

Revised FCPF TAP Synthesis Review of R-PP of Democratic Republic of Congo

Lead Reviewer: Stephen Cobb, with contributions from nine other independent TAP reviewers

Date of revision: 17th March 2010

Lead reviewer's note: The original TAP reviews were conducted on the R-PP version submitted to FCPF on 11th January 2010. Two subsequent revisions have been submitted by DRC. In addition there have been exchanges between TAP and DRC in the last week that have clarified a number of the concerns of reviewers and in some cases eliminated the need for recommendations, as have some of the revisions to the basic R-PP text. The text which follows responds to these updates and exchanges, though so as not to confuse, all the recommendations have been left in place, even though some are already redundant.

Overview

Reviewers were all clear that this is an extremely impressive R-PP, with an admirable mix of the broad sweep and the meticulous detail. It is well organized, well researched and is a credit to DRC and its team of contributors.

None of the reviewers is under any delusion that implementing REDD+ in DRC might be easy: the enormous size of the country, the poor internal transport links, the decaying infrastructure, the lack of services, the still-frail economy are all loud signals that it will be difficult. In the forestry sector, as elsewhere, institutions are not strong nor do they have the necessary human resource capacity. Add to that the fact that this is the country with substantially over half of the Congo Basin forest, and the juxtaposition of challenges resonates even more loudly.

By and large, the document touches on most of these challenges, ducking relatively few of them. Indeed it could not do otherwise, for if these major challenges are not tackled head-on, REDD+ will be unlikely to succeed.

The sheer scale of the undertaking makes it worth remembering that the production of the R-PP is but the first of a long sequence of steps over the coming years, and thus the expectations at this stage should be tailored to this, the first in an incremental series of steps. By way of reminder, there are four "phases" of activities in bringing to fruition a national REDD Strategy and Capacity of which this review covers only Phase 1. These are:

1. RRPPP- the REDD Readiness Proposal Preparation Process (January 2009 – February 2010) – preparation of the proposal(s) and initial consultations with government and civil society
2. RPP – REDD Readiness Plan Preparation Process (March 2010 – December 2012) Preparation and adoption of the Readiness Plan which consists of implementation of the participation and consultation plans, strategic SEA's, analytical studies and initial public awareness and limited capacity building and including early action demonstration projects.
3. RPIP – REDD Readiness Plan Implementation Process (2013-2015+) Some overlap with the previous but continuing on until at least 2015 and probably beyond in terms of outreach capacity building , institutional strengthening and pilot/ demonstration project implementation and assessment.
4. RSAP- REDD Strategy and Action Plan (2015 and beyond, probably some overlap with preceding phase). The key "outputs" of these four phases are: (i) a proposal; (ii) a plan; (iii) implementation

of the plan with emphasis on capacity building; and (iv) a full national strategy and action programme to achieve national REDD goals and targets.

Strengths of the R-PP

The level of attainment of standards has been generally very high. In summary, the situation is this:

- The six Standards in Components 1 and 2 have between 1 and 3 recommendations each; once these have been dealt with (mostly editorial matters, rather than fundamental show-stoppers), the Standards will have been met
- Components 3 and 4 are more challenging; they have between 4 and 6 recommendations, which will need to be dealt with before their Standards have been met.
- Components 5 and 6 are very straightforward: after rather superficial changes, they will both meet the standard.

All in all, this is very satisfactory progress.

Issues in the R-PP

There are general shortcomings, and some specific ones. The general ones are no different from the challenges facing the designers of all development programmes in DRC today. The specific ones are related to REDD methodology and the quality of data and approach that may be expected by UNFCCC.

- The difficulty of grasping the enormity of the capacity-building challenge
- The challenges to the attainment of programme goals posed by the superposition of a decentralisation process, first to 11 and soon after to 26 provinces
- The difficulty of establishing a credible and flexible institutional structure to deliver this programme
- The enormous challenge of gathering adequate, replicable, statistically justifiable data of a scale and quality to be believable
- The obstacles to implementation of REDD+ posed by a busy agenda of non-REDD+ developments in rural areas, ranging from the re-installation of displaced persons to the resumption on a heroic scale of industrial agriculture schemes
- The constant difficulties posed by the proper need to involve forest dwellers, indigenous peoples, local community groups, rural farmers, forest industry practitioners and more, all with a legitimate voice, all with enormous experience to impart, all with a mix of legitimate uncertainties and as-yet unmet aspirations.

All of these, in one way or another, attracted comments from reviewers, who indicated that the authors could have provided more detail in some cases, more reassurance in others. It would have been surprising if the REDD+ team suddenly knew how to solve all these issues, many of which are the commonplace challenges of rural development in DRC.

There is one other issue, that fits neither category: DRC is a member of COMIFAC, the Central African Forests Commission, which, through its Convergence Plan and numerous statements in the UNFCCC process, commits its member states to work together on both forest and climate-related policies and their implementation. The R-PP makes no mention of DRC's obligations

towards and articulation with the other member states of the Congo Basin. Reviewers felt that this was an important omission.

Recommendations

There are 23 recommendations, spread fairly evenly throughout the R-PP.

Standards to be Met by R-PP Components

(from Program Document FMT 2009-1, Rev. 3:)

Component 1. Organize and Consult

Standard 1a: National Readiness Management Arrangements

The cross-cutting nature of the design and workings of the national readiness management arrangements on REDD, in terms of including relevant stakeholders and key government agencies beyond the forestry department, commitment of other sectors in planning and implementation of REDD readiness;

Reviewer's assessment of how well R-PP meets this standard, and recommendations:

Overall assessment

The November 26, 2009 Decree (Annex 1a) which established the National Coordination Committee, the Interministerial Committee and the National Coordination Unit/secretariat and the subsequent operationalization of these units effectively creates multiple platforms for cross-sectoral engagement at various levels within the government. Similar structures are to be created at provincial level within the existing 11 administrative provinces and expanded as the administrative reorganizations of provinces goes forward.

