

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TFOA1726
Printed On: 10/01/2019

Reporting Period: 02/12/2016 to 06/30/2019
Report Type: Completion
Report Status: Approved

Assignment: TFOA1726

Mozambique Additional FCPF Funding FCPFR - Forest Carbon Partnership Facility

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Summary Information	
TF Status	ACTV
Recipient Country	Mozambique
Executed By	Recipient
Managing Unit	9835 - SAFE3
Grant Start Date / End Date	02/12/2016 to 06/30/2019
Original Grant Amount	5,000,000.00
Grant Amount	5,000,000.00
Outstanding Commitments	0.00
Cumulative Disbursements	4,999,945.31 as of 06/30/2019
Disbursed 02/12/2016 to 06/30/2019	4,999,945.31
Donor	TF602001 - MULTIPLE DONORS

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

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OVERVIEW

Overall Assessments

Grant Objectives:

The Project Development Objective remains unchanged from the original grant. It is to contribute to the adoption of national REDD+ strategy and of the national legal and institutional framework for REDD+.

Overall progress from 02/12/2016 to 06/30/2019 with regard to Achieving Grant Objectives:

Comment:

In the beginning of 2015, the government of Mozambique created a new Ministry of Land, Environment and Rural Development (MITADER) which brought together the previous Ministry of Coordination of Environmental Affairs (MICOA) and part of the previous Ministry of Agriculture (MINAG). The main mandate of this new ministry is to lead, plan, coordinate, monitor and ensure the implementation of policies related to the management and administration of lands, forests and wildlife, the environment, conservation area and rural development, including REDD+. Within MITADER, The National Sustainable Development Fund (FNDS) was created (February, 2016) and equipped in terms of human, technical and material resources. The FNDS is hosted within MITADER and is responsible for overall strategic guidance and coordination of different initiatives and the REDD+ program. In each province, Landscape Coordination Units (LCUs) are functional, comprising around 10 technical staff in each.

The Project Development Objective remained unchanged from the original \$ 3.8 million grant. It is to contribute to the adoption of national REDD+ strategy and of the national legal and institutional framework for REDD+.

Just to recall, the original grant had three key results set for measuring the grant PDO:

#A national REDD+ strategy to reduce emissions from deforestation and forest degradation was prepared, approved and validated by national stakeholders;

#The legal and institutional framework for the implementation of the National REDD+ strategy is prepared and validated by national stakeholders; and

#A Strategic Environmental and Social Assessment (SESA) and an Environmental and Social Management Framework (ESMF) are prepared and validated through participatory stakeholder consultation.

All the three proposed activities under the original grant were fully implemented and achieved thus all the indicator were met.

For this additional \$5million additional grant, achievement of Additional Funding objectives would be measured through the following additional results indicators:

1. The R-Package is prepared and validated by national stakeholders;
2. Two landscape programs designed.
3. National Reference Emissions Level submitted to the UNFCCC.

All the activities proposed under this additional funding grant were fully implemented and finalized. The additional funding received from the Forest Carbon Partnership Facility (FCPF) on the amount of US\$5 million (dated February 12, 2016) was to develop a Forest Reference Emission Level /Forest Reference Level (FREL/FRL) and a Monitoring Systems for Forests; establishing and operationalizing a Measuring, Reporting and Verification (MRV) System and providing goods for the development of a National Activity Data (AD) Analysis (Land Use Land Cover Changes Analysis) and a National Forest Inventory.

In 2015, the Government of Mozambique (GoM) successfully presented to the Carbon Fund of the Forest Carbon Partnership Facility (FCPF CF) the Early Idea and the Emission Reductions Program Idea Note (ER-PIN) of the Zambézia Integrated Landscape Management Program (ZILMP). The ER-PIN was selected into the Carbon Fund's pipeline in October 2015 (Resolution CFM/13/2015/6). A Letter of Intent (LOI) was signed during the Paris Conference of Parties (COP 21) in December 2015 between the Ministry of Land, Environment and Rural Development (MITADER) of the GoM and the Carbon Fund (CF) on the potential purchase of Emission Reductions (ER) from the ER Program. The final draft of the national REDD+ Strategy and the Definition of Forest were approved by the GoM's Council of Ministers in November 2016. In January 2017, the GoM submitted its

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Readiness Package, which was approved by the Participants Committees Meeting (PC23) in March 2017 (Resolution PC/23/2017/5).

