

PROJECT INFORMATION DOCUMENT (PID)
APPRAISAL STAGE

Project Name	Additional REDD+ Readiness Preparation Support
Region	AFRICA
Country	Liberia
Sector	Forestry (100%)
Lending Instrument	Grant
Project ID	P124073
Parent Project ID	P124073
Borrower(s)	Ministry of Finance
Implementing Agency	Forest Development Authority
Environmental Screening Category	B-Partial Assessment
Date PID Prepared	16-Jun-2015
Estimated Date of Appraisal Completion	1-Sep-2015
Decision	Project authorized to proceed to sign grant agreement and disbursement letter upon agreement on any pending conditions and/or assessments.

I. Background and Rationale for Additional Funding in the amount of US\$5 million.

When Liberia prepared the Readiness Preparation Proposal (R-PP) in 2012, the total budget estimate for the REDD+ Readiness process was nearly US\$8 million, and a grant of US\$3.6 million (the parent grant) was approved. A Mid-Term Report (MTR) was prepared and submitted by the Forest Development Authority to the Forest Carbon Partnership Facility (FCPF) in August 2014 detailing specific progress made on REDD+ readiness in Liberia, largely under the support of the US\$3.6 million grant from the FCPF. The MTR also outlined the gaps that still need to be addressed, justifying the need for additional funding. *Table 1: Progress on REDD+ Readiness by RPP component* below summarizes the progress and needs outlined in the MTR. At the FCPF Participants Committee (PC) at its 18th meeting held in October-November 2014 in Arusha, Tanzania the PC allocated up to US\$5 million to Liberia to continue with the REDD+ readiness process.

Many REDD+ readiness activities were initiated with the US\$3.6 million grant but progress was slowed for a significant period in 2014-2015 due to the Ebola crisis. Despite this Liberia strategically advanced the national REDD+ process and activities have now resumed rapidly. The activities to be supported through additional funding and the US\$3.6 million grant will need close coordination and are developed in complement to one another and careful attention to avoid overlap. Through the support of both grants (US\$3.6 million and additional funding of US\$5 million) Liberia will be able to submit its Readiness Package by 2018. These activities also coincide with the preparation of the forest sector investment project in focusing on strengthening capacity and institutions for more effective implementation of investments that are socially and

environmentally sound. Annex 3 provides a table of the activities carried out under the different grants and the synergies between the different investments.

Even with the delays resulting from the Ebola crisis the US\$3.6 million grant is being successfully implemented, with over US\$3.3 million committed. The additional funding will be used to develop key aspects of Liberia's capacity and institutions that are considered important for REDD+ but also for effective natural resources management that is balanced with sustainable development. The FCPF is one of the few sources of funding for supporting readiness activities and the resources dedicated to these activities can be considered as a catalyst for future investments.

Table 1: Progress on REDD+ Readiness by RPP component from the Mid-Term Report as submitted to the FCPF

Components (Sub Components in RPP)		Progress Status
1.	Organize and Consult	Significant Progress
	1a. National Readiness Management Arrangements	Significant Progress
	1b. Stakeholder Consultation, Participation and Information Sharing	Process Initiated
2.	Preparation of the REDD+ Strategy	
	2a. Assessment of Land Use, Forest Policy and Governance	Significant Progress
	2b. REDD+ Strategy Options	Significant Progress
	2c. REDD+ Implementation Framework	Process Initiated
	2d. Social and Environmental Impacts	Process Initiated
3.	Develop Reference Emission/Reference Level	Process Initiated
4.	Monitoring Systems for Forests and Safeguards Design, Measures	Process Initiated
	4a. Emissions and Removals	Not Yet Demonstrating
	4b. Other Benefits and Impacts	Significant Progress
6.	Monitoring and Evaluation	Initiated

II. Sectoral and Institutional Context

Liberia is endowed with abundant natural resources; but governance issues and social inequality have engendered poverty, conflicts, and low human development. Liberia contains approximately 4.3 million hectares (Mha) of lowland tropical forest that comprises 43 percent of the remaining Upper Guinea forests of West Africa, which extend from Guinea to Togo. Due to fourteen (14) years of civil unrest, much of Liberia's economy, physical infrastructure, and institutional capacity; social, political, economic, and governance systems were destroyed. Most of Liberia's rural population remain dependent on forests and their various products and ecosystem services. Forests play an important role as safety net for vulnerable and marginalized people, especially those living around forest areas, and for the broader community during times of stress.

In recent years, forests have been recognized for their role in mitigating climate change through carbon sequestration. Reducing Emission from Deforestation and Forest Degradation, and enhancing forest carbon stock (REDD+) in developing countries has been emerging as a new performance based instrument under the United Nations Framework Convention on Climate Change (UNFCCC) negotiations. The instrument aims to mitigate climate change effects by cutting greenhouse gas emissions originating from the destruction of forests.

