

DRC's Readiness Preparation Proposal

Coordination Nationale REDD in DRC, Ministère de l'Environnement,
Conservation de la Nature et Tourisme

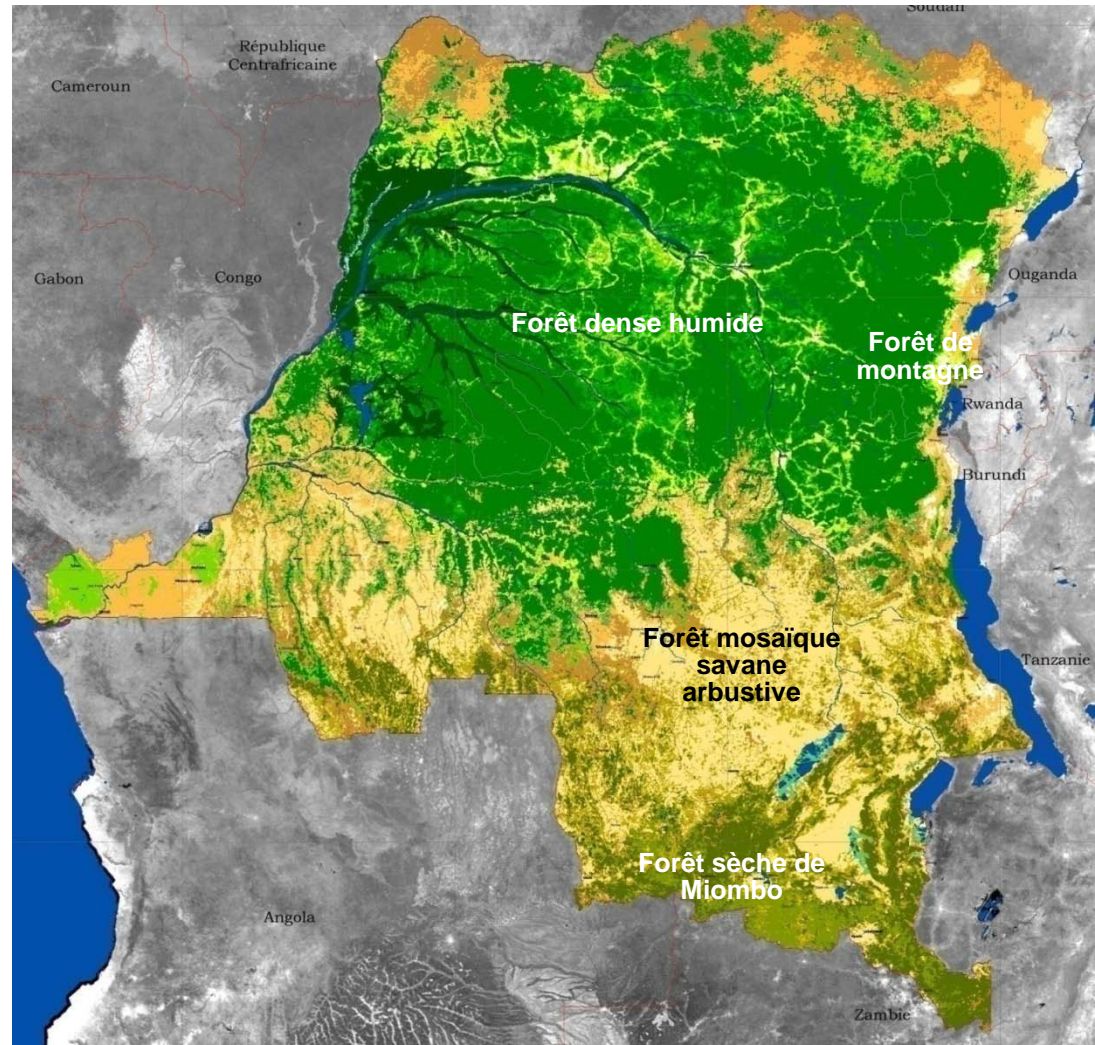
FCPF Participants Committee Meeting

March 2010



Understanding the potential and opportunities associated with REDD+ in the DRC

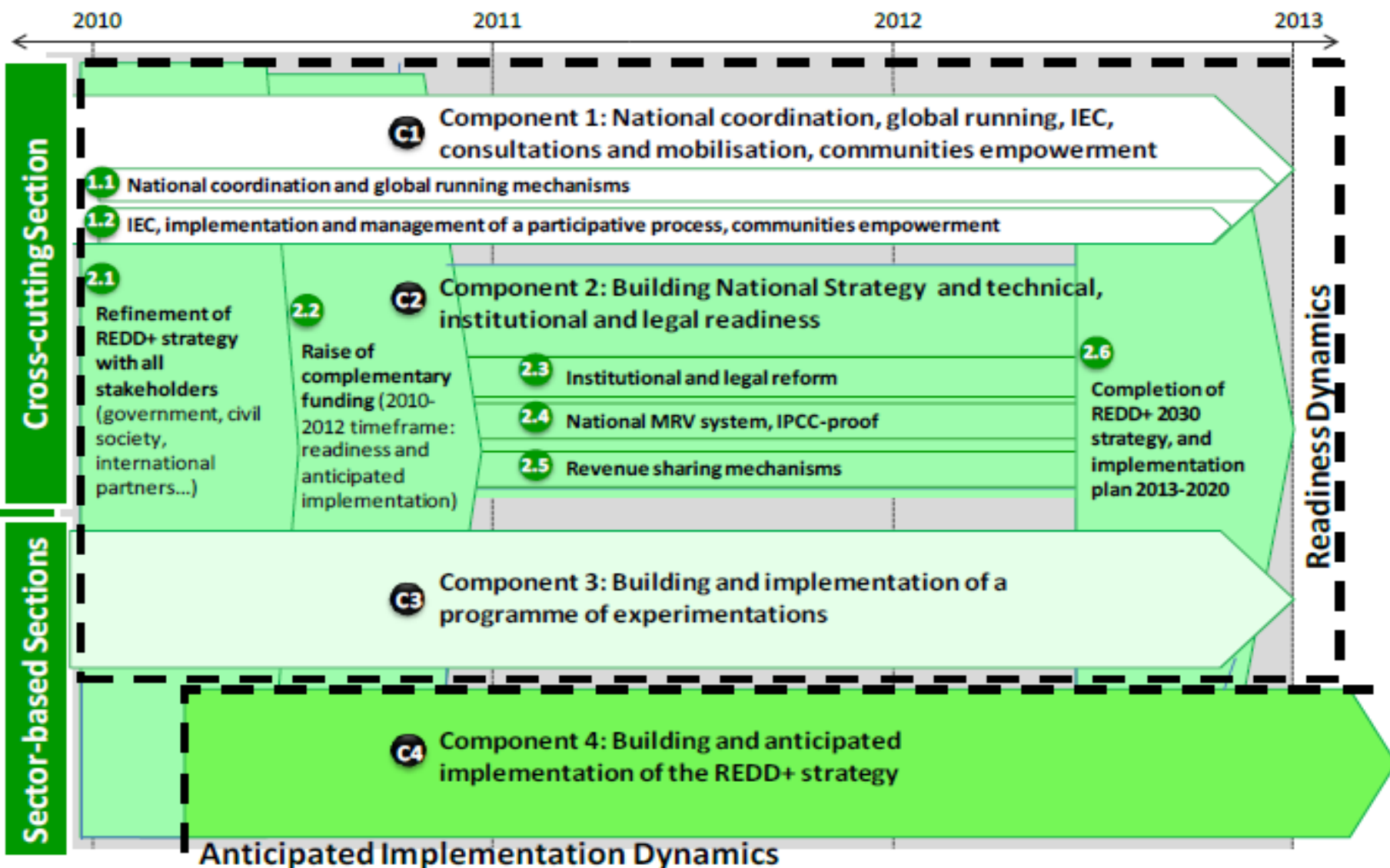
- **The forest is a major asset for the DRC**
- With 145Mha of forests, the DRC hosts 10% of global forests
- Congolese forests store about 140Gt CO₂, equivalent to three years of global emissions.
- On average, yearly emissions from deforestation and degradation 300Mt.CO₂, or a rate of 0,2% per year, half the world average rate.
- What international finance potential is there for a reduction of 25%, 50%, or even 100% (with reforestation)?
 - With a ton of CO₂ at 5\$, 10\$, 20\$?
- **Many difficulties remain in the way of attracting funding for REDD+**