The diagram on page 8 identifies 3 units within the MECNT, nine other ministries and a range of civil society, NGO, academic and private sector groups to be involved in the RPP process. Many if not all of these have already participated in one or more consultations, seminars or workshops (listed in Annex 1b-1). A number of reviewers feel, nonetheless, that key sectors other than government are underrepresented in these structures.

The Interministerial Committee (IC) will be responsible for REDD implementation following directives from the National Committee. The former does not include non-government representatives or observers. The roles of the IC are somewhat unclear in relation to the National Coordination(NC-REDD), which is serving as an interim executing entity for REDD. However, it is stated that the NC-REDD will not be directly involved in implementation, although attributions as described in many parts of this section places it front and centre of REDD implementation. Therefore, the R-PP does not provide a fully coherent picture of the proposed institutional arrangement for REDD in DRC.

Some reviewers, while applauding the cross-sectoral intent expressed in the structure of the IC, point out that such committees do not have a very positive track record in DRC: it will be a challenge to make this one work where others have lain dormant.

DRC is undergoing a decentralization process, at first to the existing 11 provinces and in a second phase to the proposed new 26 provinces. At the very least, outreach to provincial level will take some time and require investments in capacity perhaps through training of trainers and engagement

with civil society as partners for outreach. Some reviewers feel that this is the sort of challenge that will be extraordinarily hard to meet.

Overall, this section is well prepared and the proposed structures are well organized. They will focus on national and provincial institutional structures and set up mechanisms to build capacity of these institutional structures. As observed in many countries, however, stakeholders and particularly ministries such as agriculture have their own goals that often clash with the goal of a REDD+ program, and these should be sorted out during the Readiness Preparation process.

The proposal notes that the Minister of Environment admitted recently that implementing REDD is impossible today because of problems with land affairs management, organizing and supporting the agriculture sector, and reducing corruption and improving cooperation between public and private sectors. Yet if other sectors rise to this challenge, the comparative advantage of DRC in relation to the two other major forested countries of the tropics, Brazil and Indonesia, is the low opportunity-cost high transaction-cost situation that makes a REDD-led transition to a low-carbon economy an economically attractive proposition. Such a development path fits other strands of government policy, such as poverty reduction, agricultural reform and revitalization of the energy sector.

One issue that the President is tackling head-on is that of corruption amongst public officials; a fact which may provide reassurance to those who may have felt that DRC's challenges are simply on too great a scale for REDD+ to be implemented.

Recommendations for the R-PP draft

Recommendation 1: The proposal should note how these challenges would be met through the REDD+ implementation and the kind of flexibility of approach that would need to be built in to cope with different, possibly unforeseen, rates of change in other sectors.. The seeming contradictions between some of the Government's policies (such as the development and revival of industrial agriculture) and those of REDD+ do need to be explained

The general consensus is that the standard 1a will have been met in this R-PP once the single recommendation has been attended to

Standard 1b: Stakeholder Consultation and Participation

Ownership, transparency, and dissemination of the R-PP by the government and relevant stakeholders: Inclusiveness of effective and informed consultation and participation by relevant stakeholders, assessed in the following ways:

- i. the consultation and participation process for R-PP development thus far³, the extent of ownership within government and REDD coordinating body, as well as in the broader national stakeholder community; and

³ Did the R-PP development, in particular the development of the ToR for the strategic environmental and social assessment and the Consultation and Participation Plan, include civil society, including forest dwellers and Indigenous Peoples representation? In this context the representative(s) will be determined in one of the following ways: (i) self-determined representative(s) meeting the following requirements: (a) selected through a participatory, consultative process; (b) having national coverage or networks; (c) previous experience working with the Government and UN system; (d) demonstrated experience serving as a representative, receiving input from, consulting with, and providing feedback to, a wide scope of civil society including Indigenous Peoples organizations; or (ii) Individual(s) recognized as legitimate representative(s) of a national network of civil society and/or Indigenous Peoples organizations (e.g., the GEF Small Grants National Steering Committee or National Forest Program Steering Committee).

the Consultation and Participation Plan included in the R-PP (which looks forward in time); and the inclusion of elements in the R-PP that adequately document the expressed concerns and recommendations of relevant stakeholders and propose a process for their consideration, and/or expressions of their support for the R-PP.

Reviewer's assessment of how well R-PP meets this standard, and recommendations:

Overall assessment

MECNT has done a good job with the limited resources available in reaching out at national and provincial capital levels to raise awareness about the REDD initiative. Understandably it has been less effective in building deep public understanding about what REDD is and how it will affect the lives of stakeholders.

Beginning in January 2009, the MECNT with support from NGO, bilateral agency and other partners has organized more than 20 seminars, workshops and consultations with a wide range of government and non-government stakeholders (see Annex 1b-1). There has been some limited publicity concerning this initiative via television and radio broadcasts as well. Events have been held in Kinshasa as well as several regional centers/provincial capitals (e.g. Boma, Kisangani, Bukavu, Matadi).

These numerous seminars – some organized by government and some by NGO partners - have been well advertised and attended; not all of these were held expressly to aid the design of the R-PP, however. Some reviewers feel that they were more designed to generate a one-way flow of information than to be genuine consultations. They would like to see evidence in the R-PP of a real commitment to engage with local communities and their aspirations.