Mozambique issued its first and advanced drafts ER-PD in, respectively, January and July 2017. The Technical Advisory Panel (TAP) reviewed the ER-PD and issued its TAP Review document in August 2017. The Carbon Fund Participants reviewed the draft ER-PD and the TAP Review document and submitted their consolidated comments to the FCPF Facility Management Team (FMT) in October 2017. Based on the findings of the TAP Review and the comments of Carbon Fund Participants, Mozambique submitted to the FMT a final ER-PD in December 2017. The TAP reviewed such final ER-PD and issued its final TAP Review document to the FMT in December 2017. On January 30, 2018 Mozambique presented its final ERPD at the FCPF Carbon Fund meeting and it was approved conditionally. On April 17, 2018 Mozambique's ERPD was included into the FCPF CF pipeline unconditionally.

With the additional funding, it was possible to produce the Activity Data at the National level and conduct the National Forest Inventory (NFI). From the NFI, by applying National allometric equations, emission factors (EF) per forest strata were determined. Mozambique submitted the first draft of the FREL to the UNFCCC and an updated national LULC base map (2016) using sentinel 2 images was produced. A set of semi automatized tools for image processing, forest degradation assessment and development of historic land cover change maps were developed and some are now part of the National Forest Monitoring System (NFMS). A set of equipment's both to the central level and to the Project Implementation Units (PIUs) were purchased. A series of capacity buildings to the technicians were delivered.

In addition, major institutional achievements under Readiness funding include: (i) the creation of the Zambézia Multi-Stakeholders Landscape Forum (MSLF), which is a crucial instrument for stakeholders consultation and participation in the design and implementation of the ER Program, (ii) the approval of the new REDD+ Decree by the Council of Ministers in order to best reflect the evolution of REDD+ policies in Mozambique and meet all the requirements of the FCPF. The new REDD+ Decree, which now regulates and defines principles and standards for the implementation of all REDD+ programs and projects in the country, provides a more precise framework with regards to REDD+ data, and (iii) the creation and operationalization of the provincial AQUA delegations to improve law enforcement at the local level.

Overall progress from 02/12/2016 to 06/30/2019 with regard to Implementation of Grant Financed Activities: Comment:

Output and Implementation by Component

Component 1: REDD+ Readiness Management Arrangement, Legal Framework and Preparation of Pilot Projects (US\$2.7 million)

Status: Finalized

Planned Output: (i) Support to REDD+ Readiness Management Arrangements, communication and consultation activities, (ii) Strengthening Mozambique's Forest Governance, (iii) Preparation of Emissions Reductions Landscape Programs.

Actual Output: The original grant strengthened the capacity within FNDS # MRV Unit (former REDD+ technical unit (UT-REDD)) which is now comprised of more than 30 full time employees. Under this new grant, the new established National Sustainable Development Fund and the National Forest Directorate (DINAF) and Law enforcement (AQUA) were also strengthened and more technical capacity had been provided: (i) two senior legal advisors were hired to support and advise DINAF and AQUA on the process of the revision of the forest legislation, the revision of the forestry law and the preparation of the Law enforcement Strategy and preparation of the REDD+ decree, (ii) An IT specialist was hired to support the MRV unit as well all the operations within FNDS, (iii) A community specialist to help with the implementation of activities involving communities on the ground (Zambezia and Cabo Delgado). The additional US\$ 5 million grant, has been also continuing to support the previous hired technicians working within FNDS. Two landscapes have been established, one in Zambezia (Zambezia Integrated Landscape Management Program) and one in Cabo Delgado (Cabo Delgado Integrated Landscape Management Program). Significant advances have been achieved on the Zambezia ER-Program. The Program is comprised of 9 districts representing a strong area of expansion for deforestation. The Emission Reductions Project Idea Note (ER-PIN) of the ZILMP was accepted in October 2015 into the Carbon Fund's pipeline and a Letter of Intent (LOI) between the World Bank and the Government of Mozambique (GoM), on the potential purchase of Emission Reductions was signed during the Paris COP in December 2015. The Emission

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Reductions Program Document (ER-PD) was first provisionally included into the Carbon Fund Portfolio in February 2018. After fulfilling all the requirements, Mozambique had the final version of the ERPD approved in April 17, 2018 which led to the Emission Reductions Payment Agreement (ERPA) negotiations, in order to be able to sell Emission Reductions (ERs). The ERPA commercial Term Sheet was discussed within the Government of Mozambique along with the Benefit Sharing Mechanism, which was finalized and published.

