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READINESS PREPARATION PROPOSAL ASSESSMENT NOTE

ON A

PROPOSED GRANT

IN THE AMOUNT US\$ 3.4 MILLION

TO THE

REPUBLIC OF CONGO

FOR

REDD+ READINESS PREPARATION SUPPORT

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DATA SHEET

*REPUBLIC OF CONGO
REDD+ READINESS PREPARATION SUPPORT*

READINESS PREPARATION PROPOSAL (R-PP) ASSESSMENT NOTE AFR AFTEN

<p>Date: Country Director: Eustache Ouayoro Sector Manager/Director: Idah Z. Pswarayi-Riddihough / Jamal Saghir Project ID: P124292 Lending Instrument: Technical Assistance Team Leader: Simon Rietbergen Regional Safeguards Coordinator: Alexandra Bezeredi Env Safeguards Specialist: Paul Martin Social Safeguards Specialist: Antoine Lema Procurement Specialist: Clement Tukeba Financial Management Specialist: Jean Charles Kra</p>	<p>Risk Rating: High Sectors: ENV Themes: Forests, Climate Change</p>
<p>Does this project include any CDD component? <input type="radio"/> Yes <input checked="" type="radio"/> No</p>	
<p>Date of country selection into FCPF: October, 2008 Date of Participation Agreement signed by Country: 12/08/08 Date of Participation Agreement signed by Bank: 12/08/08 Date of R-PP Formulation Grant Agreement signature: 07/21/2009 Expected date of Readiness Preparation Grant Agreement signature: November 2011</p>	
<p>Project Financing Data:</p>	
<p>[] Loan [x] Grant [] Other, explain: [] Credit [] Guarantee</p>	
<p>For Loans/Credits/Others: N/A Total Project Cost (US\$M): US\$ 3.4 million Cofinancing: N/A Total Bank Financing (US\$M): N/A</p>	
Source	Total Amount (US\$)
Recipient	N/A
IBRD	N/A
IDA	N/A

New Recommitted Others (FCPF)	N/A USD 3.4 million
Regional FCPF Trust Fund Number: TF093599 FCPF Country Child Trust Fund Number: TF010691	
Recipient: Republic of Congo Responsible Agency: Ministry of Sustainable Development, Forest Economy and Environment	
Contact Person: Mr. Georges Boudzanga Telephone No.: +242 066 66 73 21	Fax No.: N/A Email: bouzgege@yahoo.fr
Project Implementation Period: November 2011 to October 2014	
Clearances to the Readiness Preparation Proposal Assessment Note:	
Sector Manager: October 19, 2011 Regional Safeguards Coordinator: September 29, 2011 Procurement Specialist: November 3, 2011 Financial Management Specialist: October 24, 2011	

PURPOSE OF THE READINESS PREPARATION PROPOSAL ASSESSMENT NOTE

As part of its responsibilities for the FCPF, the World Bank has been asked to ensure that the FCPF's activities comply with the relevant World Bank Operational Policies and Procedures, in particular the Safeguard Policies, and the policies on Procurement and Financial Management.

The World Bank has also been asked to assist REDD Country Participants to formulate and implement their Readiness Preparation Proposals (R-PPs).

The purpose of this Readiness Preparation Proposal Assessment Note (R-PP Assessment Note), therefore, is for the Bank to assess if and how the proposed REDD+ Readiness Support Activity, as presented in the R-PP, complies with Safeguard Policies, and the Bank's policies on Procurement and Financial Management, record the assistance it has provided to the REDD Country Participant in the formulation of its R-PP, and describe the assistance it might potentially provide to the REDD Country Participant in the implementation of its R-PP.

ABBREVIATIONS AND ACRONYMS

CARPE	Central African Regional Program for the Environment
CBFF	Congo Basin Forest Fund
CO ₂ e	Carbon dioxide equivalent
COMIFAC	Commission des Forêts de l'Afrique Centrale
DGE	General Directorate for the Environment
ESMF	Environmental and Social Management Framework
FCPF	Forest Carbon Partnership Facility
FLEGT	Forest Law Enforcement, Governance and Trade
FIPAC	Central African Indigenous Peoples Forum
FMT	Facility Management Team
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IPPF	Indigenous Peoples Planning Framework
MDDEFE	Ministry of Sustainable Development, Forest Economy and Environment
MRV	Measurement, reporting and verification
Mt	Megaton (million metric tons)
NGO	Non-Governmental Organization
PC	Participants Committee
PRCTG	Project to Strengthen Capacity, Transparency and Governance
RoC	Republic of Congo
REDD+	Reducing emissions from deforestation and forest degradation, conservation of forest carbon stocks, sustainable management of forest, and enhancement of forest carbon stocks in developing countries
R-PIN	Readiness Preparation Idea Note
RPF	Resettlement Policy Framework
R-PP	Readiness Preparation Proposal
SBSTA	Subsidiary Body for Scientific and Technological Advice

SESA
UNFCCC

Strategic Environmental and Social Assessment
United Nations Framework Convention on Climate Change

REPUBLIC OF CONGO
REDD+ Readiness Preparation Support

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REPUBLIC OF CONGO
REDD+ Readiness Preparation Support

I. Introduction and Context

A. Country Context

1. The Republic of Congo went through a long period of political instability and violence in the 1990's, which destroyed the country's infrastructure and weakened its public institutions. Since the restoration of peace, most social indicators have improved, but they are still below those of countries with comparable per capita income, and meeting the Millennium Development Goals remains a challenge. Thus for example, the incidence of monetary poverty, which had risen from 40 percent in 1990 to 70 percent in 1997, had fallen back to 50 percent by 2005.

2. The economy of the Republic of Congo is mainly based on natural resources exploitation, including oil and timber, which represent 60 and 10 percent of GDP respectively. Agriculture employs 40 percent of the workforce, but represents only 6 percent of the GDP. While the oil sector provides much needed resources for public investments, its overbearing dominance in the economy is a major challenge for economic management and diversification. The key policy challenge for the Republic of Congo is, therefore, to use its oil wealth to build a more diversified and competitive economy and thereby reduce poverty and improve social outcomes.

3. A major handicap in bringing about such a diversified economy is the Republic of Congo's highly uncompetitive business environment, as illustrated in its very low ranking in the Doing Business Ratings (177 out of 183 countries in 2010). The country performs poorly in all assessed categories, especially on taxes, labor laws and regulations, property registration, contract enforcement, and trading across borders. Nevertheless, experience elsewhere in the region has shown that significant and rapid improvements are possible in these areas, if the political will to effect change exists.

4. As a post-conflict country, the Republic of Congo continues to suffer from weak public institutions and lack of capacity. Given the country's ambitions to transform its economy, the development of a modern and efficient public sector is critical, particularly as regards governance and corruption.

5. Weaknesses in governance continue to pose significant risks to progress on the country's development agenda. Studies highlight deterioration in the quality of service delivery in the past decade and increased levels of corruption in key sectors. Perceived levels of corruption and weak governance in the most affected institutions (customs, police and tax authorities) increased significantly over said period, while the situation in institutions that were hitherto perceived to have the least problems (such as local governments) deteriorated as well. Corruption was also reported in service delivery institutions, such as schools and hospitals, and despite some recent progress, there are still governance issues in key public sector enterprises, such as the Congolese National Oil Company (Société Nationale des Pétroles du Congo, (SNPC)).

6. An action plan for investment climate reform, adopted in November 2009, addresses many of the above-mentioned constraints. The action plan includes the establishment of a platform for public-private dialogue, institutional and regulatory reforms, such as the drafting of a Small and Medium Enterprise law, and measures to improve the access to finance, professional training and the promotion of entrepreneurship. The IDA-funded Economic Diversification Support Project will support a number of interventions to improve the business environment and support institutional platforms that enhance private-sector development.

7. A further positive point to note is that as a consequence of sustained high oil prices Congo has considerable financial space for public investment and is working hard to make public investment more effective, e.g. through the more systemic use of Medium Term Expenditure Frameworks. This has led to considerable amounts of counterpart funding committed for recent Bank-funded projects. As an example, out of the Water, Electricity and Urban Development Project budget of USD 125.5 million, the IDA credit accounts for only USD 25.5 million and the remainder (USD 100 million) consists of Congolese government funds.

B. Sectoral and Institutional Context

8. Covering over 65 percent of the country's land area, the Republic of Congo's forests (estimated at around 22.5 million hectares) are essential to the social and economic life of the country and a strategic asset to the global environment. Although about 60 percent of the population lives in the five main cities, a large part of the population still relies on forests for its livelihood (food, energy, medicine, building material, etc.). The timber industry accounts for 10 percent of non-oil GDP, 12,000 jobs, USD 200 million of exports, and USD 40 million in fiscal revenues.

9. Deforestation has been historically low in the Republic of Congo. The State of the Congo Basin (2010) report an annual deforestation rate for RoC of 0.07%, the lowest among countries in the Congo Basin (the average across the Basin is 0.17%). The situation is not homogenous across the country, and varies as a function of population density, quality of infrastructure, patterns of forest use, proximity to urban centers, among others. The R-PP attributes present deforestation and forest degradation to four main causes, namely: i) the practice of slash-and-burn agriculture; ii) production and consumption of biomass energy by households and industries; iii) unsustainable and illegal logging; and iv) urban development. Future threats to forests could be significant, especially as a result of ongoing and planned developments in the mining, infrastructure, and agriculture sectors.

10. Convinced that well-managed forests can help diversify the economy and contribute to sustainable growth, the government demonstrated leadership in completing a comprehensive forest and environmental sector study under the Highly Indebted Poor Countries (HIPC) initiative and subsequently adopting a number of key policy reforms. The government also signed a Voluntary Partnership Agreement (VPA) in 2009 with the European Union as part of the Forest Law Enforcement, Governance and Trade (FLEGT) initiative, which aims to promote good forest governance and ensure legal timber trade. Recently, the government has launched the National Program of Afforestation and Reforestation, with the ambitious goal of promoting reforestation of 1 million of savannah lands over 10 years.

11. The World Bank has launched the preparation of a new IDA operation in the forest sector aiming to: i) strengthen the capacity of the MDDEFE and attached structures; ii) creation of an enabling environment for private sector investments and support to SMEs in the forest sector; iii) strengthening local communities' participation in forest management. Environmental services initiatives could include REDD+ pilot projects. This IDA project is in full synergy with the FCPF support to the REDD+ Readiness process, including: i) by supporting capacity strengthening of the Ministry of Environment, the IDA project will contribute to ensuring sustainability of the implementation arrangements for REDD+; ii) the IDA project will allocate an envelope for REDD activities, to address key needs from the Readiness process; iii) conversely, the FCPF grant will support the creation of an enabling environment conducive to investments in the forests sector (around environment services and REDD+) which directly contributes to the PDO of the IDA project.

12. Some progress is being made in recognizing traditional rights of forest communities and indigenous populations. A new law on the rights of indigenous peoples was passed by the Senate and the National Assembly of the Republic of Congo on December 30, 2010, and signed by the President on February 25, 2011. This makes the Republic of Congo one of only two countries in Africa to date to have adopted legislation aimed specifically at protecting indigenous peoples' rights. The implementation of this legislation, however, will take considerable effort from the Government and continued support from donors. Among others, the Law grants Indigenous Peoples "collective and individual" property over lands and natural resources that they occupy traditionally.

13. However, challenges in the forest sector are many. These include weak government capacity both at the national and local level to enforce the forest and environment legislation, poor governance at different levels, lack of adequate participation of local communities and indigenous peoples in forest management, conflicts over land allocation for competing goals (forestry, agriculture, mining), and inadequate evaluation of environmental and social impact of infrastructure and mining projects. A number of legal reforms were introduced as part of the Highly Indebted Poor Countries (HIPC) initiative to deal with these weaknesses and the Bank-funded Forestry and Economic Diversification Project due will assist the government in implementing the decrees in question.

14. The Republic of Congo has been engaged on efforts to create the technical and institutional capacities for REDD+ (REDD+ Readiness process) since 2009. The country prepared a Readiness Preparation Proposal (R-PP), which was endorsed by the Participants Committee of the Forest Carbon Partnership Facility (FCPF) in June 2010. The R-PP lays out a roadmap for achieving 'Readiness' to engage in an international REDD+ mechanism, and puts forward a request for USD3.4 million from the Facility to implement this roadmap. The R-PP was prepared in close consultation with various stakeholders, including civil society organizations and indigenous peoples representatives, and the private sector. In addition, the UN-REDD program has recently announced that they would be able to extend a grant of up to USD4 million to the Republic of Congo, which will complement the FCPF's support to REDD+ Readiness in the country.