A major challenge under the participation plans will be outreach to stakeholders not reached by traditional seminars and printed materials. To do that effectively will require a large and thoughtful effort to partner with civil society at various levels and use of emerging communication techniques. The R-PP describes its future consultation plans, which will try to attend to these shortcomings. If this Plan were more explicit, the concerns of some of the reviewers about inclusivity and consultation methods would be allayed.

A major effort should be made to build knowledge within and capacity of local NGOs and CSOs that serve various target groups such as pygmies, rural women, farmers, etc. to take a lead in mobilizing informed participation by these groups. The size and complexity of the country make this an enormous challenge, which is acknowledged by several reviewers; note also that the meetings hitherto have all taken place in large towns, which is not where the target groups live.

Since January of 2009 a network of national NGOs and civil society organizations has actively followed the process of the RPP proposal preparation and participated actively in both local events and interaction with “review mission” teams from donor and NGO organizations.

Participants in consultations have included representatives of national networks including Indigenous Peoples organizations as well as a number of civil society representatives, international NGOs and local NGOs, representing both local or national networks.

Consultations to date represent only a modest beginning, particularly when one considers the size of the territory potentially affected by REDD actions and the enormous diversity of cultures and circumstances represented therein. Therefore a well resourced, well executed and well monitored and verified programme for systematic outreach will be required during the REDD Readiness Planning process to follow the subsequent full implementation of that plan. This process will benefit

by establishing early on a broad range of partnerships with civil society organizations and providing adequate money to enable them to be effective in their outreach. This will of necessity have to include considerable training and sensitization of these partners in the range of issues that REDD implementation programmes raise.

Reviewers felt that the R-PP well describes the consultation process, but less well the strength of opinions about recurring issues raised in the meetings. They did not feel that the meetings themselves had been shown to have much impact on the evolving R-PP design.

Reviewers accept that the level of consultation has had to be somewhat superficial up to now, for two reasons: actual interventions have not yet been planned, so it would be premature to embark on site-specific consultations; and the REDD team has been at pains not to raise undue expectations (a normal consequence of consultation processes) .

DRC could in future benefit from the support and engagement of some specialist civil society and indigenous people mediation organizations that already have a significant track record in facilitating consultative processes in many similar contexts in the developing world. This kind of engagement would lend credibility and transparency to the already significant efforts led by DRC government entities.

Recommendations for the R-PP draft

Recommendation 2: It would be helpful if the consultation plan were further developed to give greater assurance that the future activities would be genuinely consultative and participative, particularly amongst the most affected communities.

The standard 1b will have been met once the single recommendation has been attended to.

Component 2. Prepare the REDD Strategy

Standard 2.a: Assessment of Land Use, Forest Policy, and Governance: A completed assessment is presented that identifies major land use trends, direct and indirect deforestation and degradation drivers in the most relevant sectors in the context of REDD, and major land tenure and natural resource rights and relevant governance issues. It documents past successes and failures in implementing policies or measures for addressing drivers of deforestation and forest degradation, and identifies significant gaps, challenges, and opportunities to address REDD. The assessment sets the stage for development of the country's REDD strategy to directly address key land use change drivers.

Reviewer's assessment of how well R-PP meets this standard, and recommendations:

Overall assessment

DRC has had historically low rates of deforestation, and in this context the assessment of emerging drivers and their potential impact on land use options is a matter of high complexity and uncertainty. The R-PP does a good job in highlighting the relevant governance and land tenure factors that might be at play against scenarios of increased access to natural resources, including those deriving from infrastructure development, mining and logging. Weak law enforcement capabilities, uncertain land tenure, armed strife and corruption will prove to be formidable challenges facing the implementation prospects of any national REDD strategy. There is very little going in terms of working platforms to build from, and in many ways REDD opens up opportunities to reinvent DRC's development path, including options to tackle natural resource governance issues. The R-PP has initiated a productive analysis of these key factors, a process which should continue further.

One reason why there is so little to build on is the issue of many years of civil conflict and its impact on issues influencing the REDD space – resource base, governance, institutions, respect for law and due process, etc. The credibility of DRC’s R-PP hinges on this issue. The question is very simply put: “Considering the legacy of recent civil conflict in the DRC, is it possible for REDD+ to operate successfully yet?” This R-PP document has to tackle this question and does not seem to reviewers to have done so adequately yet.

The R-PP can be improved with a more comprehensive review and analysis of the chain of donor/government/civil society interventions and measures in the sector over the past decades.

The studies of drivers of deforestation and fundamental demographic and economic trends undertaken by McKinsey and IIASA provide a sound underpinning to build on in assessing how various drivers may influence future trends in forest use, loss and degradation. Additional work by UCLouvain, FAO (Études diagnostique des causes et des agents de la deforestation) and UNEP (Étude environnementale post conflit) on the drivers of deforestation will allow the qualitative assessment both of direct and underlying causes of deforestation and degradation in most areas of the country.

Furthermore, the UCLouvain analysis should enable DRC to move towards a quantitative assessment of the impact of different drivers in the future. Such quantitative impacts assessment will only cover variables that are spatially observable and or spatially distributed such as the proximity to town/markets, roads and rivers; topography; soil fertility; forest fragmentation; and to a certain extent population and insecurity. On the other hand it will be very difficult to quantitatively assess the relative impact of slash and burn and fuelwood extraction given the important overlap of the two activities in practice.

Similarly the recently completed “State of the Forest” report provides a solid underpinning at a macro scale of the forces that are influencing forest cover and quality. A recent study by CIFOR on artisanal logging and “domestic” timber trade is similarly useful at a macro scale.

