000.00
Outstanding Commitments	0.00
Cumulative Disbursements	618,922.30 as of 06/30/2013
Disbursed 07/01/2012 to 06/30/2013	237,647.31
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 is to reinforce the Republic of Congo's capacities to design a socially and environmentally sound national strategy to reduce emissions from deforestation and forest degradation (REDD+) and to develop a national reference emissions level for REDD+.

Overall progress from 07/01/2012 to 06/30/2013 with regard to Achieving Grant Objectives:

Comment:

A very slow procurement process hindered significant progress over the fiscal year. All the major studies (SESA, drivers of deforestation and degradation, investment program in Northern Congo, implementation framework) are not launched yet. The CN-REDD completed the ToRs, arranged the bidding processes, received bids, assessed the proposals at the technical level and established a shortlist for each study, but the selection of the successful bids remains to be done based on the last step, the financial assessment.

Disbursements are still very low.

Overall progress from 07/01/2012 to 06/30/2013 with regard to Implementation of Grant Financed Activities:

Comment:

The CN-REDD is today well equipped with new offices since Dember 2012. The Ministry of Forest Economy and Sustainable Development provided the team with computers and furniture, making the CN-REDD fully operational.

Hiring process is progressing satisfactorily, unfortunately team members are underoccupied as the major studies are not launched yet

UN-REDD programme entered into force at the beginning of the year 2013.

The RoC, in partnership with the group Olam (CIB) submitted to the carbon fund participants (March 2013, Wasghington, D.C.) early ideas related to the possible development of an ER-Program in Northern Congo (likouala and Sangha departments).

Grant follow-up and structure

Description and context of Grant:

Expected follow up (if any): Follow up Bank project/loan/credit/grant

Comment on follow up:

Up-coming missions (October 2013) will have to place a special emphasis on fiduciary arrangements, with an interest in lifting all the hurdles hindering progress towards key results achievement.

End Date of Last Site Visit:

Restructuring of Grant:

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OUTCOME

Comments on outcome achieved from 07/01/2012 to 06/30/2013

The grant agreement for USD3.4 million was signed in January 2012, between the World Bank and the country's Ministry of Finance. The funds are managed by the Management Unit of the PRCTG project, at the Ministry of Planning due to their fiduciary capacity.

As of June 30, 2013, US\$618,922.30 is disbursed (18% of the overall grant amount). This weak performance is mainly due to a failing procurement process.

Four major studies are under procurement. It is of critical importance to finalize the contractual arrangements as soon as possible to get the CN-REDD fully occupied.

UN-REDD National Program is operational since the beginning of the year. FCPF and UN-REDD teams and the RoC met together in January and May to align their views. Annual budgets and procurement plans were validated accordingly.

Grant Outcome Indicators

No Outcome indicators are defined or used for this grant.

COMPONENTS

Output and Implementation by Component

Coordination of the REDD+ Readiness Process and Multi-Stakeholder Consultations

Status: Under Implementation

Planned Output: 1 Establishment and operationalization of governmental management structures (CN-REDD) 2 Raising awareness about REDD+ through a participatory process

Actual Output: Hiring process related to CN-REDD team members is on track. CSOs and IPs are organized around a national platform. As any young organization, CACOREDD is facing internal representativeness issues

Design a National REDD+ Strategy

Status: Procurement On going

Planned Output: 1 in-depth analysis of the causes of deforestation 2 in-depth assessment of the strategic options 3 legal and institutional analysis of issues related to the development of the strategy 4 SESA

Actual Output: Studies under procurement

Informing the preparation of a national reference scenario for REDD+

Status: Procurement On going

Planned Output: 1 analysis of potential future pressure on forests 2 collection of key household-level data for the REDD+ process

Actual Output: Study under procurement for item #1 - No activity to report at this stage for item #2

Comment on planned and actual Output

Comment on component implementation progress

The formal institutional arrangements for managing the REDD+ process in the Republic of Congo have not been created yet. The decree for the creation of these structures has been sent to the Conseil des Ministres for final signature by the President. Various members of the Committee already have informal meetings to discuss REDD+-related issues, including representatives from other Ministries. The National REDD+ Coordination (CN-REDD) is not formally created, but is operational with new offices fully equipped since December 2012. Staffing is ongoing, key experts are already recruited.

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The CN-REDD has agreed to adopt the set of criteria / indicators of the R-Package as a #Management Tool# to monitor its activities. Each unit of the CN-REDD will specify its own set of indicators, by referring to the R-PP and the country#s specifics. This will clarify expected outputs for each unit within the CN-REDD and allow an assessment of progress towards readiness completion.