15. Civil society has been active in the REDD+ Readiness process. In 2010, they created an *Interim REDD Coordination Platform of Civil Society Organizations in the Republic of Congo*, bringing together various CSO groups in the Republic of Congo working on REDD+-related issues, including forest management (VPA-FLEGT process, certification, etc.), rural development, indigenous peoples issues,

energy, agriculture, and gender. The Platform led a series of Department-level consultations on the R-PP, to collect feedback on the document and reported nationally, before the national validation of the document submitted by the government to the FCPF.

16. The Republic of Congo expects that REDD+ can support the country in ensuring sustainable forest management, including by providing incentives for addressing some of the main drivers of deforestation and forest degradation, such as slash-and-burn agriculture and fuelwood consumption. In addition, REDD+ is also considered a preventive measure in the country, to encourage the country to complete a national land use planning exercise to mitigate impacts on forest cover from developments in other sectors, such as mines, commercial agriculture and infrastructure development. The Republic of Congo considers REDD+ an instrument for the promotion of sustainable development.

17. Current donor support for the forestry sector in the Republic of Congo focuses mainly on forest concession management, timber traceability and protected area management, as can be seen from the table below.

Table 1 - Donor Activities in Forest Sector in the Republic of Congo

Donor	Project	Budget	Timeline	Observations
AFD	PAGEF	EU 5 mn	2009-2014	Support for forest management planning in the south (smaller concessions) and institutional strengthening of the National Forest Inventory and Management Centre (CNIAF).
AFD	Two full-time Technical Assistants	EU 0.9 mn	2010-2012	Support for FLEGT, timber traceability etc.
AFD	Study on SNR restructuring and wood energy	EU 0.12 mn	2011-2012	Study for PNAR wood energy - looks at feasibility and risk.
AFD	Setting up lines of credit for concessionaires to develop forest management plans	tbd	2012-2015	
AFD	Contribution to TNS Conservation Trust Fund	EU 3 mn	2011	TNS = Tri-national Sangha (conservation landscape that Congo shares with Cameroon and CAR)
FFEM	Support for forest certification	EU 1.5 mn	2010-2013	Fonds Francais pour l'Environnement Mondial
EU	Reinforcing timber track	EU 3.1 mn	2009-2012	Implemented by Societe Generale Suisse RoC government is contributing EU 1 mn
EU	Independent Observatory of Forestry	EU 2.0 mn	2011-2015	Implemented by NGOs Resource Extraction Monitoring (REM) and Forest Monitor
EU	PAVAP	EU 2.5 mn	2008-2010	Creation of National Parks Agency
EU	Ecofac V	EU 3.7 mn	2005-2010	Odzala National Park management
FAO	PNAR preparation studies	USD 0.1 mn	2011	Focusing on technical and financial viability of different plantation models
FAO	Support for forest inventory	USD 0.3 mn	2011-2012	

UNDP	Support for TRIDOM conservation landscape	USD 3 mn	2010-2015	Cross border conservation landscape Congo shares with Cameroon and Gabon (Dja-Odzala-Minkebe)
CBFF (Congo Basin Forest Fund)	Regional protected areas project	USD 50 mn	2011-2015	4 out of the 6 sites are in Congo (whole or part), including Lac Tele and Conkouati.
WB	Forest and Economic Diversification (under preparation)	TBD	2012-2016	Support to policy and institutional reforms in the forest sector, institutional strengthening of the MDDEFE and attached structures, promotion of environmental services and reforestation initiatives.

C. Relationship to the Country Partnership Strategy

18. The 2009 Country Partnership Strategy (CPS) recognizes the need for the Republic of Congo to exploit its comparative advantages related to its natural resource endowment, geographic position and climatic conditions to promote non-oil growth. The government of the Republic of Congo is keen on: (i) playing an increased role in regional infrastructure; (ii) improving the productivity of the important but underdeveloped agriculture sector; (iii) promoting the smart exploitation of its large forestry resources; and (iv) developing its mining sector. In line with the priorities stated in the Republic of Congo's 2008 Poverty Reduction Strategy Paper (PRSP), and following extensive consultations with stakeholders, the Bank's support to the government's efforts has been planned around two main priority areas, namely the: (i) diversification and growth; and (ii) poverty reduction through improved basic service delivery.

19. The Readiness Preparation grant can contribute directly to both objectives. By supporting the country in tapping into international payments for ecosystem services through REDD+, standing forests in the Republic of Congo could become a source of economic diversification. In addition, by promoting equitable and transparent benefit sharing arrangements that reach forest-dependent communities and indigenous peoples, the Readiness process could contribute to ensuring that REDD+ effectively contributes to poverty reduction in rural areas.

20. The REDD Readiness Preparation Support is directly linked to the Forest and Economic Diversification project currently under preparation. REDD+ is a major initiative to value the environmental services provided to the international community by the existing forests in the Republic of Congo. It is expected to promote different types of compensation schemes for initiatives that protect the forests, which is also an objective under the Forest and Economic Diversification Project. The reforms that will be further supported by the IDA project will also directly contribute to REDD Readiness in RoC.

II. Proposed Project Development Objectives

A. Proposed PDO

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 inform the development of a national reference emissions level for REDD+.

B. Key Results

1. A National REDD+ Strategy (including its implementation framework) is prepared and validated by national stakeholders;
2. The prospective elements to build a National Reference Emission Level for REDD+ are available;
3. An Environmental and Social Management Framework (ESMF) is prepared and validated by national stakeholders.

III. Project Context

1. Description

The activities to be financed by the FCPF in the Republic of Congo will allow the country to implement some of the key elements of the REDD+ Readiness process identified in the Readiness Preparation Proposal (R-PP) prepared by the country and approved by the FCPF Participants Committee, in June 2010. FCPF support will ensure the continuation of the Readiness process in the country, by financing the management of the Readiness process and multi-stakeholders consultations. In addition, FCPF financing will support the preparation of key analytical pieces such as the REDD+ strategy and its legal and institutional implementation framework, and the incorporation social and environmental sustainability issues of importance to various stakeholders into the REDD+ Strategy through the strategic environmental and social assessment (SESA) process. Finally, FCPF support will allow the country to achieve some key methodological results for participating in a REDD+ mechanism, mainly informing the preparation of a national reference emission level for REDD+.

The overall budget envelope for REDD+ Readiness in the Republic of Congo adds up to USD15.5 million, including USD8 million for the implementation of pilot REDD+ projects. The country has identified other partners to finance other activities identified in R-PP, including the UN-REDD Program (up to USD4 million), and the Government of the Republic of Congo (USD0.6 million). The *Agence Française de Développement* and USAID, through Central African Regional Program for the Environment (CARPE), has also expressed interest in supporting the process. Annex 4 presents the overall budget for the REDD+ Readiness process in the Republic of Congo. It should be noted that the support from these organizations is not considered co-financing to the FCPF-financed activities; they will rather finance a series of independent activities that directly contribute to the overall goal of supporting the Republic of Congo in becoming ready for REDD+.

The table below summarizes the activities to be financed by the FCPF.¹ These activities have been selected in discussion with the government, taking into account: (i) comparative advantage of the World Bank as delivery Partner and coordination with other donors, (ii) priority/urgency, (iii) eligibility. The establishment of a MRV system is a key pillar of REDD+ Readiness, and will be supported by the UN-REDD Program, drawing on the expertise of, and already–ongoing activities at the regional level by FAO. Coordination with the UN-REDD program will be ensured through: i) joint supervision missions; ii) intense communication between the programs; iii) use of the R-PP by the two programs as the overall document providing guidance for support to the national REDD+ readiness process; iv) having the same interlocutor at the government level (the National REDD+ Coordination at the Ministry of Environment).

It should be noted that the activities to be financed by the FCPF in support of the REDD+ Readiness process in the Republic of Congo do not include the implementation of REDD+ programs on the ground. The FCPF support is limited to analytical studies, capacity building, and consultation processes at the national and sub-national levels. Republic of Congo expects to leverage resources from other donors to pilot a limited number of REDD+ projects. The FCPF support will run for three years.

Activity	Budget (in USD million)
Component 1: Support to the coordination of the REDD+ Readiness Process and Multi-stakeholder Consultations	\$2.1
<i>1.1 – Coordination of the REDD+ Readiness Process</i>	<i>\$1.6</i>
Recruitment of staff for the National REDD Coordination	
Capacity building for National Coordination	
Functioning of the REDD Coordination	
Equipment for National REDD Coordination	
Fiduciary management of the FCPF funds and annual audits	
<i>1.2 – Promotion of Multi-stakeholder Consultations</i>	<i>\$0.5</i>
Technical workshops at national and department levels	
Awareness raising on REDD+	
Component 2: Contribution to the design of a national REDD+ Strategy	\$1.1
<i>2.1 - Preparation of the National REDD+ Strategy</i>	<i>\$0.5</i>
In-depth analysis of causes of deforestation and degradation	
Analysis of strategic options to address causes of deforestation and degradation	
<i>2.2 – Preparation of the REDD+ Implementation Framework</i>	<i>\$0.3</i>
Analysis of the main elements for a national implementation framework for REDD+ in the Republic of Congo	

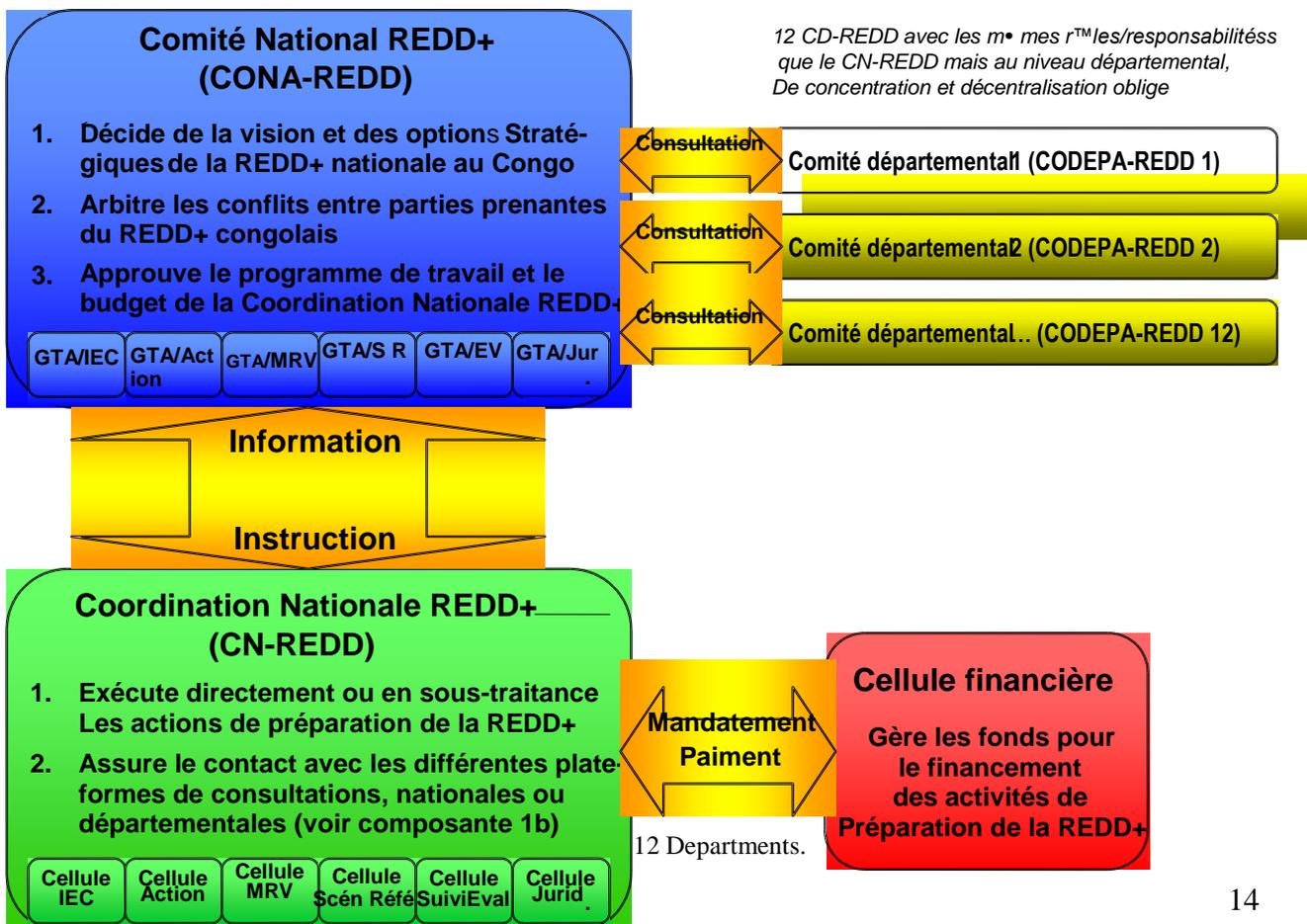
¹ The components listed in this Assessment Note does not adhere to the same categorization as used in the R-PP.

