

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TF0A0104
Printed On: 09/22/2017

Reporting Period: 07/01/2016 to 06/30/2017
Report Type: Progress Report
Report Status: Approved

Assignment: TF0A0104

MDG FCPF Readiness Preparation Grant FCPFR - Forest Carbon Partnership Facility

Task Team Leader: 00000410917 - Benjamin Garnaud
Approving Manager: 00000086169 - Benoit Bosquet

Summary Information	
TF Status	ACTV
Recipient Country	Madagascar
Executed By	Recipient
Managing Unit	9268 - GEN07
Grant Start Date / End Date	05/15/2015 to 06/30/2019
Original Grant Amount	3,800,000.00
Grant Amount	3,800,000.00
Outstanding Commitments	0.00
Cumulative Disbursements	2,664,705.24 as of 06/30/2017
Disbursed 07/01/2016 to 06/30/2017	1,781,469.92
Donor	TF602001 - MULTIPLE DONORS

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

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref.	TF0A0104	Reporting Period:	07/01/2016 to 06/30/2017
Printed On:	09/22/2017	Report Type:	Progress Report
		Report Status:	Approved

OVERVIEW

Overall Assessments

Grant Objectives:

The development objective is improved institutional capacity and governance to design a national REDD+ strategy.

Overall progress from 07/01/2016 to 06/30/2017 with regard to Achieving Grant Objectives:

Comment:

The REDD+ readiness process in Madagascar continues to advance rapidly and is on track to achieve program objectives. Activities related to project management are now well established, and Madagascar has made significant progress to strengthen institutional arrangements at national and regional levels, build national capacity, engage stakeholders, prepare a Strategic Environmental and Social Assessment (SESA) and related draft safeguards instruments, and develop a national REDD+ strategy. Communication with stakeholders has improved and a dedicated REDD+ website is launched. Madagascar has submitted an R-Package in August 2017 and a preliminary Emissions Reduction Program Document (ERPD) that is being revised following TAP review. Additional Funding (\$5M) has been requested and provided by the FCPF and Madagascar has designed it to strengthen capacity within the ER Program Area, identify new financing opportunities and develop baseline studies nationally (for example in the spiny and mangrove ecoregions).

The technical aspects of readiness are progressing well, the challenge will be to continue managing the funding generally, to use the resources to identify and build capacity of partners for implementing the REDD+ Program, and to identify investment financing.

Overall progress from 07/01/2016 to 06/30/2017 with regard to Implementation of Grant Financed Activities:

Comment:

Implementation is going well, approximately 70% is disbursed, nearly all is committed and additional funding of \$5M is nearly effective, with delays arising related to new procedures for opening bank accounts within the government. The BNCR team has developed their capacity and fiduciary management and procurement, however needs to continue to improve in the processing of contracts quickly and effectively.

Grant follow-up and structure

Description and context of Grant:

Developing an effective program for managing Madagascar's forests will depend on the ability to address underlying drivers of deforestation and forest degradation. Years of experience with the development of an extensive network of protected areas has demonstrated that effective conservation must focus on the human and economic dimensions of development in order to conserve natural resources. The principal cause of present-day anthropogenic deforestation in Madagascar is slash-and-burn, or swidden agriculture, known in Malagasy as tavy. Nationwide, it is estimated that 80 to 95 percent of deforestation occurs as a result of the use of fire to convert forest to agricultural land through tavy. Extraction of wood, predominantly for fuelwood or charcoal production, accounts for between 5 and 20 percent of deforestation and logging has effects both on forest cover and individual species viability. In this context sustainable management of forests has to be intrinsically linked to improving living conditions and the REDD+ strategy is developed with this vision. It is also the consistent approach embodied in the ER Program that is in the process of revision. Conservation alone is not enough and REDD+ readiness resources are being used to advance the innovative approach in the country.

The approach to investment at the landscape level is intrinsically linked to the ER-Program which will focus on key drivers of deforestation and carbon stock enhancements that will be consistent with the national REDD+ strategy. These investments are designed to lead to GHG emissions reductions that will lead the country to the performance-based payments outlined in the ER-Program. This approach will also support a more sustainable development trajectory that bolsters local livelihood improvement and not just conservation, and also seeks ways to include the private sector in order to facilitate sustainable solutions. The follow up activities to REDD+ readiness are truly part of a programmatic approach to integrated forest landscape management in Madagascar and are developed in a way that is synergistic and complementary.

