

Document of  
The World Bank

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**READINESS PREPARATION PROPOSAL ASSESSMENT NOTE**

**ON A**

**PROPOSED GRANT**

**IN THE AMOUNT { }**

**TO THE**

**{RECIPIENT}**

**FOR**

**{REDD+ READINESS PREPARATION SUPPORT}**

Vice President:	{VicePresident}
Country Director:	{CountryDirector}
Sector Manager:	{SectorManager}
Sector Director:	{SectorDirector}
Task Team Leader:	{TeamLeaderName}

This document is being made publicly available after Readiness Preparation Grant signature. This does not imply a presumed outcome. This document may be updated following Grant signature and the updated document will be made publicly available in accordance with the Bank's policy on Access to Information.

## DATA SHEET

*Country Name*

*Project Name*

### READINESS PREPARATION PROPOSAL (R-PP) ASSESSMENT NOTE

*Region*

*Unit*

Date: Country Director: Sector Manager/Director: Project ID: Lending Instrument: Technical Assistance Grant Team Leader(s):	Risk Rating: Sectors: Themes:	
Date of country selection into FCPF: Date of Participation Agreement signed by Country: Date of Participation Agreement signed by Bank: Date of R-PP Formulation Grant Agreement signature: Expected date of Readiness Preparation Grant Agreement signature:		
<b>Project Financing Data:</b>		
<input type="checkbox"/> Loan <input type="checkbox"/> Credit	<input checked="" type="checkbox"/> Grant <input type="checkbox"/> Guarantee	<input type="checkbox"/> Other, explain:
For Loans/Credits/Others: Total Project Cost (US\$M): N/A Cofinancing: N/A Total Bank Financing (US\$M): N/A		
Source	Total Amount (US\$)	
Recipient IBRD IDA New Recommitted Others	<i>{ Under "Others," provide a breakdown of amount financed by FCPF as well as amounts provided by other donors/partners for Readiness preparation if applicable }</i>	
Regional FCPF Trust Fund Number: FCPF Country Child Trust Fund Number:		

Recipient: {Name}	
Responsible Agency: {Name}	
Contact Person: {Name} Telephone No.:	Fax No.: Email:
Project Implementation Period:	
<b>Clearances to the Readiness Preparation Proposal Assessment Note:</b>	
Sector Manager: {Name, Date}	
Regional Safeguards Coordinator: {Name, Date}	
Safeguards Specialist: {Name, Date}	
Procurement Specialist: {Name, Date}	
Financial Management Specialist: {Name, Date}	

## **PURPOSE OF THE READINESS PREPARATION PROPOSAL ASSESSMENT NOTE**

As part of its responsibilities for the FCPF, the World Bank has been asked to ensure that the FCPF's activities comply with the relevant World Bank Operational Policies and Procedures, in particular the Safeguard Policies, and the policies on Procurement and Financial Management.

The World Bank has also been asked to assist REDD Country Participants to formulate and implement their Readiness Preparation Proposals (R-PPs).

The purpose of this Readiness Preparation Proposal Assessment Note (R-PP Assessment Note), therefore, is for the Bank to assess if and how the proposed REDD+ Readiness Support Activity, as presented in the R-PP, complies with Safeguard Policies, and the Bank's policies on Procurement and Financial Management, discuss the technical quality of the R-PP, record the assistance it has provided to the REDD Country Participant in the formulation of its R-PP, and describe the assistance it might potentially provide to the REDD Country Participant in the implementation of its R-PP.

## **ABBREVIATIONS AND ACRONYMS**

CO <sub>2</sub> e	Carbon dioxide equivalent
ESMF	Environmental and Social Management Framework
FCPF	Forest Carbon Partnership Facility
FMT	Facility Management Team
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
MRV	Measurement, reporting and verification
NGO	Non-governmental organization
PC	Participants Committee
REDD+	Reducing emissions from deforestation and forest degradation, and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries
R-PIN	Readiness Preparation Idea Note
R-PP	Readiness Preparation Proposal
Mt	Megaton (million metric tonnes)
SESA	Strategic Environmental and Social Assessment
UNFCCC	United Nations Framework Convention on Climate Change
WBS	World Bank System

{ COUNTRY }  
{ Project Name }

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(prepared by Task Team, if available)  
{ COUNTRY }  
{ Project Name }

*[Please see OPCS “Guidelines for the Project Concept Note (PCN).”<sup>1</sup>  
Any guidance given below is additional to those guidelines. The R-PP Assessment Note is disclosed after Readiness Preparation Grant signature, without the ORAF (the ORAF continues to be considered deliberative even after Readiness Preparation Grant signature). Before finalizing the document, the country concerned is requested to identify any text or data in the draft Assessment Note that is confidential. The task team, as it considers appropriate, makes adjustments to the document to address the matters of concern to the country before the Assessment Note is made available to the public.]*