<i>2.3 – Strategic Environmental and Social Assessment</i>	<i>\$0.3</i>
Conduct a SESA in the Republic of Congo	
Component 3 – Informing the National Reference Emissions Level for REDD+	\$0.2
Analysis of future pressure on forests	
Support to national household survey	
TOTAL	\$3.4

COMPONENT 1: SUPPORT TO THE COORDINATION OF THE REDD+ READINESS PROCESS AND MULTI-STAKEHOLDER CONSULTATIONS (US\$2.1 million)

COMPONENT 1.1 - COORDINATION OF THE REDD+ READINESS PROCESS

National- and department-level bodies will be put in place to coordinate the overall REDD+ Readiness process in the Republic of Congo, including the establishment of a National REDD Coordination, a National REDD Committee, and Department-level Committees² in all Departments of the country. The graph below describes this organization. A Decree mandating the creation of these structures has been prepared but not signed yet by the Prime Minister.



Graph 1: The national REDD+ management structures in the Republic of Congo

This component will finance the functioning of these institutions, including:

- Recruitment of key positions in the National REDD Coordination, including the National REDD Coordinator, an International Technical Assistant, an Expert on Education and Consultation, an Expert on MRV, an Expert on National Planning, an Expert on Social and Environmental Impact Evaluation, a Legal Expert, and an Expert on Project Development;
- Capacity building activities for the staff of the national REDD+ management structures (including technical issues such as climate change, REDD+, REDD+ economics, social issues around REDD+, strategies to reduce deforestation, and so on);
- Equipment for the National REDD Coordination.

COMPONENT 1.2 – PROMOTION OF MULTI-STAKEHOLDER CONSULTATIONS

Multi-stakeholders consultations are a cornerstone of the REDD+ Readiness process. The Republic of Congo is committed to consultations throughout the Readiness process, especially for the preparation of the national REDD+ strategy and its legal and institutional framework. Consultations should feed the preparation of the National REDD+ Strategy, and are a key pillar of the Strategic Environmental and Social Assessment to be carried out during the REDD+ Readiness process. Consultations for REDD+ in the Republic of Congo will build on those carried out as part of the FLEGT initiative, including the full integration of those CSO organizations active in the FLEGT discussions.

General and issue-specific consultations events will be organized; targeted at six main groups: the media, civil society, opinion makers, forest-dependent communities, indigenous peoples, the State (public administration at all levels) and the private sector. In order to reach forest-dependent and indigenous communities, the National REDD Coordination will work closely with national- and department-level platforms regrouping these stakeholders. Various communication methods are expected to be used during the Readiness process to maximize the outreach to stakeholders, including workshops, written press, television and radio. Some of the consultation activities will be led directly by civil society organizations with the expertise for delivering this type of service.

This component will finance:

- Technical workshops on key REDD+ topics (strategy, implementation framework, MRV, REL) targeted at various stakeholders;
- Awareness raising and consultation activities on REDD+-related issues to be led by national civil society groups.

COMPONENT 2: CONTRIBUTION TO THE DESIGN OF A NATIONAL REDD+ STRATEGY (US\$1.1 million)

COMPONENT 2.1 - PREPARATION OF THE NATIONAL REDD+ STRATEGY

The National REDD+ Strategy in the Republic of Congo will be prepared based on: i) multi-stakeholder consultations; ii) analytical studies; iii) the strategic environmental and social assessment (see C2.3 below); iv) lessons from pilot REDD+ projects implemented on the ground.

The R-PP presents a preliminary analysis of the direct and underlying causes of deforestation in the Republic of Congo based on existing data and expert consultation. Four main direct causes are identified: i) unsustainable slash-and-burn agriculture; ii) production and consumption of biomass energy; iii) unsustainable logging, including illegal logging; iv) urban development. Underlying causes include weak governance in the forest sector, population growth, poverty, lack of land use planning, insecure land tenure, among others. The FCPF grant will finance an in-depth analysis of causes of deforestation and degradation in the country. The study will include both remote sensing analysis and ground-truthing, and will involve various stakeholders in the validation of the results.

As a response to the direct and underlying causes of deforestation identified, the R-PP presents four main preliminary strategic options:

- i) Strengthening land tenure, which includes the promotion of a National Land Use Plan and strengthening the network of protected areas.
- ii) Promotion of sustainable management of forest resources; including curbing illegal logging, strengthening of sustainable management of production forests; strengthening involvement of forest-dependent communities and indigenous peoples in forest management, promotion of forest certification, and improving logging and timber transformation techniques.
- iii) Improving agriculture production methods; including promotion of access to micro-credit to smallholders, strengthening the organization of farmers, support to research and technical assistance, and promotion of agroforestry.
- iv) Improving the production methods of biomass energy and promoting more efficient use, including increasing supply by better structuring the charcoal and fuelwood chains, promotion of reforestation through the National Afforestation and Reforestation Program, and improving energy use efficiency through new technologies.

Each of these preliminary strategic options will be assessed through an in-depth study, which will look into: i) costs (opportunity, implementation and transactions), ii) benefits (in terms of emissions reductions, but also beyond, including social and environmental co-benefits), iii) feasibility (political, social and economic), iv) sustainability (including link to ongoing policy interventions and country ownership); and v) risks (including leakage). This study will also propose concrete ways for the Government to operationalize the Strategy, including definition of priorities, links to ongoing activities and timing of interventions. The SESA will also assess the social and environmental risks of each proposed option.

Hence, the FCPF grant will contribute to the preparation of the national REDD+ strategy by financing:

- An in-depth analysis of causes of deforestation and degradation in the Republic of Congo;
- The in-depth analysis of the strategic options to addresses causes of deforestation and degradation.

COMPONENT 2.2 - PREPARATION OF THE REDD+ IMPLEMENTATION FRAMEWORK

The implementation framework for the national REDD+ strategy should be fully embedded in the larger institutional and legal framework for sustainable forest management in the Republic of Congo. Some of the basic building blocks of this legal framework, such as the Environment Framework Law, are currently under discussion, which offers important new entry-points for mainstreaming REDD+ into national legislation. The Republic of Congo has opted for the design of a national REDD+ Law, which should clarify the cross-cutting nature of the REDD+ Strategy and contribute to the integration of REDD+ elements into sectoral policies. This law would determine the roles and responsibilities of different actors, the strategic options and the policies and institutions to implement REDD+ in the Republic of Congo.

REDD+ institutional issues cover a wide array of subjects, including: i) how to manage REDD+ funds from international sources (ODA and markets) so as to ensure that they are transparently allocated to activities that can support the goals of REDD+ in an efficient and effective way; ii) what benefit sharing mechanisms can be implemented at the local level to ensure REDD+ revenues reach communities on the ground and contribute to local development and reduced emissions; iii) what is the legal nature of emissions reductions and how can these be traded across actors and levels (national to international).

In order to respond to these questions and generate inputs to prepare the REDD+ law, the Republic of Congo will be conducting an in-depth analysis of legal and institutional issues around REDD+, including: i) analysis of the existing national legislation on forests and other sectors pertaining to the REDD+ goals; ii) analysis of the governance for a national fund to manage REDD+; iii) fiscal and economic incentives to promote REDD+ activities; iv) options for benefit sharing; v) preparation of a legal text for the REDD+ Law, dealing also with the legal nature of emission reductions.

This study will be conducted in a highly participatory way through initial discussions with various stakeholders, followed by wide dissemination and validation of resources through Department-level and national workshops. The results from these consultations will generate elements for the National REDD+ Committee to make decisions on the most promising options.

COMPONENT 2.3 – STRATEGIC ENVIRONMENTAL AND SOCIAL ASSESSMENT

In order to influence the national REDD+ strategy by considering the potential environmental and social risks associated with the National REDD+ Strategy and its Implementation Framework, as well as to consider potential alternatives and mitigation actions, the Republic of Congo will conduct a Strategic Environmental and Social Assessment (SESA). This will entail a participatory analysis of the emerging strategic options to achieve REDD+, seeking to identify social and environmental risks and potential benefit sharing opportunities so as to influence the final REDD+ strategy. The SESA exercise also entails the preparation of an Environmental and Social Management Framework (ESMF) to manage the potential social and environmental impacts from the implementation of the strategic options, including the identification of potential impact mitigation activities in case of negative impacts, and the inclusion of an Environmental Management Framework, and Indigenous Peoples Planning Framework (IPPF), a Resettlement Policy Framework (RPF) and a Process Framework. The ToRs for the SESA in the Republic of Congo are presented in Annex III. Finally, it should be noted that, on one hand, various elements pertinent to the SESA exercise will be delivered through a range of activities supported by this grant, particularly the analytical studies on causes of deforestation and forest degradation and associated strategic options, as well as the analysis of options for the national implementation framework for REDD+; on the other, some elements pertinent to the SESA will be delivered as part of activities supported by other donors, such as the development of the MRV system.

This SESA will take into account the World Bank's Operational Policies on social and environmental safeguards, in particular the following policies: i) Environmental Assessment (OP/BP 4.01); ii) Natural Habitats (OP/BP 4.04); iii) Forests (OP/BP 4.36); iv) Indigenous Peoples (OP/BP 4.10); and v) Involuntary Resettlement (OP/BP 4.12). It will also take into account the national legislation around forests and land, including the Forest Code, the Land Code, and the new law on Indigenous Peoples. Finally, it will consider other international agreements to which the Republic of Congo is a party, such as CITES and the Convention on Biodiversity (CDB). Under the Grant Agreement, the Recipient will be required to ensure that the TORs for the SESA as well as the outputs of the SESA (eg., ESMF, RPF, IPPF) are consistent with, and pay due attention to, the Bank's safeguards policies as well as the Republic of Congo's own law.

Various actors in the Republic of Congo will play a role in conducting the SESA. The National REDD Coordination will lead the process, associating closely the General Environmental Directorate (*Direction Générale de l'Environnement* - DGE) which has the responsibility for the analysis and approval of all Environmental Impact Assessments conducted in the country. A National Environmental Agency is expected to be created in the years to come and should take over from the DEG, leading the implementation of the SESA and following up of the ESMF once it is in place. It is also expected that the Independent Forest Observatory will have a consultative role in the SESA and will share its technical expertise with the team in charge of conducting the SESA. Senior consultants will be hired to support the Government in carrying out the SESA. Finally, the results of the SESA will be presented and should be validated by the National REDD+ Committee, which should then revise the strategic options to achieve REDD+ under consideration, taking into account the social and environmental risks that have been highlighted.

The FCPF grant will finance the consultants in charge of the preparation of the SESA exercise, including the development of an Environmental and Social Management Framework for the REDD+ process. The SESA will be carried out in close coordination with the overall consultations as part of the REDD+ Readiness process.

COMPONENT 3: INFORMING THE NATIONAL REFERENCE SCENARIO³ FOR REDD+ (US\$ 0.2 million)

Establishing a national reference scenario of emissions from deforestation and forest degradation is one of the key pillars for a national REDD+ regime. A future international REDD+ mechanism is likely to compensate countries for reduced emissions below a certain established reference scenario, which is derived from historic deforestation as well as projected future deforestation. The modalities for establishing a national reference scenario are still to be worked out at the international level (by the SBSTA⁴) and the work in the Republic of Congo on this topic will require a fair amount of exploration of alternative approaches and coordination across sectors. It should also be noted that the establishment of a

³ The use of 'national reference scenario' in this document is supposed to encompass both Reference Emissions Levels and Reference Levels. **Reference emissions level (REL)** is the amount of *gross emissions* from a geographical area estimated within a reference time period (used for activities related to reduced emissions from deforestation and forest degradation). **Reference level (RL)** is the amount of *net/gross emissions and removals* from a geographical area estimated within a reference time period (used for activities related to the expanded scope of REDD+, namely conservation of forest carbon stocks, sustainable management of forest, and enhancement of forest carbon stocks).

⁴ Subsidiary Body for Scientific and Technological Advice of the UNFCCC.

national reference scenario is partly a technical exercise (exploration of scenarios and modeling) and partly a political decision (to be arrived at through the climate negotiations). The work on reference scenarios will strengthen the country's capacity and position in the next rounds of climate negotiations in this regard.