There is need for refinement of data and of policy for implementation at subnational scale given the broad variety of cultural traditions, political and physical circumstances found within contemporary DRC. Some progress may be achieved through the early action “demonstration” projects envisioned to be carried out as part of the RPP process. This should be encouraged, perhaps through the granting of “pilot zone” status to permit experimentations with different forms of land use planning based on participatory models.

The baseline information for initiating the project is well summarized and activities are underway to both improve information and to increase its accessibility to a larger range of constituents.

Recommendations for the R-PP draft

Recommendation 3: A weak link is the inadequacy of technical data on carbon stocks and flows but this could be corrected by mobilizing the large range of NGOs and academic institutions interested in that facet of REDD. All that is required at this stage is an explanation of how this will be done over the next three years; that explanation could also be deferred to Component 4

Recommendation 4: An up-to-the minute summary of the (interim) conclusions of the different studies on drivers of deforestation would be reassuring, particularly since the section is surprisingly short of facts and data.

The standard 2a will have been met when these two additional points have been properly attended to

Standard 2.b: REDD strategy Options: Alignment of the proposed REDD strategy with the identified drivers of deforestation and forest degradation, and with existing national and sectoral strategies: the R-PP includes a summary of the emerging REDD strategy to the extent known presently, and of proposed analytic work (and, optionally, ToR) for assessment of the various REDD strategy options. This summary states:

- i. how the country proposes to address deforestation and degradation drivers in the design of its REDD strategy;
- ii. early estimates of cost and benefits of the emerging REDD strategy, including benefits in terms of rural livelihoods, biodiversity conservation and other developmental benefits;
- iii. socioeconomic, political and institutional feasibility of the emerging REDD strategy;
- iv. major potential synergies or inconsistencies of country sector strategies in the forest, agriculture, transport, or other sectors with the envisioned REDD strategy; and

risk of domestic leakage of greenhouse benefits. The assessments included in the R-PP eventually should result in an elaboration of a fuller, more complete and adequately vetted REDD strategy over time.

Reviewer’s assessment of how well R-PP meets this standard, and recommendations:

Overall assessment

DRC is to be applauded in recognizing the diversity and inter-relatedness of the drivers of deforestation and degradation as described more fully in Annex 2b.

The DRC REDD strategy presented in the R-PP focuses on reducing emissions and on reducing poverty simultaneously. The latter will require deep socioeconomic transformation of the country. The REDD strategy in this section focuses on two “pillars” – (1) studies and monitoring and (2) experimentation. The proposal focuses on two studies – a McKinsey study designed to generate an emissions cost curve that covers 14 programs, and a national analysis of sectoral programmes that are currently in progress. The list of the 14 proposed programs is difficult to understand as either alternative or complementary options for REDD implementation. The national analysis will cover critical topics such as forest zoning and land use, capacity for enforcing law on the ground, synthesis and planning, and monitoring.

Given the uncertainties regarding future land use options, this section is understandably not fully developed in the R-PP. As just explained, the R-PP appears to propose tackling these thorny issues through pilot sectoral and regional projects. These could become very useful and provide a better understanding of implementation challenges, particularly if they go beyond the Cost Curve approach to problem solving, by putting some of the central assumptions to the test on the ground (e.g., tackling whether land titling will actually reduce illegal logging; testing options for benefits distribution schemes; relations with central government, etc).

Part II of this section focuses on experimentation and consultations. The intent is to implement some REDD programs whose selection will be guided by the McKinsey Cost Curve. Two categories of programs will be tested – sectoral experiments and integrated experimentation projects.

While no details of the McKinsey study are provided, typically such studies estimate the techno-economic potential, which does not explicitly account for the transaction and implementation costs of a REDD+ program. These two components can significantly increase costs, reduce the emissions reduction potential, and add to the time it takes to implement a REDD program thus affecting a

country's REDD+ strategy. Because these costs can be very different for afforestation and REDD projects, their inclusion may affect the ranking of the 14 programs. Although reviewers have been shown a schematic representation of where different interventions might lie in relation to these costs, there does not yet appear to be data to support them. A number of reviewers have expressed some reservations about the validity of such a model.

More flexibility and innovative thinking is needed in the area of finance mechanisms and revenue sharing of REDD benefits to permit greater participation by the private sector and a greater variety of modes of revenue sharing with rural residents.

The large effort proposed to be devoted to monitoring of co-benefits and multiple benefits and on designing systems for revenue sharing is commendable if followed through with diligence and commitment.

The DRC is committed to a national approach to monitoring and to development of a national baseline for emissions. Although this will be a challenge to implement over such a large and varied terrain, and will take some time to fully implement, this will ultimately provide an accurate and verifiable basis for assessing additionality as well as internal or domestic "leakage" so that it can be measured and steps taken to reduce it.

Annex 2b-2 provides a convincing – if broad brush – overview of the thinking about the range of analytical work, capacity building and implementation mechanisms to deal with the many facets of REDD from monitoring, to legal and policy reform to benefit sharing and intersectoral coordination and conflict resolution. Implementation will likely take some time on the order of 5 – 10 – 20 years for some aspects. In that sense the 2030 implementation horizon for the Strategy that is to be developed is realistic and appropriate.

Recommendations for the R-PP draft

Recommendation 5: The transaction and implementation costs of a REDD+ program should be included in the cost curve before it is allowed to be a central part of REDD Strategy preparation.