**I. Introduction and Context**

**A. Country Context**

**B. Sectoral and Institutional Context**

*[This section should summarize the sectoral and institutional context in which the project will be implemented. How would the proposed operation support the recipient’s objectives, policies, and strategies in the sector? What are the drivers of deforestation and forest degradation presented in the R-PP and how does the R-PP propose to address these drivers?]*

**C. Relationship to CAS**

*[How would the proposed REDD+ Readiness Program support the Country Assistance Strategy or Country Partnership Strategy, and operations managed or planned by the Bank?]*

**II. Proposed Project Development Objectives**

**A. Proposed PDO**

*[The following is suggested standard text:]*

The Forest Carbon Partnership Facility (FCPF) is assisting developing countries in their efforts to reduce emissions from deforestation and forest degradation, and the role of conservation, sustainable management of forests and enhancement of forest (REDD+) by providing value to standing forests. It was announced at CoP13 in Bali in December 2007 and became operational in June 2008.

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<sup>1</sup> Available at <http://go.worldbank.org/CGC5VFRSF0>.

The FCPF is helping build the capacity of developing countries in tropical and subtropical regions to reduce emissions from deforestation and forest degradation and to tap into any future system of positive incentives for REDD+. The aim is to enable countries to tackle deforestation and reduce emissions from REDD+ as well as develop capacity for assessment of measurable and verifiable emission reductions.

The FCPF's initial activities relate to strategic planning and preparation for REDD+ in IBRD and IDA member countries in the tropics across Africa, East Asia and Pacific, Latin America and the Caribbean and South Asia. Specifically, countries prepare for REDD+ by:

- i. assessing the country's situation with respect to deforestation, forest degradation, conservation and sustainable management of forests and relevant governance issues;
- ii. identifying REDD+ strategy options;
- iii. assessing key social and environmental risks and potential impacts associated with REDD+, and developing a management framework to manage these risks and mitigate potential impacts;
- iv. working out a reference level of historic forest cover change and greenhouse gas emissions and uptake from deforestation and/or forest degradation and REDD+ activities, and potentially forward-looking projections of emissions; and
- v. designing a monitoring system to measure, report and verify the effect of the REDD+ strategy on greenhouse gas emissions and other multiple benefits, and to monitor the drivers of deforestation and forest degradation, as well as other variables relevant to the implementation of REDD+.

These preparatory activities are referred to as 'REDD+ Readiness' and are supported in part by the Readiness Fund of the FCPF. This FCPF Readiness Preparation grant activity (referred to as "Project" in the R-PP Assessment Note) will fund only a portion of the R-PP activities, but will help the Country towards achieving REDD+ Readiness, even though the Country may not reach this stage until well after the grant closes; it will not finance any implementation of REDD+ activities on the ground (e.g., investments or pilot projects).

It is expected that approximately five to ten countries that will have made significant progress towards REDD+ readiness will also participate in the Carbon Finance Mechanism and receive financing from the Carbon Fund. Specifically, these countries will benefit from performance-based payments for having verifiably reduced emissions from deforestation and/or forest degradation through their Emission Reductions Programs. The structure of these payments will build on the options for REDD+ that are currently being discussed within the United Nations Framework Convention on Climate Change (UNFCCC) process, with payments made to help address the causes of deforestation and degradation.

The experiences generated from the FCPF's methodological, pilot implementation and carbon finance experience will provide insights and knowledge for all entities interested in REDD+. The FCPF thus seeks to create an enabling environment and garner a body of knowledge and

experiences that can facilitate development of a much larger global program of incentives for REDD+ over the medium term.

Thirty-seven countries have been selected as REDD+ Country Participants in the FCPF Readiness Mechanism, based on Readiness Preparation Idea Notes reviewed by the Participants Committee and independent reviews by a Technical Advisory Panel.

Many of these REDD Country Participants received grant support to develop a Readiness Preparation Proposal (R-PP), which contains a detailed assessment of the drivers of deforestation and forest degradation, terms of reference for defining their emissions reference level based on past emission rates and future emissions estimates, establishing a monitoring, reporting and verification system for REDD+, adopting or complementing their national REDD+ strategy, and actions for integrating environmental and social considerations into the REDD+ Readiness process, including the national REDD+ strategy. A Consultation and Participation Plan is also part of the R-PP.