An Ambitious REDD Readiness Process

3

National process roadmap from 2010 to 2012

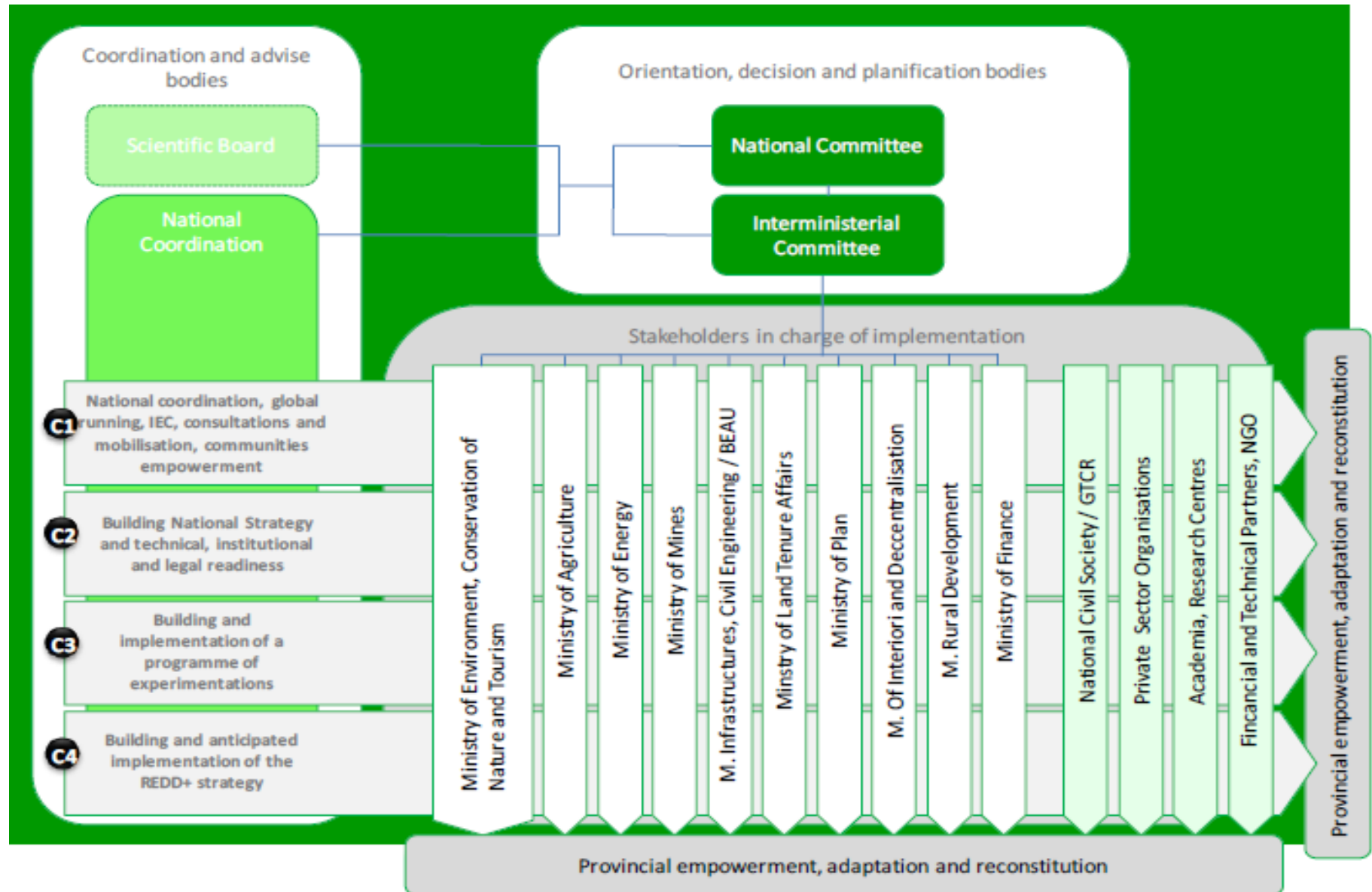


The R-PP, a roadmap and a meeting point for partners and stakeholders in a process that has to be coordinated



- **Component 1: Organisation and consultation**
 - 1a. National arrangements for coordination and management of preparation
 - 1b. Consultation and participation of stakeholders
- **Component 2: Preparing a REDD strategy**
 - 2a. Quick assessment of land use, forest policy and governance
 - 2b. Strategic options for REDD
 - 2c. REDD implementation framework
 - 2d. Social and environmental impacts
- **Component 3: Developing a reference scenario (Reference Emissions level)**
- **Component 4: Developing an MRV system**
- **Component 5: Calendar and budget**
- **Component 6: Designing a monitoring and evaluation framework**

Prerequisite: an organisation of the REDD process during the readiness phase which prefigures a multisectoral framework



At the heart of the process, many questions to be answered in building a strategy...



Preserve or manage?

Fight deforestation at the front or sacrifice areas under pressure?

A unique development model for all Congolese people?

How to transfer responsibility to those capable of curbing trends?

Improve living standards in forests or move human pressure away from forests through non forest sector policies?

What are the past and future causes of deforestation?

Focus on carbon rich forest and sacrifice others?

What room for industrial exploitation of forests in the DRC?

Urbanisation: threat or opportunity?

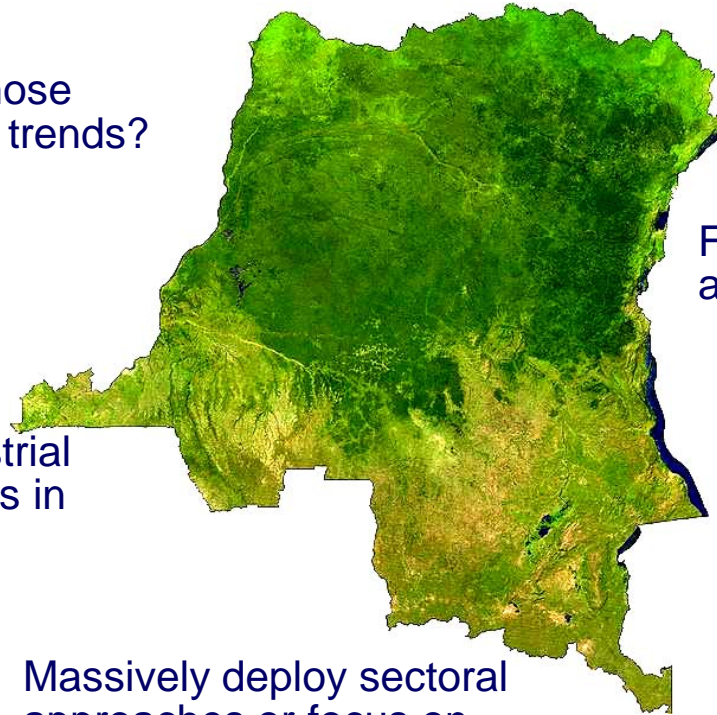
What human capacities are required, how do we create them?

