

Carbon Fund Participants' Consolidated Comments on the Republic of Congo's Advanced Draft ER-PD

The FCPF Carbon Fund Participants (CFPs) congratulate the Republic of Congo on the preparation of a comprehensive ERPD. The proposed program represents around 60% of the national forest area, including Congo's richest forest, which makes the program ambitious and a good test case for REDD+ in the region. The CFPs appreciate also that the document builds on the Republic of Congo's national REDD+ strategy and its NDC. However, the CFPs also note that current government policies, such as the expansion of mining, infrastructure and palm oil development, and the recent increase in deforestation raise serious concerns regarding the effectiveness of the program and the country's political will for REDD+. CFPs acknowledge that the overall approach to carbon accounting is sound while further clarity and improvements are encouraged on the issues outlined below.

Program design

CFPs strongly encourage the Republic of Congo to clearly demonstrate high-level political commitment for the ER program and provide evidence of cross-sectoral coordination and implementation. Both will be required to address the main drivers of deforestation effectively, especially in terms of conflicting land use pressures in the program area and risks of leakage to other departments. How will program integrity be ensured if deforestation in the program area is projected to increase significantly in the coming years as a result of agro-business (palm oil) and mining expansion planned by the government? A more profound analysis would be helpful, especially showing the concessions under development at national level and the respective companies owning those concessions. CFPs are also concerned about overlaps between different land uses that have been reported (e.g. in 2016 the Ministry of Mining has granted several permits for mining activities partly overlap with the Odzala National Park).

CFPs note that the large spread of institutional responsibilities between different ministries as well as regional and local bodies raises capacity concerns.

CFPs request more information about the following land and forest governance challenges: What type of land use planning process (e.g. overarching framework for allocating and optimizing land use, and defining procedures in case of conflict) will be created to support the ER program? How will the Republic of Congo ensure that procedures for land use allocations (e.g. palm oil plantations) are transparent and incorporate meaningful public participation in decision making?

CFPs would appreciate more information about the practical implications of the legal framework on tenure, e.g. potential conflicts where concessions and traditional rights overlap. Furthermore, it would be helpful to better understand how the new forest code may impact the rights of LCIPs.

CFPs recommend to provide additional information on the drivers analysis, in particular to better understand the dynamics of palm oil expansion and leakage risks (when were the concessions granted, how much of the concessions are still forested, cleared, planted and producing). The ER-PD mentions 2.5 million ha under FSC certification but there is no discernible analysis of the effectiveness and impact in comparison to non-FSC concessions. In addition, it would be helpful to better understand how the development of transport infrastructure to improve farmers' access to markets is related to

planned improvements in infrastructure, which could lead to a 234% increase in deforestation from upgrading the transport network (p. 52). It would also be helpful to explain why emissions have been almost doubling in recent years (population growth of almost 3% is high but not a sufficient reason).

The proposed support to the development of cash crops in community development zones (CDZs) in forest concessions could have negative impacts on other forest areas beyond CDZs, e.g. as a result of subsistence agriculture/fuelwood needs, improved infrastructure, in-migration, economic and demographic growth. Are there any plans/strategies for the management of these risks?

It would be useful to provide more detail regarding the coordination of the different funding sources including the FIP, WB forest sector support, GEF, AFD, CAFI, FLEGT as well as any domestic investments.

How will the participation of the private sector, which manage 60% of the ER program area, be ensured? Commitment of the private sector will be crucial for the success of the program.

Safeguards

CFPs ask the Republic of Congo to update information about the finalization of safeguard instruments (ESMF and sub-frameworks) and FGRM. It would also be helpful to add details about any existing formal and/or customary grievance redress mechanisms. CFPs agree with the TAP that it is important to outline a process to operationalize the FGRM.

Carbon Accounting

CFPs seek clarification regarding the definition of “degraded forests” (defined in the ER-PD as forests with 30-75% canopy cover), which may skew carbon stock trends and allow for agricultural development on minimally degraded forest land. Additionally, as referenced in the TAP assessment for Indicator 12.1, it should be clearly demonstrated that the forest definition is applied consistently across activity data. The definition of cocoa plantations as "degraded forest" carries a significant risk that natural forest, and particularly degraded natural forest, is substituted by agricultural crops. CFPs encourage the Republic of Congo to revise the accounting approach to ensure that emissions from forests being replaced by agricultural crops are accounted for (see also TAP comments on Indicator 17.1.).

In addition, the ER-PD seems to propose to account the conversion of natural open forest to degraded forest as zero, as the degraded forest is expected to hold more carbon than the natural open forest. Unless something else is actively planted after the conversion of open natural forest, we do not see how this could be possible. If something else is substituting the open natural forest, we suggest that the carbon loss from the natural forest is accounted for in an environmentally integral manner, i.e. as emission (see also accounting approach for substitution on natural ecosystems by plantations in Chile’s ER-PD).