{Country} has developed and submitted an R-PP. This REDD+ Readiness Preparation grant will provide additional funding to support the Country in carrying out the activities outlined in its R-PP. The grant will fund only a portion of the R-PP activities, but will help the Country towards achieving REDD+ Readiness, even though the Country may not reach this stage until well after the grant closes. Based on the activities outlined in the R-PP, it is expected that the Country would be able to participate in REDD+ carbon transactions, including under the FCPF Carbon Fund.

## **B. Key Results**

*[For example, consider using the following indicators: “Country has made progress towards establishing an MRV system,” or “Country has conducted consultations on...”.]*

## **III. Project Context**

### **A. Concept**

#### **1. Description**

*[Describe the project concept. From the list of studies and activities in the R-PP, identify those for which the REDD Country Participant seeks support from the FCPF.]*

#### **2. Key Risks and Issues**

### **B. Implementing Agency Assessment**

### **C. Project Stakeholder Assessment**



*[Briefly summarize the roles and importance of the stakeholders in the country and sector and their potential contribution to the project. Has the Country put in place a national REDD+ platform (such as a working group or steering committee) to foster a national dialogue on REDD+? Are the main national stakeholder groups (including the relevant government agencies) represented in this platform? How do the project activities align with those activities being supported by development partners, including bilateral and multilateral donors?]*

#### IV. Overall Risk Ratings

#### V. **Proposed Team Composition and Resources, including Technical Assistance Provided by Bank Staff to Date**

*[Record the assistance and/or comments on the R-PP draft(s) provided by Bank staff to the REDD Country Participant, if and how this assistance helped shape the R-PP and if and how these comments were taken into consideration in the latest R-PP submitted by the REDD Country Participant. Please point to possible disagreements between the REDD Country Participant and the Bank. Discuss resources needed to prepare the project, with specific emphasis on the required technical composition of the team (specific area of expertise needed?) and budget.]*

#### VI. **Assessment Summary**

##### A. **Technical**

*[For the activities expected to be funded by the FCPF with implementation support from the Bank, summarize the rationale for the selected technical design or approach, its appropriateness to the Recipient's needs, and its conformity with relevant international standards.]*

##### B. **Financial Management**

*[For the activities expected to be funded by the FCPF with implementation support from the Bank, describe the relevant agency's capacity to implement World Bank financial management practices. What are the main conclusions from the financial management assessment of the agency's capacity? What are the arrangements for financial management supervision?]*

##### C. **Procurement**

*[For the activities expected to be funded by the FCPF with implementation support from the Bank, describe the relevant agency's capacity to implement World Bank procurement practices. What are the main conclusions from the procurement assessment of the agency's capacity? What are the arrangements for procurement supervision?]*

## **D. Social and Environmental (including Consultation, Participation, Disclosure and Safeguards)**

*[Insert the following standard text:]*

The FCPF Readiness Preparation grant must comply with World Bank safeguard policies regarding the management of environmental and social impacts. This grant will, in part, support the country's activities to identify the potential risks associated with REDD+ and mitigation options. In order to do this, the FCPF is using a Strategic Environmental and Social Assessment (SESA) to integrate key environmental and social considerations into REDD+ Readiness by combining analytical and participatory approaches. The SESA allows: (i) social and environmental considerations to be integrated into the REDD+ Readiness process, in particular the REDD+ strategy; (ii) stakeholder participation in identifying and prioritizing key issues, assessment of policy, institutional and capacity gaps to manage these priorities and recommendations, and disclosure of findings in the REDD Country's progress reports on Readiness preparation; and (iii) an Environmental and Social Management Framework (ESMF) to be put in place to manage environmental and social risks and to mitigate potential adverse impacts. The SESA guidelines have been integrated into the R-PP template.

### **D.1. Social (including Safeguards)**

*[Key assessments of social risks and the Country's capacity to manage these risks will be undertaken by the country through a SESA, which is mainstreamed in the R-PP. The aim of this section is to describe the Country's capacity to conduct a SESA and produce an ESMF. Assess the Executing Agency's legal and institutional capacity for social management, including safeguards. Does the agency by itself or in coordination with other agencies have the capacity to identify, prioritize and manage social risks, including balancing interests of multiple stakeholders and managing conflicts? Please list lessons from relevant projects, relevant internal reviews and/or accountability mechanisms on safeguards (e.g., Quality Assurance Group, Internal Evaluation Group, Inspection Panel and other third party reviews).]*

### **D.2. Environmental (including Safeguards)**

*[Key assessments of environmental risks and the Country's capacity to manage these risks would be undertaken by the country through a SESA, which is mainstreamed in the R-PP. The aim of this section is to describe the Country's capacity to conduct a SESA, including preparation of an ESMF.*