Massively deploy sectoral approaches or focus on geographically integrated programs?

What conditions to attract international funding, in which form, how?

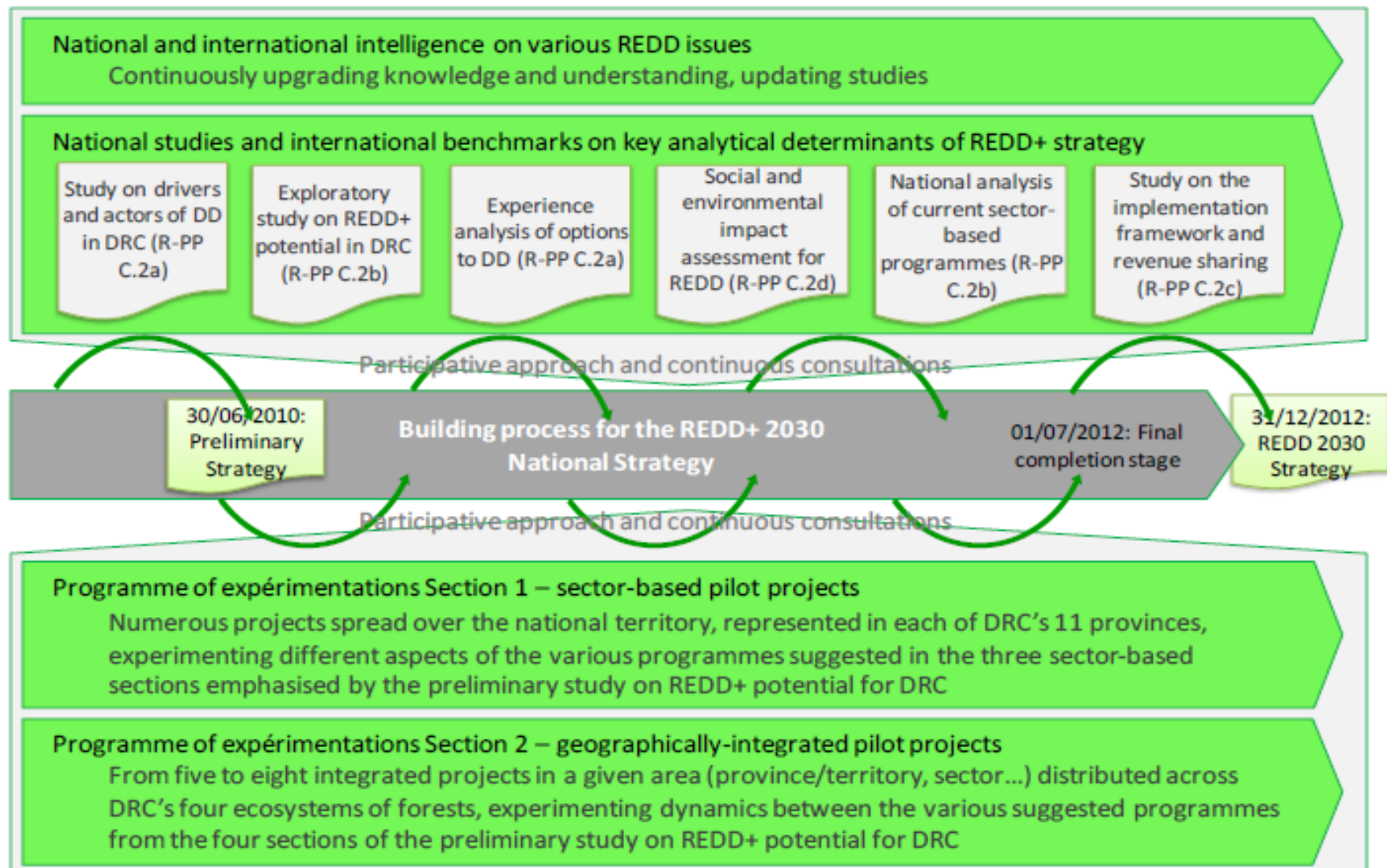
Mines, oil, agriculture, how do we arbitrate?

How much does it cost, how much does it pay, where to start, how, with whom ?



The construction of the strategy rests on two pillars: studies and experimentations

Building process for the REDD+ 2030 National Strategy





- Four dominant schemes in the Congo Basin, which apply more or less predominantly in the DRC:
 - A « family agriculture/ fuel wood » tandem around urban centres
 - A succession of « commercial logging / »
 - A succession of « mining/ road infrastructure / family agriculture in forests »
 - Informal/traditional logging in areas easily accessible
- + bush fires
- Underlying drivers: demographic, economic, technologic, cultural, poverty, political and institutional factors (law enforcement, insecurity, land tenure uncertainty, bad governance in revenue distribution)...
- > Building consensus around a quantitative (UC Louvain...) and qualitative approach (field studies) involving all stakeholders.