Recommendation 6: It is also essential to explore the potential threat from biofuel production, in particular the likelihood of a dramatic expansion of oil palm plantations, something that has recently received much attention, both in DRC and internationally, but which seems not to have been fully explored in the R-PP..

Recommendation 7: The R-PP should provide more information about the 14 early demonstration projects being considered in the country, since they would illuminate the readers' understanding about the details of potential development options.

Standard 2b has been largely met; recommendations 6 and 7 can easily be dealt with, while recommendation 5 might take a little longer

Standard 2.c: REDD implementation framework: Describes activities (and optionally provides ToR in an annex) to further elaborate institutional arrangements and issues relevant to REDD in the country setting that identifies key issues, explores potential arrangements to address them, and offers a work plan that seems likely to allow their full evaluation and adequate incorporation into the eventual Readiness Package.

Reviewer's assessment of how well R-PP meets this standard, and recommendations:

Overall assessment

This proposal is fraught with structures and loopholes that introduce low likelihood of success. (JM)

These activities are still in preliminary stage of development in the R-PP. The notion of a national carbon agency is interesting if it can be kept independent. On the other hand, the proposal for a national REDD fund would need to be confronted with the ongoing decentralization process and with the ways to mediate anticipated conflicts on resource distribution. The proposed framework presented in the diagram looks somewhat technocratic and of limited applicability to the challenging context of the DRC. Furthermore, the design does not appear to be as efficient, with multiple layers that will likely amplify transaction costs and confusion, and for the staffing of which there are likely to be capacity constraints. The annex is helpful in providing additional details regarding these functional and decision-making layers.

The implementation framework described on pages 50-53 is fine as far as it goes in defining the national level bodies for oversight, coordination and information management. Further work is needed on the issues of financial management and benefit sharing at the local level. These latter issues should be informed by the portfolio of 8-10 (perhaps more?) pilot or demonstration projects that seek to integrate REDD results and benefits into the other elements (poverty, agricultural expansion, household energy and export trade) that are operational at the landscape level.

The creation of 14 new entities (plus possibly more!) as outlined in letters a-k in the boxes on pp. 51-53 should be considered carefully. Many of the functions here could perhaps be taken on by expanding capacity of existing institutions with a "lighter hand" in overall coordination. Reviewers with a lifetime of experience of DRC's government structures have expressed doubts about the complexity of these arrangements, and the proliferation of new institutions.

The ToR presented in Annexes 2c-2 and 2c-3 are helpful in moving towards a national REDD strategy and its institutional structure; reviewers felt that the information should appear more fully in the main text.

The box on page 52 attempting to describe how carbon revenues will be managed is confusing and needs more work, perhaps after a period of limited but more flexible experimentation with revenue generation and distribution mechanisms. More experience with models developing elsewhere in the world and with greater private sector involvement and innovation would be desirable before instituting a rigid system of financial management that may have unknown limitations or create bottlenecks to benefit sharing and investment flows that cannot yet be foreseen. Several reviewers point to the need for the highest levels of transparency and probity, to ensure that the mechanisms and their management are leak-proof. It is not clear from the R-PP that the proposed separation of funds and separation of powers, will actually achieve this.

Several reviewers felt that making the carbon agency an independent entity would help. In addition to some reasons noted in the text, REDD+ programs will benefit some ministries while negatively impacting others because of reduced access to land, which is a ripe cause for tensions among them. An independent entity would help alleviate these problems, even if it did increase institutional complexity.

The intention of the "pole of excellence" described in this section (p 54) puzzled a number of reviewers, but it would seem that the option of building on and strengthening existing centers of excellence such as OSFAC for remote sensing should be considered before creating wholly new entities.

Recommendations for the R-PP draft

Recommendation 8: The proposal to decentralize some management and decision-making to the 11 provinces is noted and greater progress in this direction should be encouraged in revising the architecture.

Recommendation 9: Forest dependent community leadership institutions and civil society roles need to be deepened within the institutional arrangements outlined, though it is acknowledged that such structures are themselves imperfect. It is recommended that revisions include increased representation of these two key stakeholder groups, as a means of balancing the management and oversight structures, though it is acknowledged that at this juncture, it is not possible to be more precise about which groups and where, nor about how to judge the legitimacy of certain groups.

Recommendation 10: The institutional arrangements are complex, in response to a wide range of factors. But they are perhaps too complex, and risk compromising the success of the whole REDD process. We believe that simplifying the institutional structure, while at the same time guarding the separation of functions, is the way to proceed, building on existing institutions and structures wherever possible..

This does not yet meet the standard 2c, but would do if the recommendations were all implemented.

Standard 2.d: Assessment of social and environmental impacts: The proposal includes a program of work for due diligence for strategic environmental and social impact assessment in compliance with the Bank’s safeguard policies, including methods to evaluate how to address those impacts via studies, consultations, and specific mitigation measures aimed at preventing or minimizing adverse effects.

Reviewer’s assessment of how well R-PP meets this standard, and recommendations:

Overall assessment

The framework TORs provided in Annex 2d that describe the rationale and the detailed approach for carrying out a Strategic Environmental and Social Assessment are clear, precise, and competently drawn. The Government’s stated commitment to comply with the World Bank’s safeguard policies (related to environment, natural habitat, indigenous persons, physical cultural resources, involuntary settlement and forestry) should, if honored, provide a respectable and implementable set of signposts to define acceptable practice. As with Bank projects, however, there needs to be a capable and even more important timely capacity to monitor the implementation of safeguards and provide feedback in real time to project implementers. This function should probably be combined with the overall independent monitoring of project performance in the section on MRV of “other benefits and impacts” described on pp 72-74. DRC already has a large international development portfolio underway, including from the World Bank, which begs the question of how these needs were addressed in connection with other related investments. Clarifying this would be useful in the context of the SESA TOR.