The Republic of Congo will develop a reference emission level based on historical data and adjusted to 'national circumstances'. According to emerging guidance from the UNFCCC, when setting their national reference scenarios, countries should do so "transparently, taking into account historical data, and adjust for 'national circumstances'". Information provided on national circumstances is critical for clarifying a country's vulnerability, its capacity and its options for adapting to the adverse effects of climate change, as well as its options for addressing its GHG emissions within the broader context of sustainable development.

The FCPF Grant will finance two main activities, which will inform the development of the National Reference Scenario for REDD+ by highlighting its prospective (forward-looking) elements:

- a. Analysis of future pressure on forests.** A consultant firm will be contracted to model potential future pressures on the forests in the Republic of Congo by assessing future development trends in various sectors, such as infrastructure, mining and agriculture. These consultants will adapt the IIASA partial-equilibrium model produced at the regional scale (Congo Basin) to the national level, taking into account the most updated information available.
- b. Support to national household survey.** The National Center of Statistics and Economic Studies is leading a national household survey to collect data on household consumption in the Republic of Congo. This survey will generate key data for the establishment of the reference scenario, such as data on household consumption of forest products, agriculture land needs, energy consumption and so on. The FCPF grant will contribute to this survey so as to integrate a module for the collection of key household-level data for the REDD+ process, especially for the estimation of future deforestation and the establishment of the national reference emissions level.

2. Key Risks and Issues

Please refer to the ORAF annex below for a more detailed presentation of risks and mitigation activities. Key risks are linked to:

- a. Stakeholders.** REDD+ is a mechanism still under discussion internationally and has attracted much attention from various groups of stakeholders. While there is widespread support for the establishment of an international REDD+ mechanism that would reward countries for reducing emissions from deforestation and forest degradation, various concerns have been raised about how a REDD+ mechanism would work at the country level. There is a risk is that the existing support to the Readiness process in the Republic of Congo is eroded, should the participatory and consultative approach to the process not be maintained throughout the process, especially when key decisions, such as those on the REDD+ Law, are made. Finally, stakeholder expectations for receipt of large near term payments for REDD+ are high and are probably not realistic.

Mitigation measures include: i) conducting a SESA, which will identify social and environmental risks arising from the national REDD+ Strategy, and which should also

support the identification of mechanisms to ensure transparent benefit sharing; ii) project team will maintain close communication with national and international NGOs (both at the country level and internationally, with support from the FCPF Management Team); iii) support the recruitment of a an expert on Information, Education and Communication at the National REDD Coordination; iv) project team will ensure to manage expectations throughout project implementation.

- b. **Governance.** A national REDD+ system will need to involve different levels of the government and various stakeholders. REDD+ revenues need to reach beneficiaries on the ground, mainly forest-dependent communities and Indigenous Peoples. Currently, the RoC does not have a clear legal and institutional framework for the implementation of REDD+, including clear rules for carbon transactions, for benefit sharing schemes and regulations on the management of REDD+ funds. Overall governance challenges in the country will also be a risk for REDD+.

Mitigation measures include: i) providing support to the government in creating clear rules for carbon transactions and in strengthening the capacity to implement those; ii) supporting the establishment of clear rules on benefit sharing of REDD+ revenues; iii) supporting the functioning of the National REDD+ Committee and the National Interministerial Committee; iv) providing support to the government in implementing new legal provisions for environmental and social impact assessment, for reducing cross-sectoral land use conflicts and for enhancing transparency in the forestry sector, under the Bank-funded Forestry and Economic Diversification Project.

- c. **Fraud and Corruption.** The Republic of Congo faces high level of corruption across sectors. Mismanagement of REDD+ funds is a major risk for a national REDD+ system, which could lead to failure of the process.

Mitigation measures include: i) conducting an assessment of REDD+ funds management options, based on international benchmarks and past national experiences; ii) communicating effectively to the government that without a transparent fund management structure the government is unlikely to receive funds; iii) articulating this message with other donors so that all partners present the same ‘story line’; iv) support civil society organizations to closely follow the REDD+ process, including funds management, v) close monitoring of WB-managed funds by the WB fiduciary team.

- d. **Safeguards.** REDD+ implementation presents social and environmental risks. Policies that promote conservation without due regard to local population’s rights to natural resources may lead to restrictions to sources of livelihood. The promotion of monoculture planting without due regard to environmental variables may lead to negative impacts on soils and water. These are examples of issues to be taken into account in the preparation of the National REDD+ Strategy. Current in-country capacity for addressing safeguards is limited, and therefore there is a risk that not all social and environmental issues might be properly addressed.

Mitigation measures include: i) conduct a Strategic Environmental and Social Assessment (SESA) to identify social and environmental risks and potential impacts (both negative and positive) from the national REDD+ strategy, and ensure that these risks are considered in the final strategy; ii) close supervision of the preparation of the SESA, including technical assistance to the government's team; iii) continued capacity building on SESA for national stakeholders. In addition, the Bank would have a suspension remedy under the proposed Grant Agreement, should it determined that: (a) at any time before the Closing Date, the Republic of Congo has failed to apply sound environmental or social standards or practices in its management or carrying out of REDD+ activities; and (b) as a result of such failure, a situation has arisen after the date of this Agreement which makes it improbable that the objective of the project financed under the grant will be achieved.

- e. **Sustainability.** Achieving REDD+ readiness in the Republic of Congo will take more resources than those that the FCPF is able to make available at this stage. Hence, there is a risk that REDD+ Readiness will not be achieved if the country is not able to leverage additional resources to complete the REDD+ Readiness process. In addition, there is a sustainability risk from the fact that the FCPF grant will fund some key positions in the National REDD Coordination, including the Coordinator.

Mitigation measures include: i) the IDA Forest and Economic Diversification Project currently under preparation will contribute to the sustainability of the institutional arrangements for REDD+ by supporting capacity strengthening of the Ministry of Environment, including clarifying the future institutional placement of the National REDD Coordination within the Ministry (mainstreaming REDD+); and by allocating an envelope for REDD activities, to fund key elements of the Readiness process; ii) The FCPF will finance priority activities to allow the REDD+ readiness process to move forward and give time for the country to leverage additional resources; iii) the WB will use its convening power to support the country in leveraging additional resources, including those from the UN-REDD Program and from other donors (Coordination with the UN-REDD program will be ensured through joint supervision missions; intense communication between the programs; use of the R-PP by the two programs as the overall document providing guidance for support to the national REDD+ readiness process; having the same interlocutor at the government level (the National REDD+ Coordination at the Ministry of Environment)); iv) during project implementation, the team will support the country in identifying sources of financing to ensure continuation of the process once FCPF support comes to an end; v) at its 10th meeting, the FCPF Participants Committee allowed countries to request additional USD5 million in grant resources should they demonstrate substantial progress in REDD Readiness once 50% of resources are spent, this could certainly be a source of funds for REDD Readiness in the Republic of Congo.

- f. **Donor coordination.** The success of the overall REDD+ readiness process depends on financing from other donors, in particular UN-REDD. Delays in their financing could hinder progress and jeopardize some FCPF-financed activities. However, the FCPF support has been designed in close coordination with the UN-REDD Program to ensure synergies.

Mitigation measures include: i) Continued support to the efforts of the National REDD+ Coordination of coordinating support to the overall Readiness process; ii) Ensure close contact

with other donors, particularly UN-REDD. Support the Government in coordinating with other donors. This coordination will be ensured through: i) joint supervision missions; ii) frequent communication between the programs; iii) use of the R-PP by the two programs as the overall document providing guidance for support to the national REDD+ readiness process; iv) having the same interlocutor at the government level (the National REDD+ Coordination at the MDDEFE).

B. Implementing Agency Assessment

The Ministry of Sustainable Development, Forest Economy and Environment (MDDEFE) will implement this project. A National REDD Coordinator was designated by the Minister, and currently leads the day to day activities related to the FCPF process. Under the Grant Agreement, the creation of a National REDD Coordination will be required under the Grant Agreement to be created within three months following the Grant Agreement's effective date. The figure in Component 1 presents the Coordination's composition and organization. The FCPF Grant will support its strengthening by financing the recruitment of key positions. Other donors, especially the UN-REDD Program, will also finance the strengthening of this Coordination. As such, it will have the technical competencies to lead the REDD+ Readiness process in general, and the FCPF grant in particular. In the future, it is expected that the National REDD+ Coordination would be fully integrated into the organigram of the Ministry of Environment, and its functioning (including budget) would be ensured by the national government.

Grant fiduciary management will be ensured by the Project Implement Unit of the PRCTG project. It will oversee the entire fiduciary management of the REDD Readiness Preparation Support including management of the funds and the designated account. It will primarily be responsible for: (i) handling financial and administrative management; (ii) disbursement; (ii) procurement; and (iii) auditing. The FM team of the PRCTG is composed of (i) one Finance Manager; and (ii) one Accountant. The PRCTG is very familiar with Bank FM procedures (e.g. financial reporting, auditing and disbursement...) and the entity has significant experiences in implementing and managing projects since 2002 (e.g. TF053314; Cr 3600 , H2880).

C. Project Stakeholder Assessment

REDD+ is essentially a multi-stakeholder process, since it involves the interests of a multitude of actors. The REDD+ Readiness process in the Republic of Congo places a strong emphasis on consultations and on the creation of participatory mechanisms to ensure multi-stakeholder engagement.

The National REDD+ Committee will be the main decision-making body for REDD-related issues in the Republic of Congo, including the adoption of the national REDD+ Strategy and approving the work plan and budget of the National REDD Coordination. It is composed of 30

members, 13 from the public sphere⁵, 8 from civil society⁶, 6 representatives from indigenous peoples, and 3 representatives of the private sector⁷. The Decree establishing this Committee has been prepared, but is not signed yet. It is expected it would be signed by the end of 2011.

As mentioned above, national civil society organizations have organized themselves around an Interim REDD Coordination Platform of Civil Society Organizations in the Republic of Congo to participate in the REDD+ Readiness process. CSO are currently discussing how to restructure the Platform to make it into a permanent one.

Private sector is regularly consulted by the National REDD+ Coordination. They should play a more active role during the R-PP implementation phase.

IV. Overall Risk Ratings

The overall risk rating for the project is High.

The REDD+ Readiness process presents a high level of risk, as it depends directly on a series of institutional changes and a conducive governance environment. A successful REDD+ mechanism involves important changes to the existing institutional framework and touches sensitive issues, such as land tenure rights and revenue distribution across government levels. In addition, the program has high visibility internationally, due to the high stakes of REDD+ for various stakeholders (including vulnerable forest-dependent communities). Stakeholder expectations for receipt of large near term payments for REDD+ are high and may not be realistic.

V. Proposed Team Composition

Name	Title	Unit
Simon Rietbergen	Sr. Forestry Specialist	AFTEN
André Aquino	Carbon Finance Specialist	AFTEN
Paul Martin	Sr. Environmental Specialist	AFTEN
Antoine Lema	Sr. Social Development Specialist	AFTCS
Nicolette K. Dewit	Lead Counsel	LEGAF
Alexander Lotsch	Senior Carbon Finance Specialist	ENVCF
Marc Rodriguez	Social Specialist (Consultant)	AFTEN
Clement Tukeba Lessa Kimpuni	Sr. Procurement Specialist	AFTPC
Jean Charles Kra	Sr. Financial Management Specialist	AFTFM
Bella Lelouma Diallo	Sr. Financial Management Specialist	AFTFM

⁵ One representative from the President's office, two from Parliament, one from the National Social and Economic Council, 9 representatives of Ministries dealing with natural resources management, including forests, environment, agriculture, mines, oil, energy, plan, finance, land planning and land tenure.

⁶ Six representatives from NGOs working in the area of environment, rural development and human rights, and two representatives from local communities.

⁷ One from the forest sector, one from the agro-business sector, and one from extractivist industries (mines, oil).

Karine Noelle Mouketo-Mikolo	Team Assistant	AFCC2
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VI. Assessment Summary

A. Technical

The Readiness Preparation Proposal prepared by the Republic of Congo has received a positive evaluation from the FCPF independent Technical Advisory Panel (FCPF) and from the FCPF Participant Committee members, which indicates the technical soundness of the proposal.

The activities to be financed by the FCPF have been selected after technical discussions with the National REDD Coordination (Ministry of the Environment). They consider the technical and financial needs of the REDD+ Readiness process in the Republic of Congo, the World Bank's comparative advantages, as well as support provided by other partners (including AFD and the UN-REDD program).