Illustration 2: harnessing the potential of every sector

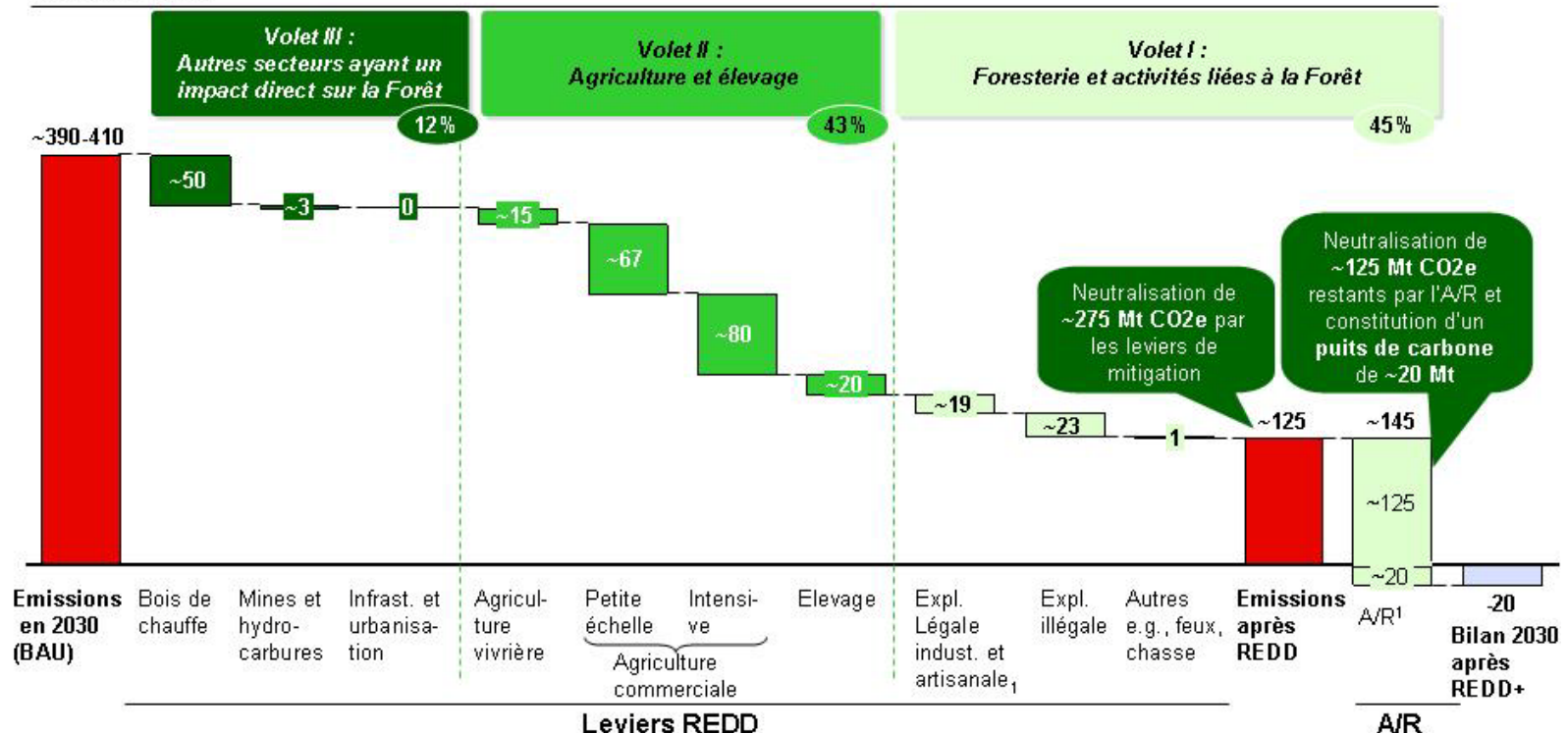
9

- Projections of REDD+ potential associated with different programs in different sectors to better illustrate the systemic dimensions of a REDD strategy

Potentiel de réduction des émissions liées à la déforestation et la dégradation et de séquestration en 2030 pour la RDC

Mt CO₂e, 2030

% contribution à la réduction totale des émissions



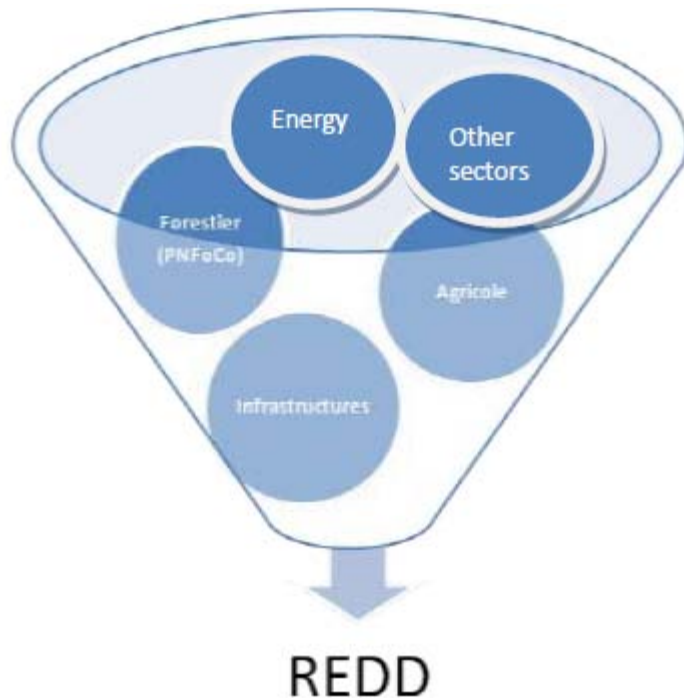
1 Afforestation et Reforestation exclusivement destinées à la séquestration de carbone : potentiel d'afforestation de ~7 M ha en 20 ans dans des zones à faibles densité carbonique ; reforestation de ~4 M ha en 20 ans sur des zones déforestées dans les 10 dernières années avec des essences dures de type Tek ou autre ; scénario de montée en puissance des activités A/R pour permettre d'engager les ressources et les actions nécessaires

SOURCE: MECNT, Ministère de l'Agriculture, Ministère du Plan, Ministère des hydrocarbures, Ministère des énergies, Banque Mondiale, ICCN, Gates Foundation, WRI, CN-REDD, PNUD, FAO, McKinsey, CTB, OFAC, Eliasch Review, IWG-IFR, IIED, IOP Publishing, Forest People Program, Rainforest Foundation, Woodhole RC

Illustration 3: ensuring coherence of the process



- An analysis of sectoral programmes currently underway (environment, agriculture, energy, mining, infrastructure...) is forecast for the first semester of 2010 and will allow for a comprehensive vision to emerge of all major national programmes underway, the vision and the objectives of their protagonists. The study will suggest potential synergies and axes of cooperation with the various relevant government entities.



The R-PP presents preliminary reflexions on:

- PNFoCo
- Strategies in the energy, agriculture and mining sectors
- Land tenure
- Zoning and land use planning
- Law enforcement capacity
- Support for economic actors and the private sectors
- Strengthening of impact studies

Second pillar: Experimentation through pilot projects (less developed in the R-PP)



An experimentation programme will be underway for the period 2010-2012 with two objectives :

- Test the hypotheses of the preliminary strategy to consolidate and finalise it
- Contribute to readiness by setting up the basis upon which to build for a national deployment

Two approaches are being followed, « sector-based » and « integrated » (geographic)

Sector-based approach

- What conditions for implementation, what auspicious or risky factors, what key factors of success?
- What institutional and legal conditions for success (witnessed or yet to build)
- What sociocultural, ecological or economic impacts? How to assess the project added value, what indicators and what objectives can be set?
- What activities should be implemented, in which order? How much time and money are required?

A full portfolio of sector-based and geographically –integrated pilot projects to answer core questions, through experimentation, and thus contribute to building the national strategy and its related plan of action

Geographically-integrated approach

- What are the elements of the strategy adapted to the various national contexts? What structuring factors for a national zoning of REDD strategy?
- What actions can be implemented at the local scale, how to organise and sequence the implementation of activities and programmes, what realistic timing, what costs for what objectives?
- What perennial system to monitor and assess the national and subnational strategies (beyond carbon MRV), what inputs to the reference scenario?

In the end, the strategy will need to be made operational through a complete series of programmes...