The R-PP acknowledges a capacity challenge and proposes a capacity building and training plan. The SESA framework will be governed through a National Environment Agency whose functions will be provided for under an Environmental Law that is being enacted (as part of the normal business of Parliament; not particularly to accommodate the REDD programme). It is important for this to be speeded up (draft SESA guidelines are currently being prepared as a Ministerial decree).

There is a need for definition of standardized data collection and reporting formats to permit meaningful comparisons across time and space. There should be provision for “ad hoc” independent review and periodic assessment with timely feedback to the project management units and financial sponsors.

The “supplementary dimensions” for which DRC is planning to develop MRV capacity are particularly well framed on page 73. The challenge will be in building capacity to do the ambitious job outlined there, the scope of which goes well beyond the resources being proposed under this project for capacity building.

DRC recognizes the importance of REDD and the likely positive impacts. But it also recognizes that implementing REDD may be a challenge in a post-conflict developing DRC and that it may also have negative impacts on IPs and other communities who depend on forests for their survival. Community conflicts and other social tensions may arise.

Although most reviewers were satisfied with this standard, there were some significant doubts raised, centred on the impression that the R-PP made light of the challenges and complexity of undertaking SESA work of this kind. It is felt that the mechanisms are described, without enough thinking about the realities

Recommendations for the R-PP draft

Recommendation 11: The draft should expand on the arrangements that will be made to overcome the realities of REDD-related SESA work in circumstances that are quite unlike those of infrastructure and extractive industry projects.

Standard 2d will have been met when Recommendation 11 has been adequately attended to.

Component 3. Develop a Reference Scenario

Standard 3 Reference scenario: Present work plan for how the reference scenario for deforestation, and for forest degradation (if desired), will be developed, including early ideas on feasibility of which methods to use (e.g., scenario of forest cover change and emissions based on historical trends in emissions and/or based on projections into the future of historical trend data), major data requirements and capacity needs, and linkages to the monitoring system design.

(The FCPF recognizes that key international policy decisions may affect this component, so a staged approach may be useful. The R-PP states what early activities are proposed.)

Reviewer’s assessment of how well R-PP meets this standard, and recommendations:

Overall assessment

The R-PP comprehensively describes essential factors, which define the national circumstances and have to be considered to create meaningful reference levels. The DRC does however not communicate how it intends to account for all the factors mentioned. Only little information is provided on existing data and capacities and on respective gaps. We recognize that not all gaps can be known in detail because the specific data needs will depend on the choice for a model design that will be used for the reference scenario. Nevertheless, **a thorough assessment of available data and**

capacities should be carried out as soon as possible since this is a prerequisite to identify the related gaps once the DRC has developed a particular model and exactly knows its needs for data and capacities. **Appropriate capacity building activities should be reviewed** and deserve significantly more attention within the R-PP.

The assessment of historical data presented in the R-PP (reviewed on page 60) only mentions some external studies for the Congo Basin, which will be evaluated to choose an adequate methodology to collect activity data. Existing data on forest carbon stocks do not comply with the requirements for IPCC tier 2 or tier 3 estimates. Thus, emission factors for forest areas have to be determined in the framework of the upcoming national forest inventory to enable reporting equivalent at least to tier 2. The DRC acknowledges that an IPCC tier 1 reporting would give cause for serious concern regarding its ability to demonstrate efficacy and progress of future mitigation efforts. At this point, the R-PP should **specify what approaches will be taken regarding data that is missing or considered unsuitable for the use of the reference scenario**. DRC has set its sights on working towards tier 2 or high precision reporting and to a national level reference scenario (admirable goals both because of the greater accuracy and the ability of the country to reap the greater returns associated with greater measurement precision and to more accurately measure additionality and account for leakage). But it remains an open question whether or not DRC could sustain a convincing case for doing this under present circumstances.

The argument for an adjusted baseline is relevant; current work by McKinsey and IIASA to refine the adjustment criteria based on demographic, economic and political trends is also relevant.

The R-PP plans to consider all five carbon pools addressed within the IPCC guidelines; this makes it necessary for the proposal to **provide a strategy how the monitoring of the carbon pools is put into practice**. Given the unclear and most likely unsatisfactory data situation, the DRC may **examine the suitability of a stepwise approach**. Reviewers note that the new version of the R-PP (26th February) addresses this issue (See page 74 for details). To ensure consistency between historical data and future estimates, the methods to be adopted to estimate the activity data of REL and RL are the same methods as those used for evaluating forest cover change and emissions/removals presented in Component 4. The existing data (inadequate for tier 2 reporting) will be the data used for the first studies on historic data.

Such cautious approaches apply also to the range of intended REDD+ activities comprising deforestation, forest degradation and carbon stock enhancement as well as efforts focusing on conservation and sustainable management practices of forest areas. The DRC sensibly may consider adjusting the adoption of respective activities to the development of capacities and data availability. In turn, capacity building and data collection should be aligned with the significance of respective factors (key category analysis) and feasibility (cost-benefit analysis) to specify priorities and ensure a reasonable efficiency of the efforts. This will require the DRC to **systematically analyze drivers** (further assess the conception in component 2a) **and provide a quantification of their impact** in order to target key causes of deforestation and forest degradation.

Since the DRC is engaged through COMIFAC on a regional scale in the Congo Basin, the R-PP could **provide better understanding on how the regional cooperation affects the development of a reference level**. On the opposite end of the scale, a subnational approach may appear plausible when core areas of REDD+ implementation can be identified, so long as they are employed through a systematic national methodology.