*Assess the Executing Agency's legal and institutional capacity for environmental management, including safeguards. Does the agency by itself or in coordination with other agencies have the capacity to identify, prioritize and manage environmental risks, including balancing interests of multiple stakeholders and managing conflicts? Please list lessons from relevant projects, relevant internal reviews and/or accountability mechanisms on safeguards (e.g., Quality Assurance Group, Internal Evaluation Group, Inspection Panel and other third party reviews), and how these may be applied to the proposed REDD+ Readiness Support Activity.]*

### **D.3. Consultation, Participation and Disclosure**

**i. Experience to Date**

*[Has the preparation of the R-PP been consultative and participatory with engagement of relevant stakeholders? Have relevant documents been publicly disclosed and in a timely manner to provide access to information for consultation and participation? (Annex D of the FCPF Readiness Fund Processing Guidelines provides guidance on disclosure.) How have consultations been conducted? Has a neutral facilitator been assisting in the consultations? How have expectations of relevant stakeholders on their participation in REDD+ been managed? Are tensions or conflicts surfacing in relation to the country's participation in REDD+?]*

**ii. Proposal Going Forward**

*[Does the R-PP include a Consultation and Participation Plan? Does the R-PP include participatory mechanisms to ensure involvement of Indigenous Peoples and forest communities in consultation processes? Does the Country intend to build on the existing structures at national, local and community level to enhance consultation and participation (e.g., using decentralized institutions to mobilize forest communities for REDD+)? Does the Consultation and Participation Plan provide for disclosure of documents as well as feedback mechanisms whereby stakeholders are able to express their opinions and grievances, seek redress, and generally influence the preparation and implementation of REDD+ in the Country?]*

**D.4. Safeguards Policies Triggered**

<b>Safeguard Policies Triggered (please explain why)</b>	<b>Yes</b>	<b>No</b>	<b>TBD</b>
<b>Environmental Assessment (OP/BP 4.01)</b>			
<b>Natural Habitats (OP/BP 4.04)</b>			
<b>Forests (OP/BP 4.36)</b>			
<b>Pest Management (OP 4.09)</b>			
<b>Physical Cultural Resources (OP/BP 4.11)</b>			
<b>Indigenous Peoples (OP/BP 4.10)</b>			
<b>Involuntary Resettlement (OP/BP 4.12)</b>			
<b>Safety of Dams (OP/BP 4.37)</b>			
<b>Projects on International Waterways (OP/BP 7.50)</b>			

<b>Safeguard Policies Triggered</b> <i>(please explain why)</i>	<b>Yes</b>	<b>No</b>	<b>TBD</b>
<b>Projects in Disputed Areas (OP/BP 7.60)</b>			
<b>Piloting the Use of Borrower Systems to Address Environmental and Social Safeguard Issues in Bank-Supported Projects (OP/BP 4.00)</b>			

The main safeguard instrument to be applied is the SESA. The SESA includes as part of the SESA process the preparation of an ESMF. The ESMF may evolve and be updated over time when new REDD+ strategy options, projects or activities (including investments) and/or policies or regulations are identified during the implementation of REDD+. The SESA addresses the key environmental and social issues associated with the preparation of REDD+ strategy options as well as REDD+ projects, activities (including investments), policies and regulations. In this manner SESA can ensure compliance with World Bank’s environmental and social safeguards.

The SESA process requires that the selection of REDD+ strategy options should take into account the country’s institutional and capacity constraints for managing environmental and social risks, as well as the potential environmental and social impacts associated with these strategy options. Any identified gaps to manage these risks and potential impacts in relation to relevant World Bank safeguard policies should be identified along with the strategy options to feed into the preparation of the ESMF. The ESMF should provide a framework to manage and mitigate the potential environmental and social impacts related to specific projects and activities (including investments and carbon finance transactions, in the context of the future implementation of REDD+).

The ESMF will be structured to contain subject-specific frameworks addressing the relevant requirements of the applicable environmental and social safeguard policies including, but not necessarily limited to, a Resettlement Policy Framework (RPF); Process Framework (PF); and Indigenous Peoples Planning Framework (IPPF).