12

- 14 programmes susceptible of putting DRC on the path to curb emissions and increase removals... Options still to be tested to feed the strategic reflexion

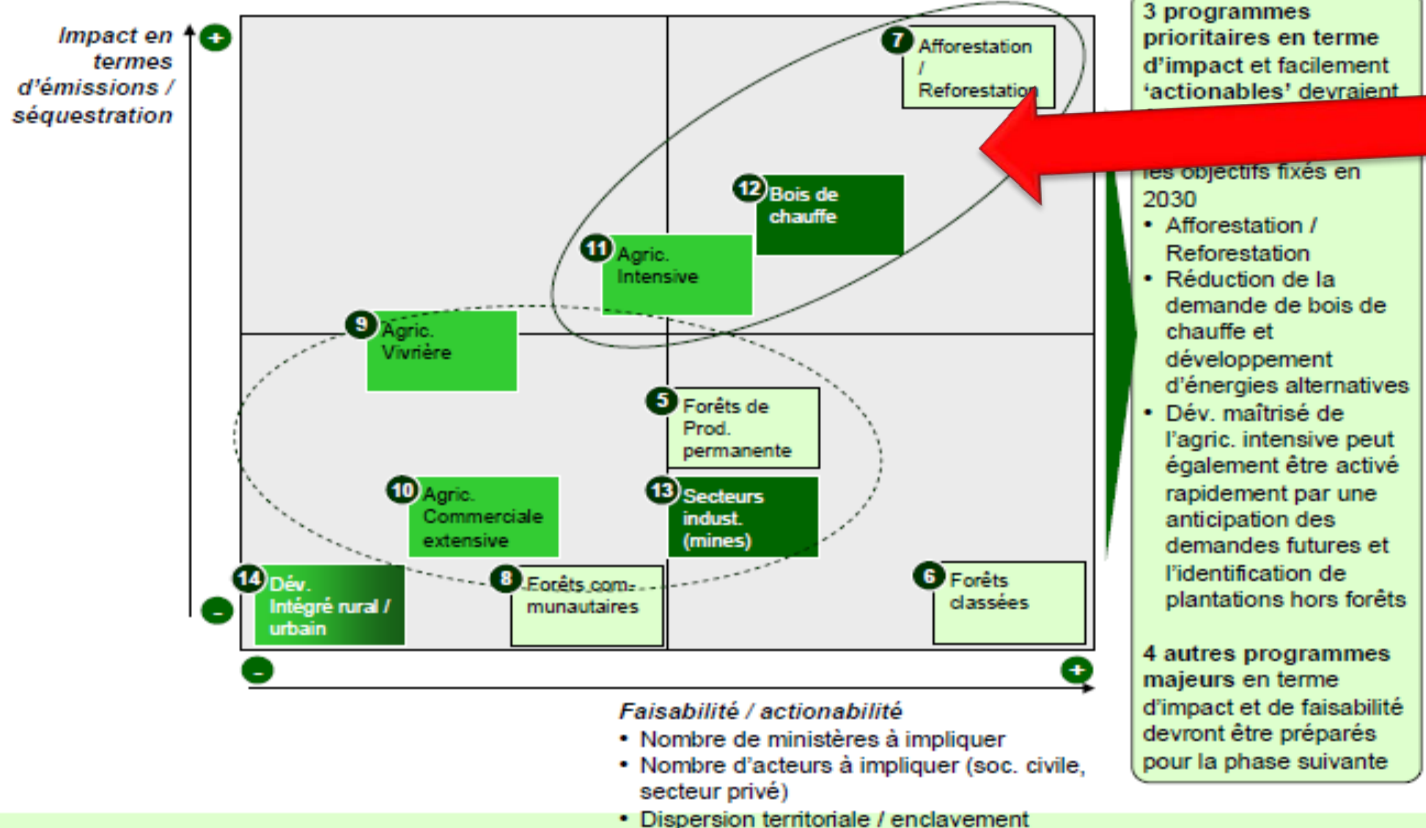


Priority for action: feasibility as a proxy for implementation and transaction costs

13

Recommendation 5: The transaction and implementation costs of a REDD+ program should be included in the cost curve before making extensive use of the curve (as is done in the latter sections of this R-PP) in preparing the REDD Strategy.

Priorité et faisabilité très variable des programmes, fonction de plusieurs facteurs

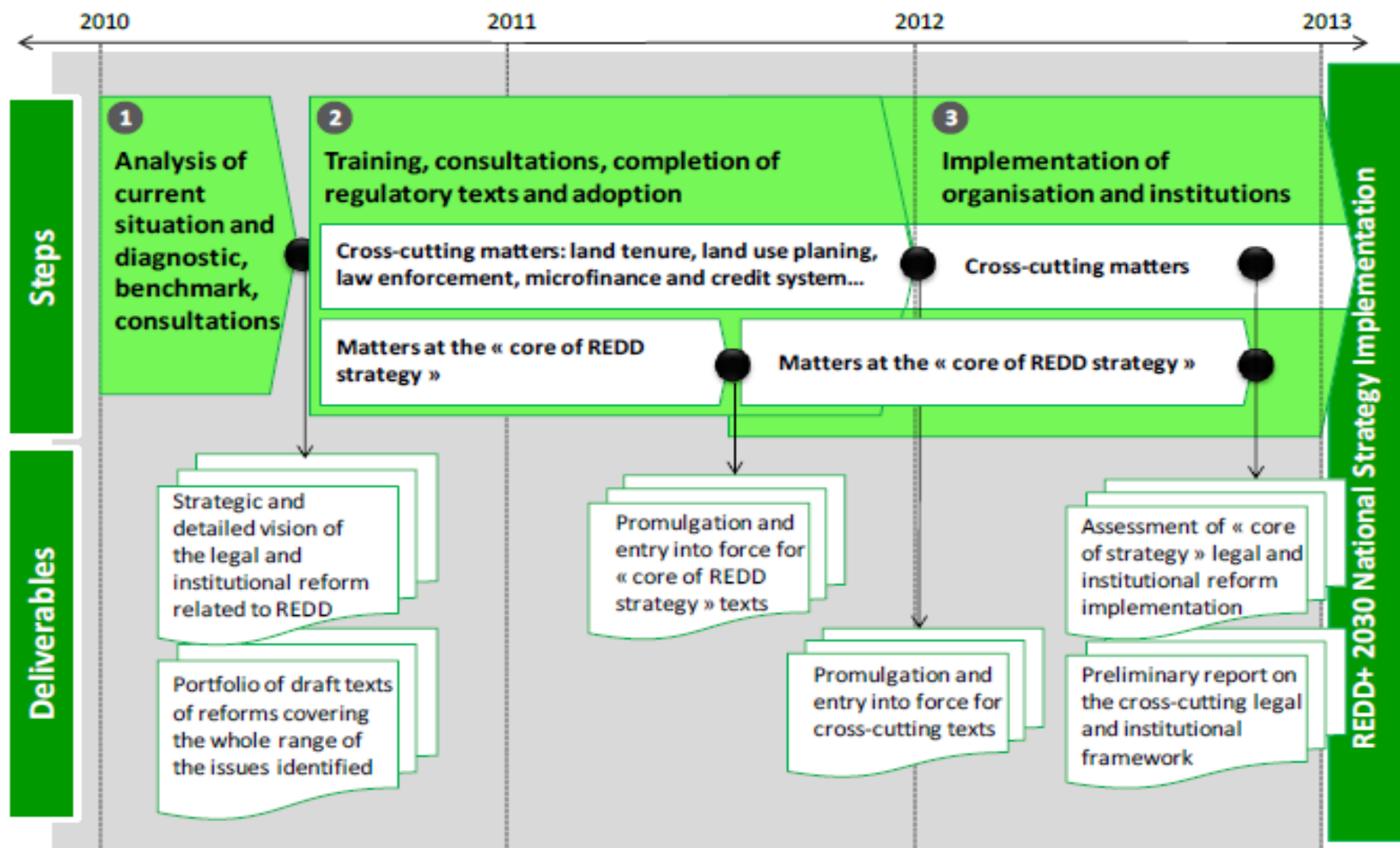


Factoring in « feasibility and Impact as a proxy of implementation costs: Afforestation/ Reforestation (program 7) and improved fuel wood and charcoal efficiency (Program 12) And guiding the development of agricultural intensification (Program 11) are likely to be the most effective programs in the short term

Towards an implementation framework... a major challenge!

