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Review of Central African Republic's R-PP submitted to the 10th Participants' Committee meeting of the FCPF

**Provisions on Enforcement and Non-Carbon Monitoring
17-19 October 2011**

This assessment examines the Readiness Preparation Proposal (R-PP) submitted by Central African Republic for consideration at the 10th Participants Committee meeting of the FCPF in Berlin, Germany (17-19 October 2011).¹

This assessment focuses on how the R-PP addresses illegality, corruption and law enforcement issues and what type of system is proposed to monitor and assess governance and social and environmental impacts (non-carbon monitoring).

This review also looks at how the Readiness Preparation Proposal has addressed comments made by Global Witness on the previous draft in March 2011.

Introduction

In Global Witness's view, the R-PP from the Central African Republic (CAR) overemphasises the role of herding, slash and burn agriculture and other subsistence or small-scale activities in driving deforestation/degradation, and does not sufficiently acknowledge the role of significant commercial logging in the south west of the country. Indeed, the strategic options proposed may end up supporting industrial logging through their encouragement of "sustainable forest management".

One strategic sub-option (under the project to support forest management plans (PARPAF)) proposes expanding the existing forest management approaches currently in use in the south west of the country to the forests in the southeast. Given that the south west is subject to significant large-scale commercial logging, this approach could lead to an expansion of industrial logging into an area that is as yet unlogged commercially.

CAR should withdraw its plan to apply existing forest management approaches in use in the south-west of the country to the south-east. Instead, CAR should formulate new approaches that ensure natural forests will remain intact and not be opened up to industrial logging.

¹ R-PP available on the FCPF website at:

http://www.forestcarbonpartnership.org/fcp/sites/forestcarbonpartnership.org/files/Documents/PDF/Oct2011/CAR_Revised_for_mal_R-PP_English_translation-main%20text_October_7_2011.pdf

There is no mention of regional cooperation on law enforcement, although cooperation in other areas is cited. ***Given the likely extent of illegal cross-border trade in timber and other forest products between CAR and neighbouring countries, this issue needs attention.***

No budget is allocated to monitor governance or the social and environmental impacts of REDD+ activities. The R-PP states the activities planned for this monitoring are included under the small budget for Component 2d, but they are not itemised nor costed out. ***This calls into question the political support for and credibility of CAR's proposal to monitor and assess social, environmental and governance aspects of its REDD+ activities.***

It is not clear how the implementation and impacts of existing forest management plans are currently being monitored, nor how this relates to the monitoring requirements of REDD+. The process for evaluating management plans is not described in sufficient detail to allow assessment of the level of transparency and independent oversight. This is of particular concern given the stated lack of capacity of the forest authorities to monitor even fundamental aspects of the Forest Code's implementation.

The review of the Readiness Preparation Proposal is set out on the following pages.

Central African Republic R-PP (August 2011)

1. Does the R-PP adequately address weak law enforcement, illegality and corruption as drivers of deforestation and forest degradation?

The R-PP describes weak capacity within the forest authorities, in particular at the Ministry of Water, Forests, Hunting and Fishing (MEFCP). This weak capacity includes a lack of human and financial resources and poor coverage of the country's territory by officials, the majority of whom are based in the capital (see p. 43 of the English-language version of the R-PP). These limitations allow illegal activity by a range of actors including logging concessionaires and small-scale agriculturists and pastoralists, although the emphasis in the proposal falls strongly on the latter. Specific illegal activities cited include overcutting, logging outside boundaries, and under-declaration of timber by large logging operations, firewood collection, poaching, and other forms of forest exploitation, particularly in more densely populated areas around logging towns, uncollected taxes (and illegal 'taxes' imposed at road checkpoints), wildlife poaching, and encroachment by nomadic groups into protected areas (the latter due to complicity between the chiefs of these groups and officials).

It is stated that activities by the forest authorities sometimes conflict with those of other law enforcement authorities. Harassment by authorities is commonplace, and application of laws and regulations is weak and poorly monitored (p. 43).