Congo basin countries and in particular DRC with its submission to UNFCCC **put an emphasis on implementing REDD+ policies at sub-national level**. This is currently not properly considered in the R-PP though the reasons for this have been explained in dialogue between the TAP and the R-PP authors.

There are obvious discrepancies between first 4 pages of Component 3 and the rest of the description. According to UNFCCC, REL/RL establishment needs to be based on historical data and adjusted for national circumstances. Starting with the “provisional plan for the development of national reference” the R-PP mentions a different approach. In particular the model building approach and the innovative prospective approach seem contrary to what has been discussed earlier. Politically, there is no consensus on “adjusted scenarios” as mentioned in the R-PP. DRC needs to be more careful and to consolidate this section.

The R-PP mentioning the issue of **granting credits or credit provision**. It is probably too early in the discussion to make such explicit statements, in particular for the REL/RL discussions.

Recommendations for the R-PP draft

Recommendation 12: Appropriate capacity building activities should be reviewed and deserve significantly more attention within the R-PP.

Recommendation 13: The R-PP should specify what approaches will be taken regarding data that are missing or considered unsuitable for the use of the reference scenario.

Recommendation 14: The authors should provide a strategy showing how the monitoring of the carbon pools would be put into practice, examining the suitability of a stepwise approach.

Recommendation 15: DRC should systematically analyze drivers (further assessing the concept in component 2a) and provide a quantification of their impact in order to target key causes of deforestation and forest degradation in the scenario.

Recommendation 16: Since DRC is engaged through COMIFAC on a regional scale in the Congo basin, the R-PP could provide better understanding on how the regional cooperation affects the development of a reference level.

Recommendation 17: There are obvious discrepancies between the first 4 pages of Component 3 and the rest of the description, which should be attended to.

The standard for component 3 has not yet been met.

Component 4. Design a Monitoring System

Standard 4: Design a monitoring system: The R-PP provides a proposal for the initial design of an integrated monitoring system of measurement, reporting and verification of changes in deforestation and/or forest degradation. The system design should include early ideas on including capability (either within an integrated system, or in coordinated activities) to monitor other benefits and impacts, for example rural livelihoods, conservation of biodiversity, key governance factors directly pertinent to REDD implementation in the country, and to assess the impacts of the REDD strategy in the forest sector.

The R-PP should describe major data requirements, capacity requirements, how transparency of the monitoring system and data will be addressed, early ideas on which methods to use, and how the system would engage participatory approaches to monitoring by forest-dependent indigenous peoples and other forest dwellers. It should also address independent monitoring and review, involving civil society and other stakeholders, and how findings would be fed back to improve REDD implementation. The proposal should present early ideas on how the system could evolve into a mature REDD monitoring system with this full set of capabilities.

(The FCPF recognizes that key international policy decisions may affect this component, so a staged approach may be useful. The R-PP states what early activities are proposed.)

Reviewer's assessment of how well R-Plan meets this standard, and recommendations:

Overall assessment

The R-PP notes the three approaches proposed in the IPCC good practice guidance for LULUCF. DRC plans to use the third approach using remote sensing data, which will provide annual estimates of activity data -- change in forest cover. The biomass and carbon density data will be collected through a national forest inventory with systematic stratification and random sampling combined with optimal use. The proposed IFN will include information on biodiversity, and socioeconomic issues as well. Measurement protocols will measure data in five carbon pools. In addition, the monitoring will also focus on related sustainable development factors such as governance, economic, environmental, and socio-cultural management activities.

As remote sensing technology continues to evolve it makes sense to keep options open on what technology and protocols will be used for national level land cover monitoring. This will enable DRC to continue to benefit from the considerable interest by a variety of donors and implementers to contribute to increase knowledge of forest dynamics in the region through research and applications.

The section on monitoring of emissions (pp 64-72) and removals exhibits a good knowledge of the issues involved and the capabilities and limits on available technologies and a realistic assessment of the types of investments needed to acquire and maintain the needed level of capacity.

The R-PP is based on the fact that there is currently only little expertise for MRV relevant activities but it does not provide a reasonable analysis of existing and required capacities for the various fields of activity. It should **specify more clearly which and where capacities (and capacity gaps) are existent**. Accordingly, proposals for capacity building should be addressed in a comparable way and define how the DRC can take advantage of existing national capacities in conjunction with the suggested approaches.

The DRC intends to make use of methodologies developed by external partners (e.g. FAO, INPE) to design the MRV system, which seems like a suitable approach. The outlined steps are generally

useful and valid. A link between the national MRV system and the IPCC guidelines is established, that should ensure the compliance of DRC's national REDD strategy to international requirements. The R-PP could gain some significance when the DRC does more thoroughly **account for the national conditions and requirements and for possible challenges to national and subnational levels with respect to the design and implementation of the envisaged MRV approach**. In the same vein, the link between national policy and associated MRV requirements should be much more closely aligned with MRV-system development and capacity building requirements.

The R-PP should be clearer about **how the activities would result in the establishment of long-term and sustainable capacity in DRC**. It is obvious that external support is needed initially but the MRV development roadmap should be judged by the extent to which national capacities have improved.

The R-PP only makes a short statement in this component about participatory approaches. According to that, the DRC would welcome the cooperation among the various stakeholders. However, several reviewers are of the view that **the participation of civil society and local communities as well as the role for NGOs and the private sector requires significantly more attention**: How are the interests of those stakeholders considered during the conception of the MRV system? For what type and extent participation is envisaged and how will it be implemented? What synergies could be made use of, e.g. for the benefit of capacity building?