14

Timetable for building and putting in place the framework of implementation



Specific tools for the implementation of REDD+: Strategic Social and Environmental Assessment



❑ The REDD+ strategy and its programmatic options offer an opportunity for eradicating extreme poverty, spurring growth and strengthening peace and social cohesion.

- Nonetheless, the government and its technical and financial partners are aware that economic rebound in a post conflict can have negative collateral impact on the human and natural environment.

❑ The Strategic Social and Environmental Impact Assessment (SESA) is the adapted procedure commonly recognised that will allow to reduce or eliminate prejudices or duly compensate for the negative consequences but also magnify the positive consequences on people and the environment.

❑ The SESA is an additional tool that will feed strategy development and prepare the deployment of REDD at the local and national level. It will cover key issues such as:

- Land tenure
- Sustainable Peace
- The participatory approach and the focus given to local communities
- Environmental governance and institutional capacities
- Participatory zoning, options for community development
- etc.

Specific tools for the implementation of REDD+:

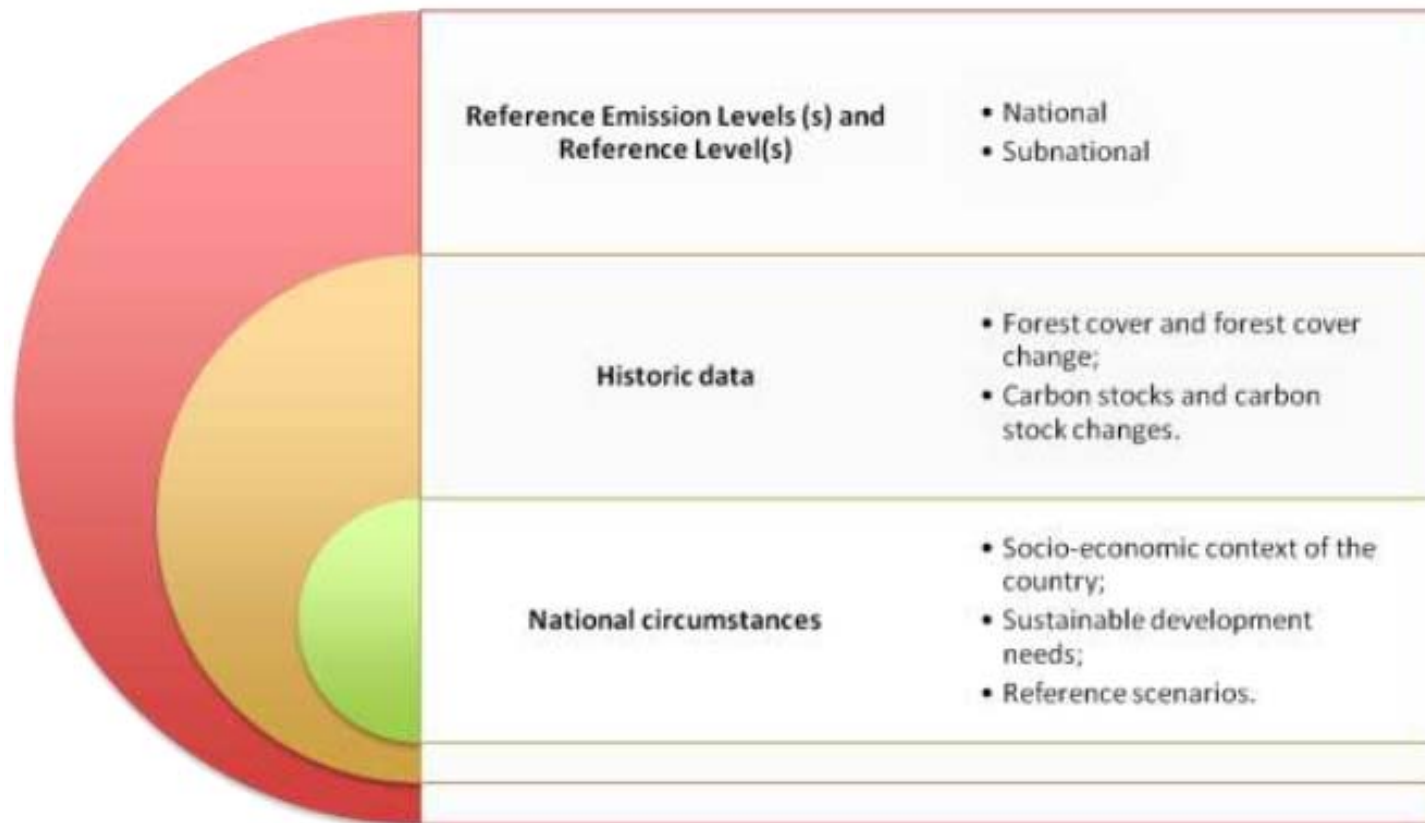
Reference emission level and other reference levels



16

❑ The reference level will serve:

- As a basis for negotiating rewards (political process)
- A tool to support decision making at the national level which allows:
 - to decide on the country's level of commitment in REDD
 - to share effort between sectors and geographical areas
 - to evaluate a priori and ex-post the effectiveness of the actions and programs implemented and to make adjustments



Specific tools for the implementation of REDD+:

Reference emission level and other reference levels



❑ Historical Data (MRV)

❑ National Circumstances :

Comp. 1 : Analysis of the country's socio-economic context

General socio-economic data: employment, education, health...

Valuing data gathered through various project and participatory mapping exercises.

Comp. 2 : Analysis of future development needs at the national and provincial level

Valuing the prospective work of the Ministry of Plan in collaboration with the World Bank.

What are the country's development choices? What are the emission reduction objectives we want to commit to in the DRC?

Comp. 3 : Building the National Reference Scenario

This reference scenario is calibrated on the basis of historical emissions and attempts to make projection on future emissions based on the impact of socio-economic and future development needs on forest cover.

To produce this scenario we use modelling and prospective tools

Spatial component: support for RGC and IGC, fine tuning of the deforestation risk map of the country done by UC Louvain.

Quantitative component : impact of development trajectories on deforestation, and comparison with the IIASA model developed at the regional scale.

In the long term capacity building for modelling and prospective analysis and consolidation of the National Geographical Institute (IGC) to achieve real capacity.

All this data will be put together and harmonised during specific policy workshops at the national and sub-national level (possibly provincial but yet to be decided).