The R-PP also states that NGOs currently lack the resources to campaign on illegal activities such as poaching (p. 43).

Strategy Option 4 ("Institutional and governance strengthening") in Component 2b includes proposals for building capacity in the relevant authorities through increased financial, practical and technological resources, and reinforcing the capacities of local NGOs to carry out advocacy and monitoring (p. 62-64), once material support is received. Several centres for training and research are now defunct - sub-option 4.2 describes reviving these existing structures. The R-PP points out the need to reinforce capacity in the national forest fund (the CAS-DF). The proposal also highlights resistance to change as a potential problem in strengthening law enforcement and points out that a lack of political will could lead to continuing problems of corruption, impunity, peddling of influence, conflicts of interest (p. 63).

Despite Global Witness' comments on CAR's draft R-PP of March 2011, the revised version of the proposal continues to overemphasise the role of herding, slash and burn agriculture and other subsistence or small-scale activities in driving deforestation and degradation in CAR. Industrial-scale logging, although significant in the south west of the country, is not even acknowledged as a direct cause of deforestation or forest degradation, although there is a brief description of illegal activities carried out by large logging companies (see above).

If approved, CAR's R-PP risks using REDD+ money to support industrial scale loggers while attacking those who depend on traditional livelihoods and subsistence agriculture. Two strategic sub-options (2.2 and 3) propose the promotion of industrial-scale logging through encouraging efficient logging and timber processing practices (p. 58) and "sustainable forest management" (p. 58). A section on equitable revenue distribution notes that private entities including logging companies, could directly receive REDD+ revenues based on demonstration of their involvement in the implementation of REDD+ activities, such as a revised forest management plan, and based on their performance (p.74).

A study is planned for 2011 to explore the role of unsustainable and illegal logging and use of non-timber forest products (see Figure 11, p. 53), which are listed as direct causes of deforestation and forest degradation (p. 50). A study by CIFOR has begun into logging both for export and domestic markets (p.

52), to carry out:

- (i) spatialization and quantification of timber production areas (legal or illegal, sustainable or unsustainable, for both domestic and export markets),
- (ii) impact assessment of activities in terms of degradation and deforestation, and
- (iii) recommendations (technical, economic, and regulatory) for the organization of the timber sector to limit its impacts on forests.

The CIFOR study will be limited to one area of savannah near Bangui.

Although the R-PP describes harmonisation with other countries in the region as a strength of its forest policy, including engagement with COMIFAC's convergence plan and the Sangha initiative with Cameroon and Republic of Congo (p. 14), there is no discussion in the R-PP of regional cooperation on law enforcement. Given the likely extent of illegal cross-border trade in timber and other forest products between CAR and neighbouring countries, this issue needs attention.

Recommendations

CAR should recognise the direct role of industrial logging in deforestation and forest degradation and re-evaluate its analysis of the drivers of deforestation and forest degradation, paying more attention to the impacts of the activities of larger, commercial actors. The findings of the CIFOR study should assist this, although the study appears to be geographically limited – broader research on the role of industrial-scale logging in driving deforestation and degradation in the country may be needed.

Plans for regional cooperation to strengthen cross-border law enforcement should be considered and included in the R-PP. In this respect it could be beneficial for CAR to consider joining the Lusaka Agreement Task Force (a Task Force to promote co-operation in law enforcement operations in Africa).

2. Does the R-PP adequately address the need to monitor social, environmental and governance safeguards?

A single page is provided on how social, environmental and governance impacts of REDD+ implementation will be monitored (i.e. Component 4b), compared with the much longer sections on carbon monitoring. The R-PP states that a range of social and environmental impacts will be monitored, including biodiversity, socio-economic development, human rights and governance (p. 104).