Building from the National FREL, the Program's FREL have been already set (6,487,447 tCO₂e) and the program have to potential for reducing ca. 10,680,932 tCO₂e in which 10,000,000 tCO₂e will be commercialized to the FCPF after an external review. Mozambique signed the ERPA on January 16, 2019. However, during the last However, the Government of Mozambique is now requesting the Carbon Fund Participants to authorize Payments for Retroactive ERs and the start of the reporting period on April 17, 2018 when the ERPD was unconditionally approved by the Carbon Fund Participants in the Carbon Fund Seventeenth Meeting (CF17). During the Carbon Fund Twentieth Meeting (CF20), the Carbon Fund Participants (CFPs) have decided to accept payments for retroactive ERs as long as: (1) such ERs should be generated in accordance with the FCPF Methodological Framework, and (2) such ERs would not have been achieved without the ER Program. In line with this, was decided that Potential payments for such ERs are subject to the General Conditions Applicable to ERPAs for FCPF ER Programs and in order to receive potential payments under an ERPA for ERs generated before ERPA signature (retroactive ERs) an ER Program will have to meet the following five conditions: (i) Unconditional Selection into the Carbon Fund portfolio, (ii) Relevant safeguard measures for the ER Program Measures are in place, (iii) Forest Monitoring System (FMS) operational, (iv) Benefit Sharing, and (v) Titles for ER. Mozambique meets all the five conditions proposed by the FCPF CF and requirements of the FCPF Methodological Framework and expects to receive such payments as there is a downward deforestation trend at the Zambezia ER Program as result of such measures implemented.

Component 2: Reference Emissions Level/Reference Levels (US\$ 1,7 million)

Status: Finalized

Planned Output: (i) Development of an updated national LULC base map (ii) Development of historic land covers change data, (iii) Design and implementation of the national forest inventory, (iv) Improved tools and methodologies for estimating carbon dynamics, (v) Development of FREL/FRL.

Actual Output: The establishment of FREL basically comprises two areas of activity: the activity data analysis (Forest cover change detection; deforestation, forest degradation and between 2001 and 2016) and the determination of emission factors (carbon stocks changes resulting from forest cover changes). The MRV unit finalized the production of the AD at the National level and the National Forest Inventory in November 2017. Data analysis had already taken place and two reports were already produced and submitted to the council of ministers for approval. From the data analysis, EF factors per forest strata were determined. Mozambique submitted the first draft of the FREL to the UNFCCC in January 2018 and this draft has already undergone a technical review by the UNFCCC experts and a second draft was already submitted in May. In addition, an updated national LU/LC base map (2016) using sentinel 2 images was produced. FNDS has engaged in a wall-to-wall mapping work for this land use and land cover map. Combined Sentinel 2 (S2, delivered by the ESA) and Landsat 8 (L8, delivered by NASA) satellite image mosaics were created for the wet and dry season of the year 2016. Training data was collected by the MRV GIS&RS team in order to perform supervised classification of land use and land cover over the mosaics. The acquisition of training data corresponding to the level 3 of the NLCS over a given granule is facilitated by identifying the location of the AD grid points belonging to each class on the granule. In January 2018, FNDS made available the first version of the LULC map at the level 2 and the final version at level 3 was made available in July 2019.

Component 3: Monitoring Systems for Forests (US\$ 0.8 million)

Status: Finalized

Planned Output: (i) Preparation of MRV, (ii) Purchase of equipment

Actual Output: The additional funding grant is financing the: Preparation of a Measuring Reporting and Verification (MRV)

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system and Acquisition of Equipment and others. The output related to the component is the national MRV system operational in which the National Forest Monitoring System (NFMS) will be embedded for assessing annual forest cover change maps according to internationally-recognized methodology. Currently, 5 MRV specialists are hired and working. Equipment has already been acquired and it is already being used on the daily operations of the MRV unit. The NFMS is fully operational and is being developed in an incremental way. The NFMS will be using the semi-automatized tools that are being finalized. Capacity and technical gaps were accessed and trainings on image processing and Geographic Information Systems were delivered. Specifically, the GoM technicians were trained on issues related to image pre-processing, image enhancement, image processing, change detection and spatial analysis, dendrometry, biomass and forest degradation assessment using Radar images and database management (PostgreSQL).