The scope of the main studies to be carried out, including the analysis of strategic options for REDD+ and for the implementation framework and SESA, has been discussed with the National REDD Coordination. The WB team will ensure to share emerging lessons learned from other countries going through the Readiness process, particularly the Democratic Republic of Congo.

An important technical area to be supported through the FCPF grant is on national reference scenarios which will be a key input to setting national reference emission level (REL) or reference levels (RL) through the UNFCCC process. As a country with a historically low deforestation rate, Republic of Congo's efforts in this regard will not only have to focus on a sound analysis of historical patterns of forest cover change, but also perform analyses on the effect of future development on forest-related emissions (i.e. account for national circumstances to determine a level of emission reductions that is consistent with the country's development objectives). The R-PP identifies critical analytical activities to carry-out this work, and acknowledges the necessary and relatively significant capacity building and inter-ministerial coordination needs.

B. Financial Management

The World Bank's and other donors' assessments, notably the CIFA (Country Integrated Fiduciary Assessment), PER (Public Expenditures Review), and PEFA (Public Expenditure and Financial Accountability) completed between 2002 and 2007, revealed an unsatisfactory economic and financial control environment including weak budgeting preparation and control, financial reporting, external audit and human resources. As a result, the overall country fiduciary risk is still considered high.

The findings of the FM capacity assessment of the National REDD Coordination of the MDDEFÉ conducted during the preparation of the REDD Readiness Preparation Support revealed some capacity shortages in the fields of financial management. The FM weaknesses of the National REDD Coordination of the MDDEFÉ include: (i) insufficiently qualified staff in

financial management; (ii) staff's insufficient familiarity with the Bank and other donors financed–project procedures for reporting, disbursement arrangements, and auditing; (iii) lack of a proper accounting system in place to record and prepare financial reports; (iv) lack of computerized and modern accounting tools; and (iv) weak internal control systems.

The Bank cannot thus, at this period of time rely on the public expenditure framework for the purpose of this project. Therefore, it was decided to use the Project Implementation Unit for the PRCTG (*Projet de Renforcement des Capacités, Transparence et Governance*), a WB-financed project managed by the Ministry of Planning, to handle the fiduciary aspects of this project.

The Project Implementation Unit for the PRCTG will be the Bank main counterpart and focal point for fiduciary aspects. It will oversee the entire fiduciary management of the REDD Readiness Preparation Support including management of the funds and the designated account and will primarily be responsible for: (i) handling financial and administrative management; (ii) disbursement; (ii) procurement; and (iii) auditing. The FM team of the PRCTG is composed of (i) one Finance Manager; and (ii) one Accountant. An additional accountant will be recruited within three months after the effectiveness of the Grant Agreement, assigned to manage the FCPF Grant, and transferred later to the PCU to be created to manage the FM aspects of the IDA-financed project (Forestry and Economic Diversification Project - P124085). The FM staffs of the PRCTG composed of individual consultants have been selected on a competitive basis under ToRs acceptable to the Bank. The Finance Manager has the overall oversight of the TF financial management system.

The PRCTG is very familiar with Bank FM procedures (e.g. financial reporting, auditing and disbursement...) and the entity has significant experiences in implementing and managing projects since 2002 (e.g. TF053314; Cr 3600 , H2880). The REDD Readiness Preparation Support accounting will be managed and supervised by the Finance Manager with a team of internal auditors and accountants.

No significant FM capacity weaknesses impeding the management of the REDD by PRCTG have been identified. However, the implementation of this REDD in addition to the operations managed (or upcoming operation to be managed) by the PRCTG will translate into an increase of workload for the staff the PRCTG- which in turn will require additional control systems, an effective internal audit function. As indicated above, an additional accountant will be selected for the purposes of this TF.

The use of PRCTG FM team to manage the financial management aspects will enable the establishment of a financial fiduciary management system for the REDD that satisfies the Bank's minimum requirements under OP/BP 10.02. – The key FM action for the implementation of the REDD are (i) the configuration and utilization of the accounting software; (ii) the selection of an additional accountant; and (iii) selection of an independent external auditor. The Republic of Congo would be required, under the Grant Agreement to complete these actions within three (3) months after the effectiveness of the Grant Agreement.

It should be mentioned that the initial USD200,000 FCPF formulation grant (TF094778) was managed by Wildlife Conservation Society, at the request of the MDDEFE. The Grant was managed in a satisfactory fashion, and there are no unresolved issues at present.

The overall FM risk for the project is **substantial**.

Financial Management Supervision. The fiduciary functions of this project are centralized and managed by the UGP of the PRCTG. In accordance with the risk-based approach, FM supervision will vary according to the level of risk and will aim to ensure that the funds are used for the intended purpose and provide support when need be. On the basis of the current FM risk level, it is expected that two annual supervision missions will be carried out during the first year to support the project implementation, shifting to one annual supervision mission when appropriate. These supervision efforts will comprise IFR and on-site reviews, and will be complemented by continued assistance to be provided by the Bank team.

Disbursements. The grant will finance 100% of eligible expenditures inclusive of taxes. The grant proceeds can be withdrawn using three disbursement methods (Advance, Reimbursement and Direct Payment). A designated account will be opened by the MDDEFE in a commercial bank acceptable to the Bank. Upon grant effectiveness, an initial advance up to a ceiling of CFAF 200 million will be made to the designated account and subsequent advances will be made upon reporting on the use of the initial advance. Applications for withdrawal will be supported with Statements of Expenditures (or records documenting the eligible expenditures) during the first year of implementation. Thereafter, the project will be evaluated for conversion to report-based disbursements using quarterly Interim Financial Reports subject the project maintaining satisfactory FM and Disbursement performance over that period.

Electronic delivery of applications: The project will have the option to submit applications using the electronic delivery tool, “e-Disbursements”, available at the Bank’s Client Connection website. The Authorized Signatory Letter signed by the government will include authorization for the designated signatories to receive the electronic authentication devices (“Tokens”) from the World Bank.

Disbursement table:

<u>Category</u>	Amount of the Preparation Installment Allocated (expressed in USD)	Percentage of Expenditures to be <u>Financed</u>
(1) Consultants’ Services, including audits, Goods, Workshops, Training and Operating Costs	3,400,000	100%

C. Procurement

The existing Procurement capacity under the Governance Project (PRCTG) coordinating unit will be used to handle the fiduciary functions. The procurement capacity of this Unit has been assessed by the Procurement Specialist based in Brazzaville on a continuous basis through frequent visits, including during the supervision missions for the PRCTG project. Procurement and Financial Management performance of the unit has been either satisfactory or moderately satisfactory for the last two years.

Project risk for procurement is moderate.

For procurement of goods the following procurement methods may be used: (A) International Competitive Bidding; (B) National Competitive Bidding, using Bank Standard Bidding Documents or Standard Bidding Documents acceptable for the Bank; (C) Shopping; and (D) Direct Contracting.

For the procurement of consultants' services (both Firms and Individuals) the following consultants selection methods may be used: (A) Quality- and Cost-based Selection; (B) Least Cost Selection; (C) Selection based on Consultants' Qualifications; (D) Single-source Selection of consulting firms; (E) Selection of Individual Consultants; and (F) Single-source procedures for the Selection of Individual Consultants.

Procurement Plan

A procurement plan for the activities to be financed (herewith attached) has been prepared and approved by the World Bank Procurement Specialist in the Congo Brazzaville country office. The Procurement Plan shall specify the circumstances under which the above mentioned procurement and consultants selection methods may be used.

D. Social and Environmental (including Consultation, Participation, Disclosure and Safeguards)

D. 1. Social (including Safeguards)

The social dimensions of REDD+ in the Republic of Congo include a number of complex and conflictive issues around natural resources access and management. Policies to reduce deforestation and forest degradation that lead to more stringent conservation without clearly promoting alternatives to forest-dependent communities may lead to loss of livelihood sources. Adding value to standing forests through REDD+ may lead to new pressures on forests lands

from outside groups, which risk not respecting customary rights to forest resources by local communities. Sharing the benefits of REDD+ will face risks of elite capture, corruption, and lack of transparency.

The FCPF Readiness Preparation grant must comply with World Bank safeguard policies regarding the management of environmental and social risks and potential impacts. This grant will, in part, support the country's efforts to identify the risks associated with REDD+ and associated mitigation options. In order to do this, the FCPF is using a Strategic Environmental and Social Assessment (SESA) to integrate key environmental and social considerations into REDD+ Readiness by combining analytical and participatory approaches. The SESA allows: (i) social and environmental considerations to be integrated into the REDD+ Readiness process, in particular the REDD+ strategy; (ii) stakeholder participation in identifying and prioritizing key issues, assessment of policy, institutional and capacity gaps to manage these priorities and recommendations, and disclosure of findings in country progress reports on Readiness preparation; and (iii) the preparation of an Environmental and Social Management Framework (ESMF) that incorporates the elements corresponding to the applicable safeguard policies (such as an IPPF, RPF, and/or Process Framework, as necessary). The SESA has been identified as the most appropriate instrument to ensure the proper consideration of social dimensions in the REDD+ process, in line with international best practices and World Bank policies.

FCPF financing will support the country in putting in place the framework to manage social and environmental risks of REDD+ operations, but the responsibility for the implementation of this framework lies with the government and with those financing each operation included in the implementation of the preferred REDD+ strategy.

The Strategic Environmental and Social Assessment (SESA) for the National REDD Readiness process will be led by the National REDD Coordination with direct support from the *Direction Générale de l'Environnement*. An expert on Social and Environmental Impact Assessment will be hired, as described in Component 1 above.

The draft ESMF will be subject to review and discussion in a workshop with representatives from civil society and other relevant stakeholders. Upon approval by the National Coordination, the results of the SESA and the revised ESMF will be presented to the National REDD Committee for validation. The validated SESA results and the ESMF will be sent to the Bank for clearance. Once the Bank clears these various documents, the Republic of Congo will disclose them in country (at national level and at local level) and the Bank will make them available to the public through its InfoShop. The SESA exercise itself will assess the national capacity needs required for the country to be capable of monitoring and implementing the safeguards related to a national REDD+ mechanism and will make recommendations for institutional strengthening. The grant will also finance capacity building activities for government officials.

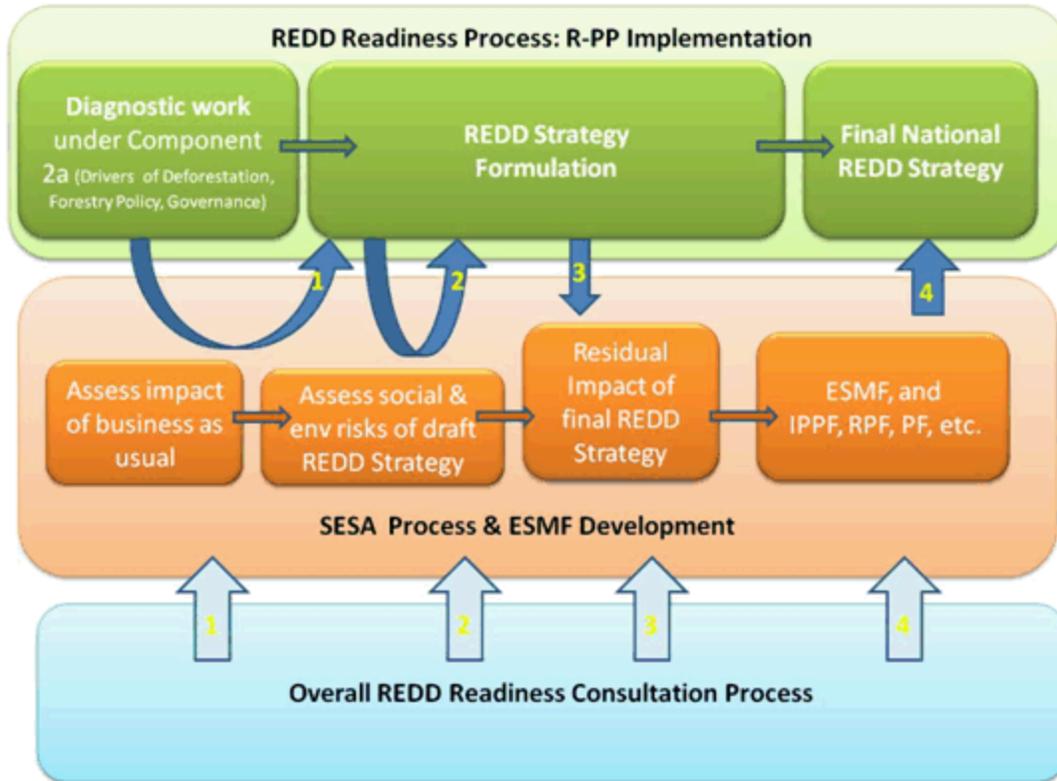


Figure 1 - The SESA design process and link to other REDD Readiness activities

National institutional capacity for the monitoring and implementation of safeguards is weak in the Republic of Congo. The General Environment Directorate (*Direction Générale de l'Environnement*) at the MDDEFE has overall responsibility for assessing and validating environmental impact assessments. However, their institutional and human capacity is still rather limited. A National Environment Agency (*Agence Nationale de l'Environnement*) is expected to be created under the new Framework Environment Law currently under discussion. The UNDP is supporting the government in working out the institutional contours, work plan and budget for the agency. The IDA-financed Forest and Economic Diversification Project under preparation will also support the strengthening of the country's capacity to implement environmental and social safeguards policies. The FCPF grant will finance the recruitment of an Expert on Social and Environmental Impact Assessment for the National REDD Coordination at the MDDEFE.