The Readiness Preparation Proposal (R-PP) prepared by the Government of Liberia (GoL) in 2012 identifies a broad set of activities to support the country in strengthening technical and institutional capacities to participate in a REDD+ mechanism. For the development of REDD+ Readiness it is

imperative to set up the appropriate institutions and developing adequate capacity to ensure that the next phases of this program are well implemented and transformational in Liberia. Achieving the key aspects of REDD+ Readiness, supported by this grant, will culminate in the preparation of the Readiness Package (R-Package)¹ incorporating details of all readiness activities undertaken to achieve key milestones.

The REDD+ Readiness together with the Forest Sector Program are key steps in the Government of Liberia's longstanding commitment to reform the forest sector following a "Three C's (3Cs)" approach that aims to balance and integrate community, commercial, and conservation as enshrined in the 2006 National Forestry Reform Law. A "fourth C" is effectively being integrated into this approach to include carbon uses of the forests and conduct efforts to Reduce Emissions from Deforestation and forest Degradation; and foster conservation, sustainable management of forests, and enhancement of forest carbon stocks (REDD+).

III. Project Development Objectives

The Project Development Objective remains unchanged: 'to carry out a consultative and quantitative analysis of the different land use options for development of the national REDD+ Strategy for Liberia, to be approved by the National Climate Change Steering Committee'.

The options analysis will look at the tradeoffs and complementarities of various land uses, based on different criteria such as: revenues for GoL, livelihoods for the communities, benefits for the communities, environmental and social sustainability, and only as a last criterion and additional benefit, the possibility of carbon credits. The options analysis will be consultative and will provide the basis for the development of a socially and environmentally sound national strategy to reduce emissions from deforestation and forest degradation (REDD+).

IV. Project Description

The structure of components are the same under the additional funding as under the US\$3.6 million grant. Nevertheless, there are a few proposed changes to more accurately reflect the focus of REDD+ readiness activities being supported under additional funding notably in the amount of funding per component and sub-component. The progress of under the components are described below along with a brief description of what is proposed for additional funding.

Component 1 Coordination of the REDD+ Readiness Process and consultations. This component will finance technical assistance, goods, workshops, training, services and operational costs under the sub-components.

Progress under US\$3.6 million grant:

¹ The Readiness Package is completed at the end of the readiness preparation phase, at a stage when activities proposed in the readiness preparation proposal (R-PP) are well-advanced or completed. The R-Package consists of a national multi-stakeholder self-assessment by the country, using the Readiness Package Assessment Framework as guidelines. The Readiness Package Assessment Framework was formally endorsed (resolution PC/14/2013/1) by the Participants Committee (PC) of the FCPF at the fourteenth PC Meeting, March 19-21, 2013, Washington, DC.

- Generalized outreach and awareness, and the development and adoption of a comprehensive Consultation and Participation Plan (C&P Plan) was achieved.
- A communication firm was hired to support the process, and an outreach campaign to increase awareness has been achieved.
- The REDD+ Technical Working Group (RTWG)—a multi-sector stakeholder platform and advisory and decision-making body for REDD+ activities and the Implementation Unit (RIU) is operational and coordinating the REDD+ process.

Proposed under additional funding:

- At the national level support will be provided to operationalizing the National Climate Change Steering Committee (NCCSC) as a high level decision making body for REDD+.
- Support will be provided to continue strengthening civil society platforms at the national and county level, and county level institutional capacity will be strengthened within Liberia's Forest Development Authority (FDA) and Environmental Protection Agency (EPA).
- Capacity for monitoring and evaluation (M+E) of REDD+ programs will be strengthened, in RIU, RTWG, line ministries, land rights commission, civil society platforms and regional offices.
- Options for channeling climate finance will be analyzed and proposed in order to be consistent with the complex and evolving policy environment, and taking into consideration the national legislation on land and natural resource rights and efforts from across the political spectrum to improve transparency and governance.
- Financial management capacity will be built in relevant institutions.

Component 2 Contribute to the design of the national REDD+ strategy (including design of Emission Reduction Program). This component will finance technical assistance, goods, workshops, training, services and operational costs under the sub-components.

Progress under US\$3.6 million grant:

- The process for developing a Strategic Environmental and Social Assessment (SESA) is well developed in Liberia and a robust consultation process is underway.
- A SESA roadmap was developed through a highly participatory process, a consulting firm has been hired to develop the SESA, and a draft is expected in early 2016 based on a broad consultation process.
- A preliminary assessment of land use, forest policy and governance, capacity building and multi-stakeholder policy dialogue, land policy under development as well as a forest sector diagnostic.

Proposed under additional funding:

- To complete the work of developing detailed strategic options for addressing the drivers of deforestation and forest degradation in key sectors.
- Review of legislation relevant to REDD+.
- REDD+ strategy options for key sectors will be prioritized and partnerships with private actors launched in priority areas.
- A REDD+ registry will be established and the REDD+ strategy will be finalized and validated through a national workshop.