## **Annex I: Operational Risk Assessment Framework (ORAF)**

*[The R-PP Assessment Note is disclosed after Readiness Preparation Grant signature, without the ORAF (the ORAF continues to be considered deliberative even after Readiness Preparation Grant signature).]*

*[An ORAF should be completed by task teams. The task team should consider and include only the important areas of risk arising from FCPF support of the Readiness process in that Country. As example only, some of the risks that teams may consider are as follows: (i) insufficient ownership at country level, e.g., to make the required policy changes required for REDD+ to work; (ii) lack of community ownership, i.e., that REDD+ activities will be agreed within Government but not with local communities such as Indigenous Peoples; (iii) conflicts arising from lack of trust or misunderstanding of how the benefits and costs of REDD+ will be distributed among stakeholders; (iv) unclear land tenure rights, or land tenure issues that may not be resolved through the proposed REDD+ Readiness Program; (v) specific risks related to forest sector governance in the Country; (vi) other governance risks; (vii) risks related to implementation capacity; (viii) lack of sustainability of the REDD+ Readiness achievements due to political or financial reasons; and (ix) issues related to the Bank/Country relationship.]*

## **Annex II: Preparation Schedule and Resource Estimate**

## **Annex III: R-PP Submitted by the REDD Country Participant**

## **Annex IV: Draft Grant Agreement for REDD+ Readiness Preparation (if available)**

Annex I  
Operational Risk Assessment Framework (ORAF)

{ COUNTRY }  
{ Project Name }

Project Development Objective(s)											
PDO Level Results Indicators:	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 20px; text-align: center;">1.</td><td></td></tr> <tr><td style="width: 20px; text-align: center;">2.</td><td></td></tr> <tr><td style="width: 20px; text-align: center;">3.</td><td></td></tr> <tr><td style="width: 20px; text-align: center;">4.</td><td></td></tr> <tr><td style="width: 20px; text-align: center;">5.</td><td></td></tr> </table>	1.		2.		3.		4.		5.	
1.											
2.											
3.											
4.											
5.											

Risk Category	Risk Rating	Risk Rating <sup>2</sup> Explanation	Risk Description	Proposed Mitigation Measures	Timing for Mitigation: Prep/Impl. <sup>3</sup>	
<b>1. Project Stakeholder Risks</b>						
1.1 Stakeholder						
<b>2. Operating Environment Risks</b>						
2.1 Country <sup>4</sup>						
2.2 Institutional (sector & multi-sector Level)						
<b>3. Implementing Agency Risks (including FM &amp; PR Risks)</b>						

<sup>2</sup> This section is part of the deliberative process and will be available in the system but not in the final documentation. The document will reflect all other aspects which will be disclosed.

<sup>3</sup> Please see paras. 14-16 of the guidance note for details on filing in timing for mitigation measures.

<sup>4</sup> Please see paras. 6 and 8 of the guidance note for details on completing this section.

3.1 Capacity						
3.2 Governance						
3.3 Fraud & Corruption						
<b>4. Project Risks</b>						
4.1 Design						
4.2 Social & Environmental						
4.3 Program & Donor						
4.4 Delivery Quality						
4.5 Other (max 2)						

A - Proposed Rating before Concept Review:

Project Team	Risk Rating: Preparation	Risk Rating: Implementation	Date	Comments
Overall Risk				

B - Review by IL Risk Team for Concept Review:

Risk Team	Risk Rating: Preparation	Risk Rating: Implementation	Date	Comments
Overall Risk				

Final Concept Review Rating:

Concept Review Chair	Risk Rating: Preparation	Risk Rating: Implementation	Processing Track	Date	Comments
Overall Risk					

**Annex II**  
**Preparation Schedule and Resource Estimate**

<b>Preparation Schedule</b>				
	Dates			
Milestone	Basic	Forecast	Actual	
AIS Release	From system	<i>From system</i>	<i>From system</i>	
Concept Review	From system	<i>From system</i>	<i>From system</i>	
Readiness Preparation GFR approved	From system	<i>From system</i>	<i>From system</i>	
Readiness Preparation Grant signed	From system	<i>From system</i>	<i>From system</i>	
<b>Sector Unit Estimate of Resources Required from Preparation through Approval</b>				
Source of Funds	Identification and Preparation Expenses to Date (US\$)	Estimate of Resource Requirements (US\$)		
		Fixed	Variable	
Bank Budget	From system			
Trust Funds	From system			
<b>Team Composition</b>				
<i>Name</i>	<i>Title</i>	<i>**Role</i>	<i>Unit</i>	<i>UPI</i>
<i>From system</i>	<i>From system</i>		<i>From system</i>	<i>From system</i>
<i>From system</i>	<i>From system</i>		<i>From system</i>	<i>From system</i>
<i>From system</i>	<i>From system</i>		<i>From system</i>	<i>From system</i>
<i>From system</i>	<i>From system</i>		<i>From system</i>	<i>From system</i>

(Template Version November 22, 2010)