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

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TF0A0104
Printed On: 09/22/2017

Reporting Period: 07/01/2016 to 06/30/2017
Report Type: Progress Report
Report Status: Approved

Comment on follow up:

The team in Madagascar has received additional funding for REDD+ readiness activities, through the Forest Carbon Partnership Facility, and will continue to seek other sources of funding. Madagascar will also continue to seek to leverage WB investments in Agriculture and watershed management, performance based carbon finance to consolidate the intersectoral approach to improving forest resources management in integrated landscapes. An opportunity to collaborate with social safety nets program on replanting (as part of cash-for-works scheme) is being explored, among other.

End Date of Last Site Visit:

Restructuring of Grant:

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

OUTCOME

Comments on outcome achieved from 07/01/2016 to 06/30/2017

Most of the key aspects of REDD+ readiness are completed at a basic level and outcomes achieved. The country is working towards building stronger institutions, deeper understanding and reinforcing progress that has already been made.

Grant Outcome Indicators

Grant outcome indicators are listed below.

REDD+ Strategy validated in broad consultation process

Baseline No

Value:

Date: 07/01/2104

Progress to Partially completed. Drafted but not finalized, consultations are ongoing.

Date:

Date: 06/30/2017

Target Value: Yes

Date: 12/31/2017

REDD+ M+E system functional according to defined criteria

Baseline No

Value:

Date: 07/01/2014

Progress to Partially completed.. M+E system designed, including SIS and MR system, but still needs final operationalization.

Date:

Date: 06/30/2017

Target Value: Yes

Date: 12/31/2017

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref.	TF0A0104	Reporting Period:	07/01/2016 to 06/30/2017
Printed On:	09/22/2017	Report Type:	Progress Report
		Report Status:	Approved

Mechanism for tracking financial contributions to REDD+ strategy implementation in place

Baseline Value: No
Date: 07/01/2014

Progress to Date: Partially completed. System for REDD+ strategy and carbon emissions is drafted but will only be finalized when the strategy is finalized to ensure consistency.
Date: 06/30/2017

Target Value: Yes
Date: 12/31/2017

COMPONENTS

Output and Implementation by Component

Component 1- Institutional Arrangements for REDD+ Readiness Management

Status: Under Implementation

Planned Output: Inter-sectoral steering committee established, Government provided with institutional capacity building to improve forest management

Actual Output: National and Regional REDD+ platforms established, CSOs have been engaged in formalizing a structure, Technical Working groups (safeguards, MRV, REL) set up

Component 2 Development of National REDD+ Strategy including consultations and SESA

Status: Under Implementation

Planned Output: National REDD+ Strategy developed, SESA and ESMF developed through a consultative process

Actual Output: Strategic options drafted, SESA and instruments (ESMF, RPF, PF) under finalization, key studies completed,

Development of National Reference Emissions Level and Monitoring System for REDD+

Status: Completed

Planned Output: REL for one Eco-region designed

Actual Output: REL for Eastern Humid forest improved including for ERPD, inventory completed for secondary formations, inventory for dry ecoregion being launched

Comment on planned and actual Output

Comment on component implementation progress

Overall implementation is satisfactory for all components. While some progress remains to be made, Madagascar has made significant progress over the past year.

FCPF financed activities include:

Component 1: Institutional Arrangements for REDD+ Readiness Management

Support the national readiness management institutions that will lead the coordination and implementation of the REDD+ Readiness process, including the National REDD+ Coordination Office (BNCR), an Interministerial REDD+ Committee, the REDD+ Platform, a national carbon revenue management mechanism, by providing them with the adequate human, technical and operational resources.

With regards to Coordination, the BNCR permanent secretariat is in place and taking increasing leadership in convening

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref.	TF0A0104	Reporting Period:	07/01/2016 to 06/30/2017
Printed On:	09/22/2017	Report Type:	Progress Report
		Report Status:	Approved

multiple sectors, proposing options and gathering feedback from stakeholders and leading the REDD+ process, including ERPD development. The National REDD+ Platform is operational and providing key feedback and proposals on designing/implementing REDD+, 2 regional REDD+ platforms are operational and increasing capacity and function, technical working groups for REL, MRV, safeguards are operational and active in REDD+ design and CSOs have begun organization for formalizing consultation structures. BNCR has been coordinating closely with Ministries of Finance and Budget to formalize carbon finance payments through the national budgeting process which is truly innovative in Madagascar. Work remains to strengthen high level bodies and the financial mechanisms as well other bodies but a strong basis of REDD+ management is operational.

Component 2: Support the preparation of a national REDD+ strategy, including consultations and SESA
Supporting the preparation of the national REDD+ strategy is progressing and includes four key activities:
Activity 2.1 Enhancing the REDD+ Information Base and Design and elaboration of National REDD+ Strategy
Activity 2.2 Consultations
Activity 2.3 SESA
Activity 2.4 Preparation of REDD+ Implementation Framework and FGRM

Most of the major studies are completed for the first wave. A second set focusing on mangroves and spiny forest ecoregions will soon begin with the additional funding. A SESA is nearly complete after extensive consultations, as are associated safeguards instruments.