There seems to be a mixing of approaches and Tiers on page 65. In fact the R-PP is mentioned "levels" which is not IPCC language. Is it correct that DRC will use approach 3 for activity data and Tier 2 for carbon stocks? This needs to be more clear.

The approach to **estimate emission factors is well described as part of the national activities while there is not enough information on the methods to assess activity data**, i.e. forest area and forest area change.

The budget estimates for achieving this component are, however, exceedingly low. This budget section should be re-evaluated by technical specialists and brought in line with current costs. This will likely result in a doubling of the budget for this component. Such investments should generate good returns on investment through improved accuracy and therefore greater returns from compensation schemes based on either carbon stocks or flows.

Recommendations for the R-PP draft

Recommendation 18: The participation of civil society and local communities as well as the role for NGOs and the private sector requires significantly more attention in relation to MRV

Recommendation 19: Monitoring the drivers of deforestation needs to be explicitly factored in as a separate piece of assessment. Without this monitoring, it will be difficult to track the dynamic and changing causes of DD and hence to design REDD+ policies to control it.

Recommendation 20: The R-PP should be clearer about existing capacity, capacity gaps and the establishment of long-term capacity in MRV

Recommendation 21: The estimation of emission factors is well described as part of the national activities while there is not enough information on the methods to assess activity data, i.e. forest area and forest area change.

The standard for component 4 has not yet been met.

Component 5. Schedule and Budget

Standard 5: Completeness of information and resource requirements

The R-PP proposes a full suite of activities to achieve REDD readiness, and identifies capacity building and financial resources needed to accomplish these activities. A budget and schedule for funding and technical support requested from the FCPF, as well as from other international sources (e.g., UN-REDD or bilateral assistance) are summarized by year and by potential donor. The information presented reflects the priorities in the R-PP, and is sufficient to meet the costs associated with REDD readiness activities identified in the R-PP, or gaps in funding are clearly noted.

Reviewer’s assessment of how well R-PP meets this standard, and recommendations:

Overall assessment

The format of the work schedule and budget is excellent. The budget also provides clear information and adequate detail on possible funding sources and technical assistance

The plan is ambitious and probably overoptimistic, in particular given the very real capacity limitations of DRC on several fronts. Emphasis on building personnel, institutional and legal framework capabilities will be required over the first few years; this has been mentioned repeatedly elsewhere.

The budget (\$24.5 million) appears to be reasonable for the overall program and does a good job of anticipating the full range of activities from policy and legal reform to broad public awareness building and participatory planning, to monitoring and reporting of emissions and non-emissions phenomena associated with implementation of REDD programmes. As mentioned elsewhere, the true costs of some activities appear to some reviewers to be seriously underestimated. The budget includes funding from the UN-REDD and other donors that extends well beyond the funds sought from FCPF (~\$3.4 million). It does not include costs related to the implementation of pilot projects and programs. Budgeting US\$ 15 m from unidentified sources is rather ambitious and it is recommended that DRC gives an indication of some of these potential sources.

There are some unanswered questions: Would the much bigger funding sought from non-FCPF funds delay the start of the Readiness activity? If yes, would the FCPF funding be used to initiate and continue activities while awaiting the non-FCPF funding? if not rapidly subscribed, would put both the proposed implementation schedule and the expected results at risk

Recommendations for the R-PP draft

Recommendation 22: Further work should be done to sequence and prioritize the investments from the two named sources to guard against the risk of weak performance due to budget gaps in critical areas. A “critical path” assessment for the deployment of funding should be done to design a “fallback” strategy in the event that supplementary funding is delayed or not forthcoming.

Whether or not the single recommendation is followed up, this meets Standard 5.

Component 6. Design a Program Monitoring and Evaluation Framework

Standard 6: Adequately describes the indicators that will be used to monitor program performance of the Readiness process and R-PP activities, and to identify in a timely manner any shortfalls in performance timing or quality. The R-PP demonstrates that the framework will assist in transparent management of financial and other resources, to meet the activity schedule.

Reviewer's assessment of how well R-PP meets this standard, and recommendations:

Overall assessment

The outline provides a very clear and impressive M&E system and indicators to be monitored. The remaining question is whether or not this M&E system can be implemented successfully in the DRC with its many institutional and governance challenges.

The objectives of this component (page 81) are clear from the point of view of monitoring of overall programme management performance, but less so in terms of the more technical aspects of performance monitoring although some "technical" indicators are suggested in Annex 4a.

The programme would probably benefit from a workshop or analysis built around the four components presented in the figure on page 11 that addressed the "SMART" indicators that could be defined for each of the four major programme components:

- IEC, including participation and mobilization;

- Building national technical, institutional, policy and legal capacity;

- Implementation of demonstration projects, and;

- Implementation of the national REDD+ Strategy.

The information on which indicators will be Monitored and Evaluated is not so complete and should be added to this section.

The elements of "timeliness" and transparency will be crucial ones in this programme, not the least because of the large mix of donors expected to participate in addition to the FCPF and UNREDD mechanisms. The programme would benefit from a funding facility being established that could reliably disburse and account for funds that would act as a buffer against delays of funding from individual donors for critical path activities due to differences in fiscal cycles and procedures for approval and disbursement.

The document provides key information on the framework and approach that will be used for program M&E. This information is quite complete with illustrative flow charts.

Recommendations for the R-PP draft

Recommendation 23: The indicators require further detailing but this could be achieved in revision of this document without too much challenge.

Standard 6 will be met, once the recommendation above has been attended to