D.2. Environmental (including Safeguards)

The overall environmental impact of the REDD+ process is expected to be strongly positive. The Grant will fund the preparation of a Strategic Environmental and Social Assessment (SESA) to ensure that the design of the REDD+ process adhere to the requirements of World Bank safeguard policies. In particular, the SESA will (i) develop an Environmental and Social Management Framework (ESMF), which will take account of the requirements of the Bank's policies on Environmental Assessment (OP 4.01), Natural Habitats (OP 4.04), and Forests (OP 4.36); (ii) include an Indigenous Peoples Planning Framework (IPPF); and (iii) include a

Resettlement Policy Framework (RPF), and Process Framework (PF) to identify and mitigate any possible restriction of access to newly designated protected areas.

D.3. Consultation, Participation and Disclosure

The R-PP preparation process in the Republic of Congo has been participatory, with a series of consultation activities, including national and department-level workshops, focus groups discussions, dissemination of communication material and outreach to national media. Key stakeholders consulted include national, departmental and local forest and environmental administrations, local and international NGOs, indigenous peoples groups, and the private sector. Civil society and indigenous people have been specifically targeted during various activities, including during the International Forum of Indigenous Peoples of Central Africa (FIPAC), where the National Coordination led discussions on REDD+ with indigenous peoples representatives.

The National REDD Coordination has been working closely with the Interim REDD Coordination Platform of Civil Society Organizations in the Republic of Congo. This platform, which was created in August 2010, brings together various CSO groups in the Republic of Congo working on REDD-related issues, including forest management (VPA-FLEGT process, certification, etc.), rural development, indigenous peoples issues, energy, agriculture, and gender. The Platform led a series of Department-level consultations on the R-PP, to collect feedback on the document and reported nationally, before the national validation of the document submitted by the government to the FCPF.

These consultations allowed the National REDD Coordination to identify the main issues, concerns and suggestions on REDD+ generally, and on the R-PP specifically. These issues have been considered in the final R-PP, including the requests for increasing civil society representation in the National REDD Committee and a better description of the drivers of deforestation and forest degradation in the country.

Future consultations will include general and issue-specific workshops in the capital and in the provinces, dissemination of communication material to different audiences, and organization of target groups on technical points, among other things. Synergies are to be sought with other ongoing initiatives that promote multi-stakeholder consultations around forests, particularly the FLEGT process.

The SESA implementation and associated ESMF preparation will depend on these upcoming consultations with key stakeholders, as provided for in the Consultation and Participation Plan included in the R-PP.

D.4. Safeguards Policies triggered

The project falls under safeguards category B.

Safeguard Policies Triggered	Yes	No	TBD
Environmental Assessment (OP/BP 4.01)	X		
The Strategic Environmental and Social Assessment (SESA) to be carried out under the project will serve to identify, avoid, and mitigate the potential negative environmental and social impacts associated with the final REDD+ Strategy. It will also serve to identify and promote potentially positive impacts and benefit sharing opportunities in connection with the Strategy. The SESA will influence the final national REDD+ Strategy, by ensuring that the consideration of social and environmental risks and potential impacts is a factor in its preparation. It will also provide guidance and key elements for the preparation of an Environmental and Social Management Framework (ESMF).			
Natural Habitats (OP/BP 4.04)	X		
The application of this policy seeks to ensure that all options proposed in the National REDD+ Strategy take into account the conservation of biodiversity, as well as the numerous environmental services and products that natural habitats provide to human society. Overall, REDD+ activities are expected to have significant positive impacts on natural habitats, as the country puts in place an effective strategy to reduce loss of natural forests. The SESA will address issues related to natural habitats and potential impacts of the National REDD+ Strategy, which will later be included in the ESMF.			
Forests (OP/BP 4.36)	X		
Overall, REDD+ activities are expected to have significant positive impacts on forests, in that the main goal of the program is to reduce deforestation and forest degradation, while contributing to the well-being of forest-dependent communities. Potential impact of the National REDD+ Strategy on natural forests will be assessed through the SESA and included in the ESMF. The SESA and associated ESMF will reflect the requirements of the Bank's Operational Policy regarding forest management, in particular as these relate to the establishment of plantations.			
Pest Management (OP 4.09)			X
This policy could be triggered depending on the final scope of the National REDD+ Strategy. Agricultural intensification and reforestation activities, for instance, could trigger the policy, depending on the methods employed by concrete activities on the ground to manage pests. The SESA will address critical issues related to pest management, as necessary, and these will also be included in the key elements for the ESMF.			
Physical Cultural Resources (OP/BP 4.11)			X
This policy could be triggered if REDD+ activities promote actions in areas containing sites deemed physical cultural resources by the Indigenous Peoples living there (e.g. holy sites such as sacred groves, sacred forests, etc.). Though it is not anticipated that the project will have negative impacts on any such sites, the existence of any such sites and the corresponding need to trigger this policy will be determined once the National REDD+ Strategy is completed.			
Indigenous Peoples (OP/BP 4.10)	X		
It is likely that some of the activities to be implemented as part of the National REDD+ Strategy would take place in areas inhabited by Indigenous Peoples (pygmies). This policy underscores the need for the government of the Republic of Congo to identify Indigenous Peoples, consult with them properly, and ensure that they participate in, and benefit from, REDD+ activities. Adverse impacts on Indigenous Peoples will be avoided. Drawing on the SESA, an Indigenous Peoples Planning Framework will be prepared, and integrated into the ESMF.			
Involuntary Resettlement (OP/BP 4.12)	X		
REDD+ activities will trigger Involuntary Resettlement in situations involving involuntary land acquisition and/or involuntary restriction of access to legally designated parks, protected areas, or forest management / reforestation areas. The policy aims to avoid involuntary resettlement to the extent feasible, or to minimize and mitigate its adverse social and economic impacts in cases where resettlement or other			

Safeguard Policies Triggered	Yes	No	TBD
involuntary restrictions cannot be avoided. Through the SESA process, any issues related to land acquisition or restriction of access will be identified, and a Resettlement Policy Framework will be prepared as part of the ESMF. To help identify and mitigate restriction of access to natural resources in protected areas, a Process Framework will be prepared as part of the ESMF.			
Safety of Dams (OP/BP 4.37)		X	
Projects on International Waterways (OP/BP 7.50)		X	
Projects in Disputed Areas (OP/BP 7.60)		X	

Annex I: Operational Risk Assessment Framework (ORAF)

Annex II: Preparation Schedule and Resource Estimate

Annex III: Terms of Reference for the Strategic Environmental and Social Assessment

Annex IV: Overall budget for REDD+ Readiness in the Republic of Congo

Annex I
Operational Risk Assessment Framework (ORAF)
REPUBLIC OF CONGO

REDD+ READINESS PREPARATION SUPPORT⁸

Project Development Objective(s)				
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+.				
PDO Level Results Indicators:	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">1. A National REDD+ Strategy (including its implementation framework) is prepared and validated by national stakeholders</td> </tr> <tr> <td style="padding: 2px;">2. A National Reference Emissions Level for REDD+ is available</td> </tr> <tr> <td style="padding: 2px;">3. An Environmental and Social Management Framework (ESMF) is prepared and validated by national stakeholders</td> </tr> </table>	1. A National REDD+ Strategy (including its implementation framework) is prepared and validated by national stakeholders	2. A National Reference Emissions Level for REDD+ is available	3. An Environmental and Social Management Framework (ESMF) is prepared and validated by national stakeholders
1. A National REDD+ Strategy (including its implementation framework) is prepared and validated by national stakeholders				
2. A National Reference Emissions Level for REDD+ is available				
3. An Environmental and Social Management Framework (ESMF) is prepared and validated by national stakeholders				

Risk Category	Risk Rating	Risk Description	Proposed Mitigation Measures	Timing for Mitigation: Prep/Impl. ⁹	
1. Project Stakeholder Risks					
1.1 Stakeholder	MI	<p>REDD+ is a mechanism still under discussion internationally. Some stakeholders have expressed concerns about various aspects of REDD+, including its potential adverse impacts on vulnerable forest-dependent communities. These NGOs are very active in RoC and have been following the REDD+ Readiness process closely. It should be noted that the REDD+ process enjoys strong support from national NGOs and the broader donor community.</p> <p>REDD+ attract a lot of international attention at</p>	The SESA will identify social and environmental risks and potential impacts arising from the national REDD+ Strategy, and prepare an ESMF.	√	√

⁸ The PDO, indicator and risks pertain to those activities financed by the FCPF.

⁹ Please see paras. 14-16 of the guidance note for details on filing in timing for mitigation measures.

		<p>present. This is leading to increased expectations on the part of the governments, civil society and even private sector. There could be backlash if RoC is not able to access REDD+ funds in the medium-term.</p> <p>REDD revenues may be captured by local elites (government, NGOs, community leaders or businesses), which would prevent them from reaching local forest-dependent communities.</p>	<p>The project team maintains close communication with national and international NGOs (both at the country level and internationally, with support from the FCPF Management Team) to make sure expectations are mitigated. Project team will work with Communication specialist at National Coordination to craft messages;</p> <p>SESA and the study on implementation framework will support identification of mechanisms to ensure transparent benefit sharing and avoid elite capture.</p>		
2. Operating Environment Risks					
2.1 Country ¹⁰	H	According to the CPIA, Congo is a high risk country from the fiduciary perspective.	The RoC has embarked on an ambitious reform program to increase transparency and improve governance in public sector management. Those reforms have been a significant acceleration over the last two years. The country has also implemented a series of public financial management reforms under the 2008 PFM Action Plan and the 2009 PIM reform plan	√	
2.2 Institutional (sector & multi-sector Level)	H	Strong multi-sectoral coordination is necessary to address the trade-offs between sectoral developments and REDD. There is a risk that not all Sectoral Ministries will coordinate to make REDD+ a reality in the RoC.	The National REDD+ Committee bring together all relevant Ministries, and will function as a coordination body for inter-sectoral activities;		√

¹⁰ Please see paras. 6 and 8 of the guidance note for details on completing this section.