The ER-PD seems to assume a very small loss of carbon when wetlands/swamp forest are converted to deforested area or degraded forest. If this is indeed the case, this needs further justification, as carbon stock in e.g. peatlands can be very significant. The importance of Congo Basin wetland ecosystems is highlighted in recent scientific literature¹, and the program area contains a very significant area of wetland/swamp forest. The area of these forest types are even larger than the primary forest category. In the CFPs view, these ecosystems are likely to hold massive amounts of

¹ <http://www.nature.com/nature/journal/vaop/ncurrent/full/nature21048.html>. Popularized version: <https://www.theguardian.com/environment/2017/jan/11/worlds-largest-peatland-vast-carbon-storage-capacity-found-congo>

carbon in their soils, and emissions from these soils should therefore be accounted for. **CFPs therefore asks RoC to provide an analysis of possible data sources and a suggested approach that could be used to follow the development also of the soil carbon pool of wetlands/swamp forests.** As this forest type has experienced very little disturbance in the past, but future driver activity in the program area in general is expected to increase very significantly, the CFPs consider that neither sub-point of Indicator 4.2 in the Methodological Framework seem to be applicable for this Carbon Pool. I.e. the sub-point on Indicator 4.2 on conservativeness is only valid if emissions from the pool in question is expected to decrease in the coming years (excluding the pool would in this case lead to underestimation of ERs). This does not seem to be the case for this carbon pool (low historical emissions, and expected increased conversion of these lands without accounting the soil carbon, could potentially camouflage significant increases in emissions).

In line with the TAP findings, CFPs suggest that the Republic of Congo reconsiders if the separation between planned and unplanned emissions is constructive in the description of the average annual historical emissions. Such information is relevant for policy development but it can also create confusion in the context of a reference level description.

On Indicator 8.1, we agree with the TAP recommendation to revise the ER-PD to provide a more thorough treatment of systematic errors. CFPs recommend the Republic of Congo to attempt to correct for systematic errors already assessed/identified in order to reduce uncertainty and overestimation in the reference level (in particular in relation to estimating the areas of deforestation and forest degradation and the area defined as 'forest').

On Indicator 9.1, CFPs strongly encourage the Republic of Congo to provide sufficiently detailed information to understand how the uncertainty analysis was quantified and how the approach is consistent with international standards. Alternatively, the Republic of Congo could redo the uncertainty analysis using standard and transparent approaches (e.g. Monte Carlo analysis).

On Indicator 10.3, CFPs agree with the TAP recommendation to provide information how the program's carbon accounting approach and data collection is relevant for the national GHG inventory. This information is important since it is unclear how uncertainty has been addressed and reduced.

Although Indicator 13.3 on adjustments was met, the TAP raises concerns regarding the complexity of quantifying future emission trends from deforestation and forest degradation. CFPs agree with the TAP recommendation to describe the adjustment more transparently and suggest to avoid complex modelling approaches if possible. Furthermore, CFPs seek clarification for the strong increase in deforestation between 2012-2015.

On Indicator 18.2, CFPs agree with the TAP comments and recommend the Republic of Congo to include a description of how reversal risks could be mitigated beyond the 5-year term of the ERPA, particularly since the monitoring system may not be able to detect reversals of emission reductions already accounted for (see also Indicator 21.1 below).

On Indicator 21.1, CFPs agree with the TAP that a 5% threshold for total forest area in the program area is too high as a trigger to account for emission reductions on hold once there are reversals. CFPs recommend to lower the threshold to a more acceptable level that can still be monitored and reported accurately.

Furthermore, the ER-PD acknowledges that the IFN set of plots are too sparse in order to derive emission factors for classes other than primary and wetland forests (p. 141-142). In order to address this issue, the ER-PD proposes to use satellite LiDAR samples calibrated with the IFN plots for the emission factors. However, the LiDAR model was derived with very few IFN plots from LULC classes,

other than primary and wetland forests, and also with plot data from other countries in Central Africa. CFPs seek more information on: a) how these LiDAR models, mainly calibrated with primary and wetland forests, would be applicable to other LULC classes; b) how the data from these other Central Africa plots are applicable to the conditions of the ER program area.

CFPs seek clarification on the meaning of the following section on p. 136 in the ER-PD: “The accuracy assessment of the 2003-2012 change map was performed using Olofsson et al. (2014) and resulted in the estimation of post-stratified estimators of deforestation and degradation using the reference data obtained via sampling. These estimates have not been used for estimating the average historical emissions as they result in very high statistical precision which could compromise seriously the monitoring of the ER program (i.e. the relative margin of error of the adjusted area of deforestation is 45%, meaning that the truth could be anywhere 45% above or below the estimate), which would not occur using consistent methods to provide wall-to-wall maps.”

Finally, CFPs would appreciate clarification and/or information on the following issues:

- On Indicator 12.1, CFPs seek clarification what the minimum mapping unit is.
- Table 31 on p. 138 seems to indicate that the area of primary forest was larger in 2012 than in 2003. Is this indeed the case? If so, how can this be explained?
- The ER-PD speaks of time-series analysis repeatedly, then it mentions specific points in time and land use maps being produced. It is not clear what is used for change detection – time series analysis or map comparison?
- CFPs ask the Republic of Congo to provide more information on the methods used for monitoring degradation, in particular if those are the best available in the country (Indicator 3.3).