- The design of an Emissions Reduction Program, will be an important indication that Liberia is prepared to apply the capacities of REDD+ readiness to the implementation REDD+ in a targeted program.

Component 3 Development of Reference Level or Reference Emissions Level². This component will finance technical assistance, goods, works, workshops, training, services and operational costs under the sub-components.

Progress under US\$3.6 million grant:

- The development of a comprehensive forest cover map has been launched as an initial step in of a Reference Level for Liberia.
- Initial analyses of an appropriate measurement, reporting, and verification (MRV) system are launched and consulting firm hired to identify the appropriate next steps for designing and developing an MRV system in Liberia.

Proposed under additional funding:

- Analyses combining recent historical data on emissions from deforestation and/or forest degradation and other relevant land uses, and estimation of future emissions and removals to produce a national REL.
- Development, peer review and validation of an REL, peer reviewed and validated.
- Further refinement of REL that includes assessment of significance of emissions from degradation in Liberian context will be undertaken.
- An MRV roadmap will prepared, and an MRV system designed and set up.
- The MRV system will be piloted in preparation for results-based REDD+ initiatives.
- Assessment of the linkages between the MRV system with existing, sub-national monitoring systems, FLEGT and the information system for safeguards.
- Capacity building for FDA and LISGIS staff as well as regional offices for MRV will also be supported.
- Liberia-specific indicators for an information an information system on safeguards and co-benefits based on the framework of principles and criteria of the REDD+ Social & Environmental Standards.

Activity 4 Project Management. This component will finance technical assistance, goods, workshops, training, services and operational costs.

Progress under US\$3.6 million grant: project coordination of the FCPF grant is ensured by the REDD+ Implementation Unit (RIU) that is hosted in the FDA.

Proposed under additional funding: project coordination will continue to include supervision, monitoring and evaluation, management of activities, financial management and audits.

² In the US\$3.6 million grant component 3 was titled “Development of Reference Level or Scenario”, the use of “reference level” or “reference emissions level” is now the accepted terminology.

Component	Original Grant*	AF	Total Cost
1) Coordination of the REDD+ Readiness Process and consultations	1.7	1.5	3.2
Sub-Component 1.1 National Readiness Management Arrangements	0.1	0.8	0.9
Sub-Component 1.2 Information Sharing with Key Stakeholder Groups	0.4	0.4	0.8
Sub-Component 1.3 Consultation and Participation in REDD+ Strategy Development	0.5	0.3	0.8
Sub-Component 1.4 Consultation and Participation Process SESA	0.5	-	0.5
Sub-Component 1.5 Strengthening national feedback and grievance redress mechanism	0.2	-	0.2
2) Contribute to the design of the national REDD+ strategy (including design of Emission Reduction Program)	0.8	1.6	2.4
Sub-Component 2.1 Social and Environmental Impacts Assessments during Readiness Preparation (SESA)	0.6	-	0.6
Sub-Component 2.2 Finalization of the REDD+ Strategy and Implementation Framework	0.2	0.6	0.8
Sub-Component 2.3 Preparation of an Emission Reduction Program	-	1.0	1.0
3) Development of Reference Level or Reference Emissions Level	0.6	1.2	1.8
Sub-Component 3.1 Development of Reference Emissions Level**	0.4	0.5	0.9
Sub-Component 3.2 Measurement, Reporting and Verification System	0.2	0.5	0.7
Sub-Component 3.3 Information System for Safeguards and Co-benefits	-	0.2	0.2
4) Project Management	0.5	0.7	1.2
Total	3.6	5.0	8.6

V. Financing

(\$m.)

Source:

Borrower/Recipient

IBRD

IDA

Others: Forest Carbon Partnership Facility (FCPF)

5.0

Total

5.0

VI. Implementation

Forest Development Authority continues to be the lead implementation agency in charge of implementing REDD+ readiness activities and its mandate allows the FDA to negotiate issues related to forest management, wildlife conservation, and biodiversity protection. The project implementation unit continues to be the REDD+ Implementation Unit. Other line agencies will continue to participate in and benefit from the implementation of some of the grant's components, namely the Environmental Protection Agency (EPA) and the Ministry of Planning and Economic Affairs (MPEA).

VII. Safeguard Policies

Safeguard Policies Triggered by the Project	Yes	No
Environmental Assessment (OP/BP 4.01)	X	
Natural Habitats (OP/BP 4.04)	X	
Pest Management (OP 4.09)		X
Physical Cultural Resources (OP/BP 4.11)		X
Involuntary Resettlement (OP/BP 4.12)	X	
Indigenous Peoples (OP/BP 4.10)		X
Forests (OP/BP 4.36)	X	
Safety of Dams (OP/BP 4.37)		X
Projects in Disputed Areas (OP/BP 7.60)*		X
Projects on International Waterways (OP/BP 7.50)		X

VIII. Contact point at World Bank and Borrower

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* By supporting the proposed project, the Bank does not intend to prejudice the final determination of the parties' claims on the disputed areas