		<p>A number of key policy and legal reforms have been adopted under the HIPC initiative in 2009, including decrees on environmental and social impact assessment, on community participation in forest land use planning, on more transparent concession allocation mechanisms and on reducing cross-sectoral land use conflicts. The WB is currently preparing a new Forest Sector operation that will support the Government in enhancing the capacities of the MDDEFE and attached structures to implement these policy reforms.</p> <p>The country is promoting forest certification, and has expressed commitment to enhancing forest governance. The new WB forest operation should also support enhancing forest governance.</p>	<p>The REDD+ Readiness process will be fully embedded in and contribute to the ongoing forest sector policy reforms, including those supported by the WB Forest Sector project under preparation;</p> <p>The team will seek to ensure that REDD+ serves as leverage for further reforms in the sector, by linking performance-based payments (REDD) to governance reforms.</p>		
3. Implementing Agency Risks (including FM & PR Risks)					
3.1 Capacity	ML	<ul style="list-style-type: none"> - The overall REDD Readiness process in RoC will involve intense discussions with stakeholders and coordination with other donors (including UN-REDD, AFD, etc.). In addition, it deals with complex technical issues, including economic, legal, policy and technical expertise. 	<ul style="list-style-type: none"> - The focus of this project is capacity building at various levels and domains (planning, monitoring, financial management, communication and stakeholder engagement, etc.) - Continued efforts in assessing capacity needs and proactively responding; 		√
3.2 Governance	MI	<ul style="list-style-type: none"> - A national REDD+ system will need to involve different levels of the government and various stakeholders. REDD+ revenues need to reach beneficiaries on the ground, mainly forest-dependent communities. - Some policy decisions on the national REDD+ legal framework will require strong levels of government commitment,- REDD+ can only succeed in a context of good governance – 	<ul style="list-style-type: none"> - Support government in creating clear rules for carbon transactions in the country and creating the capacity to implement those; - Support the establishment of clear rules on benefit sharing of REDD+ revenues. - Continued support to multi-stakeholder participation and 		√

		where rules for carbon transactions are transparent, revenue sharing schemes are known to stakeholders and respected, funds are managed properly.	transparency in the process.		
3.3 Fraud & Corruption	MI	<ul style="list-style-type: none"> - Funds will be managed by the PIU of the PCRTG, which has a good track record of managing FCPF funds. - Management and distribution of international REDD+ revenues present many opportunities for corruption, unless a transparent, efficient and effective mechanism to manage funds is established. 	<ul style="list-style-type: none"> - Period FM supervision of grant management; - Assess funds management options (including the creation of a National REDD Fund), based on international benchmarks and past national experiences; 		√
4. Project Risks					
4.1 Design	ML	The design of the project has been kept simple. It has also been prepared in close collaboration with the UN-REDD program, which will be financing part of the REDD+ Readiness process.	Continued interaction with donors during design and implementation.	√	√
4.2 Social & Environmental	MI	A SESA will be conducted, to identify the social and environmental risks and potential impacts associated with REDD+, and ensure they are considered in the design of the REDD+ Strategy. Capacity to deal with social and environmental risks will also be strengthened at the national level.	<ul style="list-style-type: none"> - Close supervision of the preparation of the SESA (including support of a dedicated WB consultant). - Continue capacity building for stakeholders on SESA. - An ESMF that incorporates the elements corresponding to the applicable safeguard policies (such as an EMF, IPPF, RPF, and/or Process Framework, as necessary) will be prepared and will support the country in managing and mitigating negative environmental and social impacts from the implementation of the National REDD+ Strategy (including impacts on natural habitats and forests, and social impacts). 		√
4.3 Program & Donor	ML	There is interdependence across activities	- Continued support to the efforts of	√	√

		<p>financed by the FCPF and other donors, mainly the UN-REDD program. However, the FCPF support has been designed in close coordination with the UN-REDD Program to ensure synergies. Coordination with the UN-REDD program will be ensured through: i) joint supervision missions; ii) frequent communication between the programs; iii) use of the R-PP by the two programs as the overall document providing guidance for support to the national REDD+ readiness process; iv) having the same interlocutor at the government level (the National REDD+ Coordination in MDDEFE).</p> <p>The R-PP financial needs add up to USD15.5 million, and the FCPF will finance only USD3.4 million. Hence, the overall success of the Readiness process depends on the mobilization of additional financing.</p>	<p>the National REDD+ Coordination of coordinating support to the overall Readiness process.</p> <ul style="list-style-type: none"> - Ensure close contact with other donors, particularly UN-REDD. Support the Government in coordinating with other donors. - Continued communication effort to clarify what is financed by the FCPF versus what is financed by other agencies. 		
4.4 Delivery Quality	MI	<p>The total financial needs for the REDD+ Readiness process adds up to over USD15.5 million. The country has secured around USD7 million so far. The FCPF has just introduced a provision that allows country to request up to USD 5 million in additional grant resources at mid-term review.</p> <p>The National Household Survey is not under the control of the MDDEFE; hence its implementation could be delayed.</p>	<ul style="list-style-type: none"> - Support the fund-raising efforts of the government, resorting to WB convening power. - The FCPF-funded activities have been selected strategically, to support priority REDD+ Readiness needs that allow the country to progress in getting 'ready' - Tap into additional FCPF resources once country is able to show considerable progress in REDD Readiness. - Work closely with the Ministry of Planning (responsible for the Survey) to monitor progress, and adapt accordingly. 	√	√
4.5 Institutional framework	H	A national REDD+ system entails the creation of a framework to reward those activities that can	- Support the inclusion of REDD+-related institutional reforms in		√

		effectively reduce deforestation. This will take gradual institutional reforms to the forest, land and agriculture institutional and legal frameworks.	ongoing policy reforms (such as the reform of the new Environment Framework Law). - Communicate to all stakeholders the 'progressive' nature of REDD+ Readiness, which is not a static point in time but a process of gradual capacity strengthening towards sustainable forest management.		
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A - Proposed Rating before Concept Review:

Project Team	Risk Rating: Preparation	Risk Rating: Implementation	Date	Comments
Overall Risk	MI	MI	September 20, 2011	Governance risks (mismanagement of funds, elite capture, non-transparent decision-making) are likely to happen given the current governance situation at the country level. However, the impact to local stakeholders would not be high, as it is unlikely that substantial REDD+ funds would be available before most prominent governance challenges are addressed. It should be noted that this grant does not deal with on-the-ground investments at this stage, but rather focus on high-level support to the process of designing a national REDD+ strategy and its legal framework. Finally, it should be noted that there is a high reputational risk to the WB from this operation, as REDD attracts high visibility internationally and the WB can be seen to be funding the full REDD+ Readiness support, when in reality it finances only a part of it.

Final Decision Meeting Rating:

PCN Decision Chair	Risk Rating: Preparation	Risk Rating: Implementation	Processing Track	Date	Comments
Overall Risk	High	High	Regular	10/25/11	

Annex II

Preparation Schedule and Resource Estimate

Preparation Schedule				
	Dates			
<i>Milestone</i>	<i>Basic</i>	<i>Forecast</i>	<i>Actual</i>	
<i>AIS Release</i>				
<i>Concept Review</i>	<i>10/25/2011</i>		<i>10/25/2011</i>	
<i>Readiness Preparation Grant signed</i>	<i>11/20/2011</i>			
<i>Readiness Package Assessment</i>	<i>12/15/2014</i>			
Sector Unit Estimate of Resources Required from Preparation through Approval				
Source of Funds	Identification and Preparation Expenses to Date (US\$)	Estimate of Resource Requirements (US\$)		
		Fixed	Variable	
<i>Bank Budget</i>				
<i>Trust Funds</i>	116,809.25	210,000	80,000	
Team Composition				
<i>Name</i>	<i>Title</i>	<i>**Role</i>	<i>Unit</i>	<i>UPI</i>
Simon Rietbergen	Sr. Forestry Specialist	Team Leader	AFTEN	55111
André Aquino	Carbon Finance Specialist		AFTEN	257732
Paul Martin	Sr. Environmental Specialist		AFTEN	22698

Antoine Lema	Sr. Social Development Specialist		AFTCS	156795
Nicolette K. Dewit	Lead Counsel		LEGAF	14500
Alexander Lotsch	Senior Carbon Finance Specialist		ENVCF	258344
Marc Rodriguez	Social Specialist (Consultant)		AFTEN	51542
Clement Tukeba Lessa Kimpuni	Sr. Procurement Specialist		AFTPC	307841
Jean Charles Kra	Sr. Financial Management Specialist		AFTFM	251377
Karine Noelle Mouketo-Mikolo	Team Assistant		AFCC2	370480

Annex III . Terms of Reference for the Strategic Environmental and Social Assessment

L'EESS permet d'intégrer les considérations environnementales et sociales dans le processus de préparation à REDD à deux niveaux :

- A. le niveau stratégique qui permet de faire les évaluations des insuffisances et les lacunes à combler ;
- B. la mise en place du cadre de gestion environnementale et social, après évaluation des impacts environnementaux et sociaux des actions spécifiques de la mise en œuvre de la stratégie REDD+ en établissant les liens avec les clauses de sauvegarde de la Banque mondiale.

Sur la base de ces deux niveaux de préparation, l'EESS doit se faire avec des termes de références qui vont aider à ressortir les éléments environnementaux et sociaux découlant des activités de la mise en œuvre de la REDD. Les structures impliquées ont la charge de préparer et de valider les TDR, de commun accord avec la coordination REDD.

Les prestations de services sont faites par des consultants nationaux qui peuvent être des cabinets, des bureaux d'études, des associations ayant un agrément en cours de validité ou des consultants individuels ayant une expérience bien reconnue dans le domaine. Le tout sur la double coordination du Ministère du Développement Durable et de la REDD.

Objectifs

- (i) Analyse des conséquences potentielles des options stratégiques et du cadre de mise en œuvre de REDD+ sur les milieux environnemental et social ;
- (ii) Propositions par rapport de la prise en considération des impacts potentiels lors de la finalisation de la stratégie nationale de REDD+ et du cadre de mise en œuvre y relatif ;
- (iii) Développement d'un cadre réaliste de gestion et d'atténuation des impacts environnementaux et sociaux potentiels de la mise en œuvre de la stratégie REDD+.

Résultats attendus

- (i) Les impacts et le degré d'atteinte des objectifs assignés du point de vue du rétablissement des activités économiques et de l'amélioration des conditions de vie des populations sont établis.
- (ii) Les recommandations pour approfondir et pérenniser les impacts du projet et améliorer la conception des projets à venir dans la mise en œuvre de la REDD+ sont formulées.
- (iii) Un programme de renforcement des capacités de l'Agence Nationale de l'Environnement, du Ministère du Développement Durable et des autres parties prenantes pour l'intégration des mesures dans la stratégie REDD+ sont renforcées.
- (iv) Des actions simples et efficaces économiquement permettant d'atténuer les impacts environnementaux négatifs et de renforcer les impacts positifs sont proposées.

Activités indicatives

- (i) Développer le plan de travail pour l'élaboration de l'EESS, incluant un plan de consultation des parties prenantes, ainsi qu'un programme pour le renforcement des capacités des principales parties prenantes.
- (ii) Etablir la situation de départ des domaines environnemental et social potentiellement affectés par la mise en œuvre de la stratégie REDD+, incluant notamment une analyse des efforts entrepris auparavant pour adresser les principales causes de la déforestation et de la dégradation des ressources forestières.
- (iii) Analyser la cadre légal et institutionnel en relation avec lutte contre la déforestation et la dégradation des forêts, incluant les réglementations internationales et des organisations internationales, ainsi qu'une analyse de l'adéquation des outils juridiques et des structures actuels.
- (iv) Déterminer les impacts potentiels des différentes options stratégiques provisoires mentionnées dans la composante 2b et sur l'environnement et le milieu social par rapport à des critères nationaux et, le cas échéant, internationaux, plus particulièrement les politiques de sauvegarde environnementale et sociale de la Banque Mondiale.

(v) Analyser l'importance des impacts potentiels de la stratégie REDD+ et leur disposition dans l'espace, afin de permettre une hiérarchisation et une spatialisation des effets de REDD+ sur l'environnement et le milieu humain.

(vi) Proposer un cadre de gestion des impacts environnementaux et sociaux de la stratégie nationale REDD, intégrant des mesures concrètes pour éviter, atténuer et si possible compenser les impacts négatifs et de renforcement des impacts positifs.

(vii) Développer des propositions concrètes par rapport à l'échange et la communication des informations et des conclusions issues des évaluations environnementales auprès des différentes parties prenantes et ainsi d'assurer leur prise en compte dans la finalisation de la stratégie nationale REDD+.