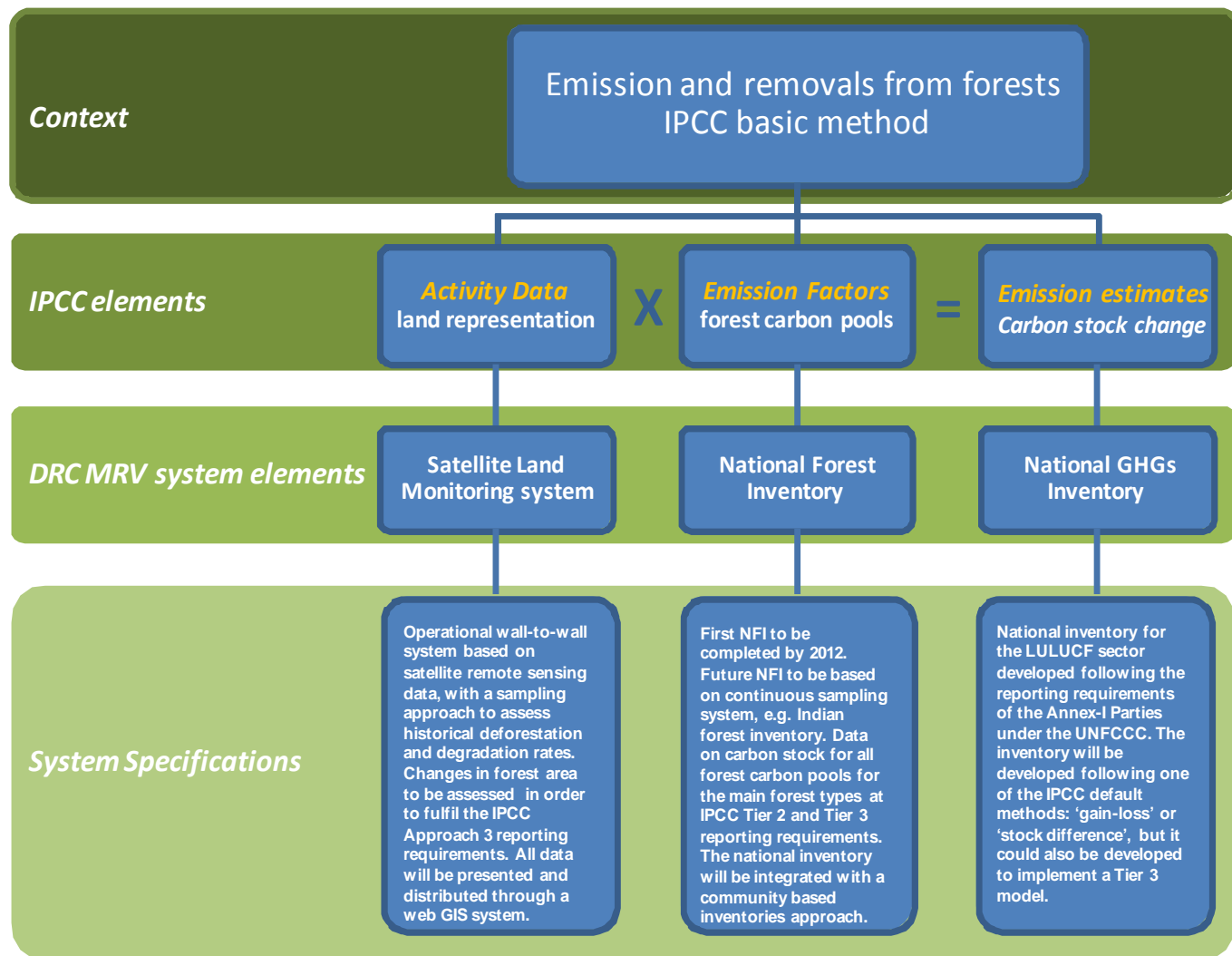
Readiness for an MRV system requires new institutional arrangements and capacity building: work is already underway

- At the Ministry of Environment:

- Direction du Développement Durable (DDD)

- Direction de l'Inventaire et de l'Aménagement Forestier (DIAF)

- In the Universities of Kisangani et Kinshasa.



Specific tools for the implementation of REDD+: MRV of social and environmental co-benefits



❑ The profound transformation induced by REDD will require a monitoring, reporting and verification framework for four dimensions to make sure the REDD mechanism is fair, efficient and effective:

- Governance
- Economy
- Environment
- Socio-cultural

❑ This mechanism will consist of three layers:

- Measures, producing basic data, patchwork of statistics from a range of actors to be consolidated
- Reporting, data centralisation, building appropriate indicators for reporting on the implementation and making adjustment when needed (transparency)
- Verification of data by an independent entity should be constantly improved

« Last but not least »: a participatory approach in spirit and in action



- ❑ Involving civil society at all levels and in all steps of the process
 - ❑ Consultation and awareness raising efforts
 - ❑ workshops and meetings
 - ❑ IEC+ Plan built with civil society, and harmonised with a strong contribution from GTCR in the implementation
 - ❑ REDD representation at the provincial et territorial level
 - ❑ Concrete projects (community radio networks...)
 - ❑ Participation in strategy development and studies
 - ❑ Validating ToRs, mixed teams...
 - ❑ Support for civil society project development (negotiations and international networking...)
 - ❑ Active participation in implementation (pilot projects...)

- ❑ The R-PP also establishes guidelines to increase the participation of the private sector, capacity building projects with local research and teaching institutions, etc.

Challenges of a participatory approach



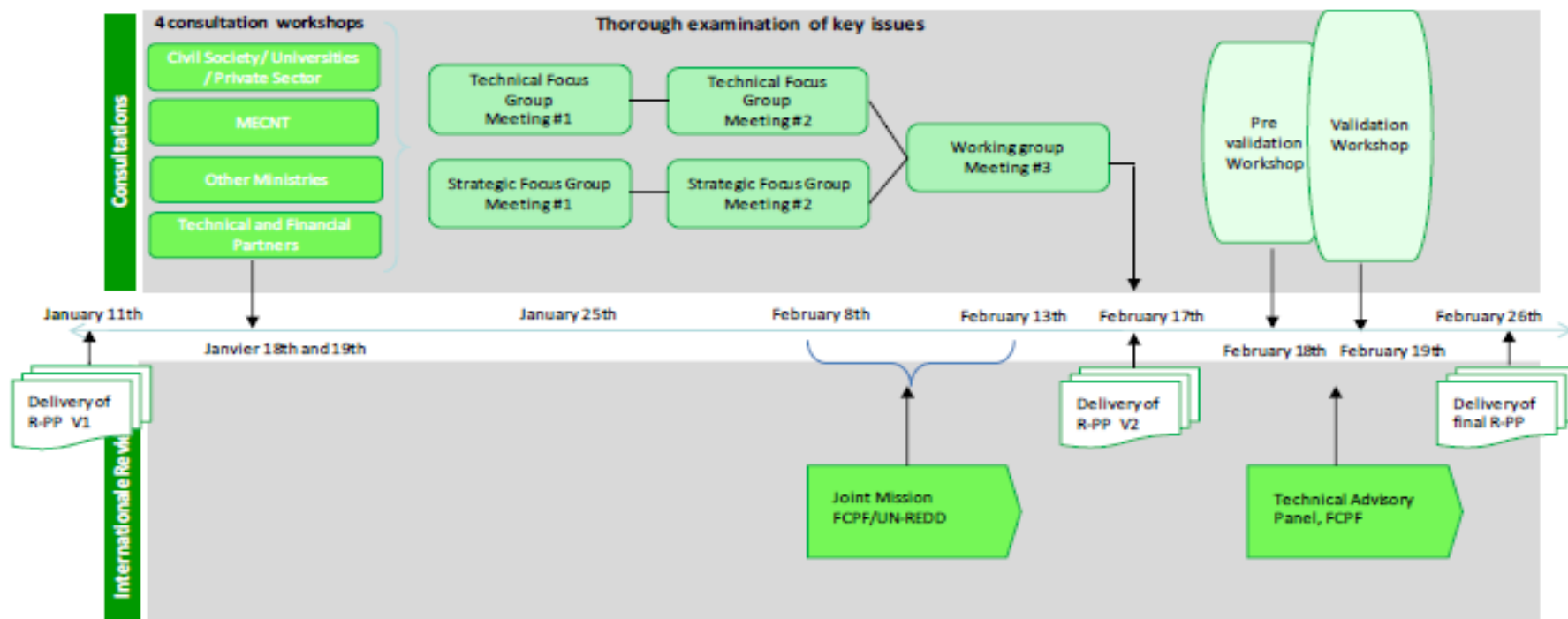
- **A few observations:**

- A huge information and education effort is required focusing on all stakeholders
- It is unfeasible or at least prohibitively costly to consult all Congolese people about REDD, and alternatives must be envisaged (radio shows, school curriculum, religious groups, etc.)
- The experience of the National Coordination suggests that carrying out consultations with the general public outside the specific context of a project laying out a concrete plan for action may be counterproductive, leading to abstract discussions and carrying the risk of raising too much expectation from the population.
- It appears that it is through pilot projects with concrete action plans that clearly identify relevant stakeholders that productive and extensive consultations should take place in priority in the near future.