National civil society organizations are represented by a platform coordinating their engagement in the REDD+ process (Cadre de Concertation des Organisations de la Société Civile Congolaise et des Peuples Autochtones sur la REDD+, CACO-REDD). The FCPF Capacity Building Program for CSOs and IP groups has provided a US\$70,000 grant to CACO-REDD to support department-level consultations and capacity building on REDD+. WCS manages the funds. A first payment has been disbursed in 2012 to allow for the production of communication materials on REDD+, in French and local languages. 2012 ended with some turmoil within CACO-REDD, putting this initiative at risk. Since, issues were sorted out with clarifications about CACO-REDD representatives and signatories. The legal framework was updated accordingly. A second payment (US\$35,000) was made in 2013 for deployment, but new turmoils popped up within the platform in April 2013. For that reason, the program was delayed and a contract amendment took place in June 2013 to extend the contract period until December 2013. An additional amount of US\$20,000 (FCPF Carbon Fund) might be granted to ensure a participatory process during the design phase of the ER-Program with a special focus on civil society and indigenous peoples.

MRV/ REL / RL: Three persons are about to be hired, out of which two juniors financed by the FCPF. The senior expert will be financed by the UN-REDD program (FAO). The FMT met with this expert in May 2013 to align views on the manner to move forward. Indeed, it is of critical importance to the FCPF to benefit from an operational MRV system covering the ER-Program area in Northern Congo by the end of 2014.

Identified risks during the May 2013 mission (already identified in January 2013): procurement processes are still very long with abnormal delays. The studies (4) under procurement are assessed technically, but the decision of the Contracts Committee is still pending. This step is essential to have a CN-REDD fully occupied.

In parallel to the readiness, the RoC and the OLAM group are jointly working on early ideas (ER-PIN) which were presented at the CF6 meeting in Washington, D.C. (March 2013). The ER-Program might cover two departments in Northern Congo (Sangha and Likouala), with OLAM as the manager of the ER-Program, handling the interface between the Republic of Congo and project activities in the field. The set-up remains to be defined, including benefit sharing and implementation modalities. Since March 2013, no significant progress can be reported.

CIB is a logging company owned by the Malaysian OLAM group. It manages 1.3 million hectares of certified forests (FSC) in Northern Congo, and developed the #North Pikounda REDD+ Project#, which is likely to issue its first credits by the end of June 2013 under the VCS standard.

EXECUTION

Bank project related to the grant

Project ID / Name:	P124292 - CG - FCPF REDD READINESS
Project Status:	Lending
Global Focal Area:	Climate change
Product Line:	CN - Carbon Offset

Implementing agency and contact details

Agency:	Ministry of Sustainable Development, Forest Economy & Environment - CN-REDD		
Contact:	George Boudzanga		
Address:	Brazzaville		
Phone:	+242066667321	Email:	bouzgege@yahoo.fr
Website:			

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PROGRAM

Program Specific Questions

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

During the mission in May 2013, the World Bank team met with FAO representatives in charge of the reference level and MRV with an interest in aligning both programs (FCPF / UN-REDD programme). Both programs are at an early stage and are well aligned. On the other hand, the Republic of Congo is envisioning a partnership with OLAM group (CIB) to design an ER-Program which might be submitted to the Carbon Fund of the FCPF and lead to the possible signature of an ERPA (Emission reductions Payment Agreement) between the RoC and the Carbon Fund. Early ideas were presented at the carbon fund meeting in March 2013 (Washington, D.C.). Final decision to move forward will be taken by December 2013.

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

No change to report at this stage

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

Several meetings were arranged over the fiscal year with the financial management unit (PRCTG) in order to improve their processes. The key issue today is the length of processes hindering proper project implementation. This should generate first results in FY14.

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?

No activity to report at this stage

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

No activity to report at this stage

6. Describe progress in stakeholder consultation, participation and disclosure related to this Grant.

The FCPF Capacity Building Program for CSOs and IP groups has provided a US\$70,000 grant to CACO-REDD to support department-level consultations and capacity building on REDD+. WCS manages the funds. The CN-REDD closely cooperates with CACO-REDD and is currently designing a participation and consultation.

DISBURSEMENTS

Disbursements Summary in USD

Date From	Date To	Planned Cumulative	Planned Period	Actual Cumulative	Actual Period
01/01/2012	06/30/2012	0.00	0.00	381,274.99	381,274.99
07/01/2012	12/31/2012	0.00	0.00	407,827.33	26,552.34
01/01/2013	06/30/2013	0.00	0.00	618,922.30	211,094.97
07/01/2013	12/31/2013	0.00	0.00	0.00	0.00
01/01/2014	06/30/2014	0.00	0.00	0.00	0.00
07/01/2014	12/31/2014	0.00	0.00	0.00	0.00
01/01/2015	06/30/2015	0.00	0.00	0.00	0.00
07/01/2015	12/31/2015	0.00	0.00	0.00	0.00