Annex IV. Overall budget for REDD+ Readiness in the Republic of Congo (as presented in the final version of the R-PP)

Sous-composante 1a - Coordination de l'ensemble du processus REDD						
Catégorie	Description/ Activités	2011 [US\$]	2012 [US\$]	2013 [US\$]	2014 [US\$]	Total [US\$]
Consultants	Recrutement d'un consultant pour développement des textes de création des structures REDD (CONA, CD et CN-REDD)	25'000	-	-	-	25'000
	Recrutement du personnel de la Coordination Nationale REDD (un Coordonnateur National, six responsables de cellule et un assistant logistique)	70'000	185'000	185'000	185'000	625'000
	Assistance technique internationale à la coordination nationale REDD+	-	150'000	150'000	-	300'000
	Recrutement d'un bureau d'études pour développer et mettre en œuvre un programme de renforcement des capacités du CONA, des CD et de la CN-REDD+	25'000	75'000	75'000	-	175'000
	Recrutement de consultants et de bureaux d'études pour assurer la gestion financière du programme de préparation à REDD	15'000	45'000	45'000	45'000	150'000
	Recrutement d'un cabinet pour effectuer les audits annuels du programme de préparation à REDD+	-	50'000	50'000	50'000	150'000
Formations et Ateliers	Promulgation des textes et institution des structures de gestion de la préparation à REDD+	5'000	-	-	-	5'000
	Réunions du Comité National REDD+	12'000	21'000	21'000	21'000	75'000
	Réunions des Com. Dép. REDD+	50'000	100'000	100'000	100'000	350'000
Fournitures	Equipement du Comité National REDD+	-	10'000	-	-	10'000
	Equipement des Com. Dép. REDD+	25'000	75'000	-	-	100'000
	Equipement de la Coord. Nat. REDD+	10'000	15'000	-	-	25'000
	Acquisition d'un véhicule double cabine pour la Coordination Nationale	50'000	-	-	-	50'000
Fonctionnement	Frais de mission des Membres de la CN REDD+ à l'intérieur du pays et à l'étranger (formations et communication)	20'000	25'000	25'000	25'000	95'000
	Fonctionnement du CONA REDD+	2'000	6'000	6'000	6'000	20'000
	Fonctionnement des Com. Dép. REDD+	10'000	30'000	30'000	30'000	100'000
	Fonctionnement de la CN REDD+	20'000	35'000	35'000	35'000	125'000
	Prise en charge du personnel d'appui de la CN REDD+ (Secrétaire, chauffeur, etc.)	6'000	13'000	13'000	13'000	45'000
	Location des bureaux de la Coordination Nationale REDD+ 2011-2014	4'000	12'000	12'000	12'000	40'000
Organisation des réunions techniques en 2011 et 2012	4'000	7'000	7'000	7'000	25'000	
Total composante 1a		353'000	854'000	754'000	529'000	2'490'000

Sous-composante 1b - Consultations multipartites						
Catégorie	Description/ Activités	2011 [US\$]	2012 [US\$]	2013 [US\$]	2014 [US\$]	Total [US\$]
Consultants	Assistance technique pour la mise en œuvre du plan de consultation	20'000	40'000	-	-	60'000
	Conception des supports de communication et de consultation	10'000	20'000	-	-	30'000
	Formation des formateurs pour les consultations	-	30'000	-	-	30'000
	Appui technique pour le renforcement des capacités au niveau des plates-formes de consultation sur la REDD	25'000	100'000	-	-	125'000
Formations et Ateliers	Appui à la création des plates-formes départementales	35'000	-	-	-	35'000
	Emissions dans des Radio communautaires existantes (à être exécuté par les Comités Départementaux) et animation culturelles (sketch, pièces théâtrales, récital de musique)	25'000	40'000	40'000	-	105'000
	Ateliers de formation des formateurs au niveau des plates-formes	25'000	50'000	50'000	-	125'000
	Organisation des ateliers départementaux et d'un atelier national de validation de la stratégie nationale (composante 2a Préparation stratégies REDD)	-	-	45'000	-	45'000
	Organisation des ateliers de consultation sur le scénario de référence et le MRV (composantes 3 et 4)	-	25'000	25'000	-	50'000
	Organisation de l'atelier national sur l'EES	-	25'000	-	-	25'000
	Conduite d'actions de sensibilisations et de consultation (sous-traitance ONG)	100'000	200'000	200'000	-	500'000
	Equipement pour les consultations	-	25'000	25'000	-	50'000
Fournitures	Achat d'un véhicule pour les consultations (cellule IEC)	-	50'000	-	-	50'000
	Production de divers outils de sensibilisation et de Communication	30'000	50'000	50'000	-	130'000
Fonctionnement	Organisation d'ateliers de consultation	20'000	45'000	45'000	-	110'000
	Entretien et carburant du véhicule pour les consultations	10'000	20'000	20'000	-	50'000
Total composante 1b		300'000	720'000	500'000	0	1'520'000

Composante 2a: Analyse de la situation						
Catégorie	Description/ Activités	2011 [US\$]	2012 [US\$]	2013 [US\$]	2014 [US\$]	Total [US\$]
Consultants	Recrutement d'un Bureau d'étude pour réaliser une étude d'analyse, de spatialisation et de pondération des causes de la déforestation et de la dégradation forestière	50'000	160'000	-	-	210'000

Formations et Ateliers	Atelier de validation des études sur les causes et les facteurs sous-jacents de la déforestation et de la dégradation des forêts	-	25'000	-	-	25'000
	Appui à la participation de l'Observatoire Indépendant de la REDD+ (OIREDD+) dans l'analyse des causes de la déforestation et de la dégradation des forêts	10'000	30'000	30'000	30'000	100'000
	Ateliers de validation des études spécifiques sur les options stratégiques	-	25'000	-	-	25'000
Fournitures	Acquisition de la documentation nécessaire à l'analyse des causes et des facteurs sous-jacents de la déforestation et de la dégradation des forêts	-	20'000	20'000	-	40'000
Total Composante 2a		60'000	260'000	50'000	30'000	400'000

Composante 2b: Préparation Stratégie REDD+						
Catégorie	Description/ Activités	2011 [US\$]	2012 [US\$]	2013 [US\$]	2014 [US\$]	Total [US\$]
Consultants	Recrutement d'un Bureau d'étude pour réaliser une analyse approfondie des options stratégiques REDD+ proposées dans la R-PP	50'000	160'000	-	-	210'000
	Appui technique au développement des projets et initiatives pilotes REDD+ (lien avec base de données des projets pilotes et le guide des projets pilotes REDD+)	30'000	25'000	-	-	55'000
	Développement et maintien d'une base de données sur les projets et les initiatives pilotes REDD+ (lien avec le guide des projets pilotes REDD+ dans 2c)	20'000	30'000	30'000	20'000	100'000
	Revue des résultats des études spécifiques et des expériences des projets et initiatives pilotes par rapport aux options stratégiques REDD+	-	25'000	25'000	-	50'000
	Finalisation de la stratégie nationale REDD+	-	-	40'000	-	40'000
	Financement de la mise en œuvre des projets et initiatives pilotes REDD+	800'000	2'400'000	2'400'000	2'400'000	8'000'000
Formations et Ateliers	Ateliers de validation de la stratégie nationale REDD+	-	20'000	30'000	-	50'000
	Restitution de la stratégie nationale REDD+ (experts nationaux, atelier, communication)	-	-	20'000	15'000	35'000
Fournitures	Achat d'un véhicule pour le suivi des projets pilotes (cellule action)	-	50'000	-	-	50'000
Total composante 2b		900'000	2'710'000	2'545'000	2'435'000	8'590'000

Sous-Composante 2c - Préparation du cadre de mise en œuvre						
Catégorie	Description/ Activités	2011 [US\$]	2012 [US\$]	2013 [US\$]	2014 [US\$]	Total [US\$]

Consultants	Recrutement d'un Bureau d'étude pour développer et mettre en place les éléments du cadre de mise en œuvre de la REDD+ (guide de projets pilotes et législation REDD)	50'000	100'000	-	-	150'000
	Recrutement d'un bureau d'études pour développer un guide des projets pilotes REDD+ (lien avec la base de données des projets REDD+ dans la composante 2b)	-	25'000	-	-	25'000
	Consultant national pour développer les instruments de mise en œuvre de la REDD+	-	10'000	-	-	10'000
Formations et Ateliers	Atelier de validation et renforcement des capacités de la société civile sur le guide des projets pilotes REDD+	-	10'000	-	-	10'000
	Ateliers de consultation et de validation ainsi que renforcement des capacités sur la législation nationale REDD+	-	20'000	20'000	20'000	60'000
	Ateliers de validation, de sensibilisation et de renforcement des capacités sur les instruments de mise en œuvre de REDD+	-	15'000	15'000	15'000	45'000
Total composante 2c		50'000	180'000	35'000	35'000	300'000

Sous-Composante 2d - Evaluation environnementale et sociale stratégique (EESS)						
Catégorie	Description/ Activités	2011 [US\$]	2012 [US\$]	2013 [US\$]	2014 [US\$]	Total [US\$]
Consultants	Assistance technique (consultant national) pour l'EES au niveau de l'Agence Nationale de l'Environnement	-	25'000	-	-	25'000
	Recrutement d'un Bureau d'étude pour conduire les travaux techniques liés à l'EES	100'000	200'000	-	-	300'000
Formations et Ateliers	Ateliers de consultation, de validation et de renforcement des capacités à mener dans le cadre de l'EES	-	50'000	50'000	-	100'000
Total composante 2d		100'000	275'000	50'000	0	425'000

Composante 3 - Préparation de Scénario de Référence						
Catégorie	Description/ Activités	2011 [US\$]	2012 [US\$]	2013 [US\$]	2014 [US\$]	Total [US\$]
Consultants	Recrutement d'un Bureau d'étude pour développer et mettre en œuvre l'analyse nationale de la déforestation et la dégradation des forêts	50'000	150'000	50'000	-	250'000
	Assistance technique (consultants internationaux et nationaux à 100%) en matière de système MRV au niveau du CENIAF	25'000	50'000	50'000	-	125'000
	Recrutement d'un assistant technique pour la mise en cohérence de l'approche IIASA	-	20'000	-	-	20'000
Formations et Ateliers	Contribution de la CN REDD dans les enquêtes auprès des ménages	50'000	100'000	-	-	150'000

	Ateliers de consultation, de validation et de renforcement des capacités à organiser dans le cadre du développement du scénario de référence	7'000	20'000	20'000	-	47'000
	Bourse de thèse à réaliser dans le cadre du développement du scénario de référence national	-	18'000	-	-	18'000
Fournitures	Matériel informatique au niveau du CENIAF	-	10'000	15'000	-	25'000
Fonctionnement	Maintenance du matériel informatique	2'000	6'000	6'000	6'000	20'000
	Total composante 3	134'000	374'000	141'000	6'000	655'000

Sous-Composante 4a - Développement du système MRV						
Catégorie	Description/ Activités	2011 [US\$]	2012 [US\$]	2013 [US\$]	2014 [US\$]	Total [US\$]
Consultants	Recrutement d'un assistant technique (consultant international) au niveau de la cellule MRV de la CN-REDD+	25'000	50'000	50'000	-	125'000
	Recrutement d'un bureau de consultants pour le développement et la mise en œuvre test du système MRV	25'000	125'000	125'000	-	275'000
	Audit externe QA/QC	-	35'000	35'000	-	70'000
Formations et Ateliers	Renforcement capacités de la cellule MRV	-	50'000	50'000	-	100'000
	Renforcement des capacités des autres intervenants	5'000	15'000	15'000	-	35'000
Fournitures	Matériel informatique et de terrain de la cellule MRV	-	25'000	25'000	-	50'000
	Véhicule pour la cellule MRV	50'000	-	-	-	50'000
Fonctionnement	Location, entretien, etc.	2'000	6'000	6'000	6'000	20'000
	Entretien et carburant véhicule de la cellule MRV	4'000	12'000	12'000	12'000	40'000
	Total composante 4a	111'000	318'000	318'000	18'000	765'000

Sous-Composante 4b - Suivi des autres bénéfiques et risques						
Catégorie	Description/ Activités	2011 [US\$]	2012 [US\$]	2013 [US\$]	2014 [US\$]	Total [US\$]
Consultants	Recrutement d'un cabinet d'études pour le développement du système de suivi des autres bénéfiques et risques	10'000	30'000	-	-	40'000
	Appui technique (consultants nationaux) à l'ANE dans la mise en œuvre du système de suivi des autres bénéfiques et risques (y compris actions correctives)	-	25'000	-	-	25'000
	Renforcement technique (consultants nationaux et internationaux) de l'Observatoire Indépendant de la REDD+ (OIREDD)	10'000	30'000	30'000	30'000	100'000

Formations et Ateliers	Renforcement des capacités au niveau de l'ANE dans la mise en œuvre du système de suivi des autres bénéficiaires et risques	-	25'000	-	-	25'000
	Renforcement des capacités de l'Observatoire Indépendant de la REDD+ (OIREDD)	-	25'000	-	-	25'000
Fournitures	Matériel informatique pour l'ANE	10'000	-	-	-	10'000
	Matériel informatique pour l'Observatoire Indépendant de la REDD+ (OIREDD)	10'000	-	-	-	10'000
Fonctionnement	Renforcement opérationnel de l'ANE	-	25'000	25'000	-	50'000
	Renforcement opérationnel de l'Observatoire Indépendant de la REDD+ (OIREDD)	-	25'000	25'000	-	50'000
	Maintenance et consommables ANE	-	5'000	5'000	-	10'000
	Maintenance et consommables de l'Observatoire Indépendant de la REDD+ (OIREDD)	-	5'000	5'000	-	10'000
Total composante 4b		40'000	195'000	90'000	30'000	355'000