Consultations in the preparation and refinement of the R-PP

- Since April 2009n the National REDD Coordination consulted over 700 people in this process of REDD readiness. Since January 2010, more than 100 people participated in the development and refinement of the R-PP. 4 consultation workshops were organised, around 50 people worked in specialised work group through six work sessions to improve specific components of the document, and a validation workshop with 80 participants was organised. Exchanges with civil society were constant through the process. This leads us to believe we have an appropriate and consensual plan

Consultation steps toward the completion of the R-PP





Paradox: low or even negative opportunity costs but high transaction and implementation costs.

- Implementation and transaction costs:

- Land affairs management
- Lack of organisation and support for rural sectors
- Lack of cooperation between public and private sector (last place in the world for « Doing Business »)

- Opportunity costs:

- High win-win potential for emission reduction and poverty alleviation in fuel-wood efficiency gains, agro-forestry and agricultural improvements.

“In the Congo today, implementing REDD may be impossible given the limited capacity of the country to absorb the investments necessary for the success of such an initiative. The most important problems to be addressed are those of improving land affairs management (a single window approach and acknowledging rights), organizing and supporting the agricultural sector (the DRC is in last place with regard to “Doing Business”), reducing corruption and improving cooperation between the public and private sectors. »

*J.E.B. Endundo, Minister of Environment of the DRC,
December 2nd 2009*

What measures must be taken to overcome the challenges?



1. Improvement of land affairs management
2. Organizing and supporting the rural world
3. Improving governance (business environment, corruption) and the collaboration between public and private sectors.
4. Capacity building

- **Problems:** need for harmonisation of traditional and administrative tenure systems and between exploitation rights (agriculture, mining, forestry, etc.); Lack of clarity on property of carbon stocked in the forests of the DRC
- **Actions**
 - the Ministry of Land Affairs is included in the inter-ministerial committee. This Ministry will collaborate with developers of the geographically integrated pilot projects in order to identify promising ways to manage land affairs so as not to discourage the development of activities on the field and attract investments in REDD.
 - The relative autonomy of the Provinces in matters of land tenure will allow for innovation in this area, namely through pilot initiatives
 - Complaint mechanism to address issues of land tenure related to REDD.

Improving governance and cooperation between public and private sectors



- **Problem:** despite the abundance of natural resources, DRC is last in “Doing Business” and is struggling to attract private foreign investments and to stimulate national savings and investments.

- **Actions:**
 - the President is currently leading an initiative to improve the business environment in the DRC “Initiative pour l’Amélioration du Climat des Affaires” which is tackling a range of issues such as red tape, corruption, and the inefficiency of the justice system. Furthermore the President has initiated the “Tolérance zéro” policy for officials convicted of public fraud. Sanctions have been dramatically toughened and enforcement should improve.
 - Through our experimentation program we are currently supporting a large project lead by the private sector (South Kwamouth Integrated Agro-forestry REDD pilot project led by NOVACEL).
 - Reform underway within State Structures (ex: retirement)
 - Constructive example of the forest titles review



- **Problem:** lack of means of communication, weakness of the cooperative movement in the productive sectors, the lack of representative civil society organizations, and dysfunctional state-society relationships in the DRC.
- **Actions:**
 - Studies: Diagnosis of the agriculture sector, Political Economy of the Forest Sector (June 2009)
 - Projects in agriculture (BAD, BM, JICA, etc.), forestry (PFCN, GTZ, etc.), roads (chinese contracts, Pro-Routes, etc.)
 - Newly formed Committees and Local Management Institutions
 - » *Local forest administrations supported through the PFCN.*
 - » *Conseil Consultatif Provinciaux that will be formed shortly (Code Forestier)*
 - » *Comité Agricole Rural de Gestion (CARG) that are recognized by the Code Rural*
 - » *Elected members of Provincial Assemblies*

- **Problem:** a general lack of capacity exacerbated by the lack of means to pay potentially qualified personnel at all levels (government, universities, specialised agencies)

- **Actions:**
 - things can only improve from where they stand today, but it will take time and we cannot place the burden of developing the capacities of the country on REDD alone.
 - Moving forward with the REDD initiative will attract potentially talented candidates to pursue careers in REDD related domains
 - The creation of a “Pôle Intégré d’Excellence Climatique” should help in this effort
 - The National REDD Committee through its INERA representative can strive to promote the development of the capacities required for REDD implementation.
 - A separate and in depth capacity needs assessment is planned in the current version of the R-PP

Coming back to the paradox of REDD: a unique opportunity



- If successful the aforementioned reforms will undoubtedly lead to economic development (reduced transaction costs) and are likely to increase pressure on forests.
- Integrating REDD from the onset in the solutions to solve political and institutional problems and in the development plans of the agricultural and infrastructure sectors will be key in promoting a low emissions development pathway for DRC. The National REDD structures will be actively engaged in this matter in the next three years.

Coming back to the paradox of REDD: a unique opportunity



- The REDD process is currently enjoying much attention in the DRC because it is linked to the pressing climate change issue and because it is foreseen that REDD may bring significant financial and development rewards through the exploitation of the high win-win potential for emission reduction and poverty alleviation.
- The Ministry of Environment in close collaboration with UNDP is currently actively engaged in promoting the inclusion of the REDD+ issue in the development of the Second National Strategic Document for Growth and Poverty Reduction (DSCR2). The Minister of Environment delivered a speech to this effect on March 8 in front of his colleagues and the donor community.
- This should be seen by the international community as a unique opportunity to lead DRC into a low emissions development trajectory.

Conclusion: challenges ahead

- Go beyond the technical dimensions to overcome the human challenge
 - Master technical elements (MRV, reference level ...)
 - Build a sustainable development strategy that is operational
- Manage time: bring together the political and the technical, the short and the long term, set solid bases and avoid procrastination...
- Build the credibility of the State and the confidence between stakeholders to engage the people of our huge and diverse country
- Create synergies and coherence between sectors, mobilise all the forces of the country from the top (organising the national process) and from the bottom (pilot projects)
- Create human and organisational/institutional capacities to absorb international finance
- Capitalise on the existent, bridge synergies and harmonise
- Integrate the international and the local (monitoring impacts, complaints and safeguards, revenue distribution, etc.)
- Be realistic (time and money) while keeping in consideration that REDD strategy must be ambitious and global

Thank you for your kind attention!