Component 4b explains that this monitoring system will be developed by extending the environmental and social monitoring used in forest management plans, which includes socio-economic surveys and environmental assessments. It is not stated, however, how ongoing monitoring of the implementation and impacts of management plans is currently being carried out, and how this relates to the monitoring requirements of REDD+, nor is the process for evaluating management plans described in sufficient detail to assess the level of transparency and independent oversight. This is of particular concern given the stated lack of capacity of the forest authorities to monitor even fundamental aspects of the Forest Code's implementation. Brief reference is made to a European Commission forest mapping project that includes social and environmental assessment. Beyond these examples, there is no discussion of how a coherent monitoring system, which should also include civil society participation, will be developed and implemented in the context of a REDD+ mechanism.

Component 2d cites national legal and regulatory requirements that include environmental impact

assessments (p. 78) but does not describe the effectiveness of their implementation or enforcement. A list of international conventions and processes to which CAR is party is also provided. Figure 29 (p. 76) provides a preliminary list of possible impacts, positive and negative, of the four thematic areas for each strategic option. Included are social, environmental and governance indicators of varying degrees of specificity.

In addition to the lack of sufficient information on how the social, environmental and governance impacts of REDD+ implementation will be monitored, there is also no budget proposed to support the activities that are described and planned under this component. It is stated that the monitoring system overlaps with requirements of the Environmental and Social Management Framework (ESMF) and so will be part of the budget for Component 2d. However, the total budget for Component 2d, which includes carrying out a SESA, designing an ESMF and developing a system for monitoring social, environmental, and governance impacts, is just \$15,100 over three years, or 0.3% of the total budget. In this latest draft of the R-PP, the budget for Component 2d has been increased slightly, but still only allocates funding for SESA training and information collection for the SESA and ESMF.

Ten other planned activities will be covered by the budget for Component 1a, and a further six planned activities appear to be entirely unfunded. Amongst the list of activities planned under Component 4b, the following are not listed under the budget for Component 2d and also appear to be entirely unfunded: the development of criteria and indicators for monitoring, socioeconomic surveys to identify stakeholders, land use conflicts, priority social needs, local sources of consumer products and areas and resources of exclusive or potentially concerted access, a study to amend existing standards and define relevant criteria and indicators for assessing socioeconomic impacts of REDD+ activities, not to mention the implementation of an ongoing monitoring system (p. 102-103). This calls into serious question the credibility of CAR's proposal to monitor and assess social, environmental and governance aspects of its REDD+ activities.

There is no discussion of the Cancun Agreement or how CAR is planning to address its obligation to provide information on how the REDD+ safeguards are being addressed and respected.

There is brief acknowledgement in Component 4b of the need to monitor the impacts of REDD+ activities on governance (p. 104). It is stated that a set of criteria and indicators for assessing the impacts of the strategic options proposed in Component 2b, one of which is to strengthen institutions and governance (p. 104), will be developed. The Institut centrafricain des statistiques, des études économiques et sociales (ICASEES) will be involved in developing the criteria and indicators but no further information is provided on governance monitoring in Components 2d or 4b, neither is there provision for a system of independent monitoring of REDD+ implementation (see below).

There is no description of the role civil society or local communities will play in monitoring REDD+ beyond their seats on the National REDD+ Committee and the Inter-Prefectural REDD+ Committees. It is stated that the multi-stakeholder REDD+ governing bodies will be involved in assessing the results of the SESA and in implementing the ESMF (p 80).

A national REDD+ registry is proposed to include information on social and environmental impacts and financial flows of REDD+ activities, although there is no description of how the information for the registry will be collected or verified.

Independent monitoring

The monitoring system is likely to include an independent monitor, possibly an additional mandate on REDD+ to be assigned to an independent monitor who will work on FLEGT (p. 6 and 100). A budget of \$20,000 over two years has been allocated for independent monitoring of REDD+ to begin in the second

half of 2012. No suggested terms of reference are provided, nor is information given on how the independence of this monitor will be assured.

The R-PP also references a requirement under the Forest Code for an independent observer with a limited mandate to oversee the process of allocation of logging concessions (p. 42).

Recommendations

A sufficient budget should be clearly allocated to non-carbon monitoring, including monitoring governance relating to REDD+ and the forest sector. The system should ensure an independent monitor is contracted to monitor REDD+ implementation and given full independence to carry out its work.