An FGRM has been designed based on existing institutions and processes as much as possible. It is being refined based on further consultations and will be validated through a national process in the coming months. The ERPD has been drafted and submitted and is being reviewed based on comments received from the TAP.

Component 3: Development of National Reference Emission Level (REL) and Monitoring System for REDD+
Supporting the preparation of the REL and Monitoring System (including MRV) is a key facet of REDD+ readiness and includes three key activities:
Activity 3.1 National Reference Emission Level (REL)
Activity 3.2 Development of a Monitoring System
Activity 3.3 Assessment and monitoring of REDD+ readiness.

The development of the REL is finalized for the Eastern Humid Forest Ecoregion based on additional inventories of secondary forests, and is underway for the Western dry ecoregion. With the additional funding the spiny and mangrove ecoregions will also be launched in coming months. The development of a monitoring system (including carbon and SIS as well as co-benefits) is drafted and being refined and the national forest monitoring system is being developed in coordination with key partners such as the BNCCC, World Resources Institute and others.

EXECUTION

Bank project related to the grant

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

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TF0A0104
Printed On: 09/22/2017

Reporting Period: 07/01/2016 to 06/30/2017
Report Type: Progress Report
Report Status: Approved

Implementing agency and contact details

Agency: REDD+ National Coordination Office (BNC REDD+)
Contact: Andriamanjato MAMITIANA
Address: BP 243 Nanisana, Antananarivo
Phone: +261340562194
Website: ecologie.gov.mg
Email: coordonnateur.bncredd@gmail.com

PROGRAM

Program Specific Questions

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

The BNC-REDD+ is responsible for coordinating the REDD+ process (including ER Program and alignment with landscape investments) financed by different donors. BNCR is increasingly reaching out to different sectors, such as agriculture, to ensure that REDD+ related activities (ERP) and investments (such as PADAP) are aligned. The National REDD+ Platform, which is multi-sector and multi-stakeholder is also increasingly gaining in capacity to ensure that different initiatives are aligned. Some initial studies were funded by UN-REDD but the bulk of REDD+ readiness financing is from FCPF.

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

The project is being implemented as originally designed. The approach was to focus on the Eastern Humid Forest Ecoregion first and is increasingly moving to include other ecoregions.

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

BNCR, the main REDD+ readiness implementing body has hired staff in key technical positions and continues to make improvements where weaknesses are identified such as adding staff for procurement and FM. The team has increasingly built leadership in the technical fields within the country and particularly in playing the role of convener for multiple sectors and stakeholders.

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

The Common Approach has been respected, a consultative process was used to complete the SESA, ESMF, RPF and PF. As studies expand into spiny and mangrove ecoregions these documents will be updated and improved as necessary to reflect any additional potential impacts that arise.

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

Given that the design of the ESMF was funded by the FCPF, and little other funding is available for REDD+ readiness, the designed has respected the Common Approach. Nevertheless, great care has been taken to ensure that a broad range of approaches are considered that can accommodate multiple financing streams at the same time as ensuring robustness.

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

Consultations have been extensive related to the FGRM, which is drafted. The FGRM was designed largely based on existing processes and institutions and the additional funding will be used to improve capacity for implementing it. The FGRM is currently being "tested" with different stakeholder groups through test scenarios in order to refine and improve the implementability and effectiveness.

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TFOA0104
Printed On: 09/22/2017

Reporting Period: 07/01/2016 to 06/30/2017
Report Type: Progress Report
Report Status: Approved

DISBURSEMENTS

Disbursements Summary in USD

Date From	Date To	Planned Cumulative	Planned Period	Actual Cumulative	Actual Period
01/01/2015	06/30/2015	0.00	0.00	0.00	0.00
07/01/2015	12/31/2015	0.00	0.00	600,000.00	600,000.00
01/01/2016	06/30/2016	0.00	0.00	883,235.32	283,235.32
07/01/2016	12/31/2016	0.00	0.00	1,671,100.29	787,864.97
01/01/2017	06/30/2017	0.00	0.00	2,664,705.24	993,604.95
07/01/2017	12/31/2017	0.00	0.00	0.00	0.00
01/01/2018	06/30/2018	0.00	0.00	0.00	0.00
07/01/2018	12/31/2018	0.00	0.00	0.00	0.00
01/01/2019	06/30/2019	0.00	0.00	0.00	0.00