The R-PP should assess how well the current system for environmental and social monitoring under forest management plans is being implemented and what improvements need to be made. The R-PP should also provide more detail on methodology and plan to extend the current system to REDD+. More information is also needed on the effectiveness of monitoring and evaluation of management plans in light of capacity constraints.

The R-PP should include a description of how information for the national REDD+ registry will be collected and verified.

3. Other issues

Forest management plans

A sub-option under Strategic option 3 (“Promoting sustainable forest management”) proposes applying forest management approaches currently in use in the south west of the country, under the project to support forest management plans (PARPAF), to forests in the southeast. This approach appears inappropriate given that the south-west is subject to significant commercial logging while the south-east is as yet unlogged commercially.

The same sub-option (3.1) also includes the implementation of FLEGT licenses and authorizations, along with independent certification of sustainable management and reinforcement of independent observation of the concession granting process and monitoring of logging. The R-PP recognises that this will require significant resources to allow forest authorities to cover a large area and train relevant officials and others.

The Department of Forest Inventories and Management (DIAF) monitors the drafting of forest management plans (p. 93). Support is provided to logging companies for writing and implementing forest management plans for their concessions through PARPAF (Projet d’appui à la réalisation des plans d’aménagement forestiers), a 2000-2011 project funded by the French development agency (AFD) (p. 39). PARPAF will ultimately lead to the establishment of an agency to support management plans. According to the R-PP some permit/concession areas lacked management plans at the time of writing, although it also states that these should have been completed by March 2011 (p. 40). The R-PP has not been updated since the previous draft to indicate whether these management plans have now been completed. Further, there is no description of any system for independent review or oversight of the quality and implementation of management plans.

Recommendations

A system should be put in place to independently assess the quality and implementation of the

management plans.

CAR should withdraw its plan to apply forest management approaches in use in the south-west of the country to the south-east. Instead, CAR should formulate new approaches that ensure natural forests will remain intact and not be opened up to industrial logging.

The R-PP should also provide an update on which permit/concession areas still lack management plans.

Financial transparency

It is proposed that the government-run FNE (Fonds national pour l'environnement) could be used to manage REDD+ funds (p. 15).

The penalties for corruption under the 2010 Penal Code and the existence of an anti-corruption law are referenced as possible deterrents (p. 74).

CAR is an EITI (Extractive Industries Transparency Initiative)-compliant country, yet there is no discussion in the R-PP of how the civil society participation and fiscal transparency required by EITI in the mining sector could inform measures to improve oversight and transparency in the forest sector, including of potential financial flows from REDD+.

It is stated that oversight of revenues from logging is assured with the help of the certifying body Bureau Veritas in a program referred to as "Inspection Valuation Assessment and Control" (BIVAC) (p. 39). However, it is not suggested if or how this system could inform the development of a revenue collection and distribution system for REDD+. The R-PP states that decentralization of taxes from forestry is a positive development, but at the same time notes that the municipalities and communities do not have the capacity to ensure proper management of these funds (p. 42). In other countries in the region, corruption at all levels of administration has prevented decentralization from resulting in positive development outcomes for local communities.

Recommendations

The R-PP should incorporate provisions to ensure that financial flows will be managed transparently and with independent oversight.

CAR should consider how civil society participation and fiscal transparency required by EITI in the mining sector could inform similar measures in the forest sector.

Participation

We are pleased to note that this latest version of the R-PP has doubled the number of indigenous peoples' representatives on the National REDD+ Committee (p. 13). The document also references CAR's commitments under ILO 169 and emphasises the right to free, prior and informed consent (FPIC). However, it is unclear how this principle will be operationalised as part of REDD+ implementation. FPIC is applied at only one point in the document, as part of the assessment of risks of domestic leakage under sub-option 3.4, which describes the risk of leakage "Minimal if free, prior, and informed consent of populations (needed awareness and outreach) and relevant alternatives" are available to local populations (p. 61). No reference is made to the UN Declaration on the Rights of Indigenous Peoples.