Grant follow-up and structure

Description and context of Grant:

This Additional Funding Grant complemented the US\$3.8 million Readiness Preparation Grant Agreement (signed on July 12, 2013). Activities under the original Readiness Preparation Grant (original grant) were satisfactorily completed as of the Mid-Term Review on June 30, 2015. As of October 31, 2015, 81 percent of the original grant had been committed and 52 percent already disbursed. Mozambique's Request for Additional Funding in the amount of US\$5 million was approved at the 20th FCPF Participants' Committee meeting in November 6, 2015. Drawing on the mid-term evaluation of the REDD+ process conducted in June 2015 by an independent consultant hired by the GoM, Mozambique self-assessed its REDD+ Readiness as satisfactory, and identified the remaining technical gaps and associated financial needs towards the preparation of a R-Package. The activities planned under the additional funding request for implementation of R-PP in Mozambique fitted with the "Systematic Country Diagnostic" (2015) of the World Bank. The SCD identified 3 priorities thematic areas: a) Growth; b) Inclusive Growth; and c) Sustainability. Related to Growth, this additional funding would contribute to: i) Strengthen land tenure security to address low productivity by operationalizing regulations for the transfer of rural land user rights, strengthening the land cadaster, and undertaking a forestry inventory and strengthening forest information system; and ii) Promote the participation of local communities in the management of natural resource. On the thematic area Sustainability, this project would contribute to i) Address issues of environmental sustainability that compromise livelihoods to mitigate the effects of climate-related changes and unsustainable practices on agricultural productivity, and institutionalize policies to manage forests and avoid accelerated deforestation. The activities developed under this additional funding grant were also aligned with The World Bank Group's Twin Goals, namely the fight against extreme poverty by reducing the number of people living on less than US\$ 1.25 day to less than 3% until 2030, and boosting shared prosperity, as they aim to promote benefits from natural resources management to rural population. The activities planned under this additional funding were also linked to strategic national development programs. The Plano Quinquenal is the Government of Mozambique's Five-Year Plan (2015-2019) for economic and social development. The Plan's 5th strategic pillar is focused on transparent and sustainable management of natural resources and the environment, one objective of which is to ensure green growth in national development priorities, and the conservation of ecosystems, biodiversity and sustainable use of resources. Programa Estrela, guided by the priorities of the Plano Quinquenal, is MITADER's flagship program for sustainable rural development. It has the principal objectives of developing infrastructure and revitalizing rural production, with the following strategic pillars: capacity development and technology transfer; infrastructure for market access; improved access to energy and water; and improved access to financial services. It is closely aligned with the Government's Rural Development Strategy (2007-2025). Projecto Floresta em Pé is MITADER's flagship project for forests and is part of the reform in the forest sector to confront critical challenges around illegal logging and weak governance. It aims to promote sustainable rural development and stimulate the forest sector by reinforcing good forest management practices and supporting incentives and sustainable alternatives in forest management.

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

Comment on follow up:

This grant supported the preparation of the Zambezia ER program, which was accepted unconditionally on April 17, 2018 into the FCPF Carbon Fund pipeline and the Emission Reduction Payment Agreement was signed on January 16, 2019. This FCPF Readiness Fund Grant also supported the preparation of the US\$ 47M MozFIP forest investment project, which was approved by the board in March 2017 and is being used to implement the National REDD+ Strategy to generate Emission Reductions at the Zambezia ER Program and in Cabo Delgado.

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End Date of Last Site Visit:

Restructuring of Grant:

N/A

OUTCOME

Comments on outcome achieved from 02/12/2016 to 06/30/2019

Component 1: REDD+ Readiness Management Arrangement, Legal Framework and Preparation of Pilot Projects (US\$2.7 million)

(i)#Support to REDD+ Readiness Management Arrangements, communication and consultation activities

In April 2018, a new REDD+ Decree was approved by the Council of Ministers in order to best reflect the evolution of REDD+ policies in Mozambique since 2013 and meet all the requirements of the FCPF. The new REDD+ Decree, which now regulates and defines principles and standards for the implementation of all REDD+ programs and projects in the country, provides a more precise framework with regards to, inter alia, REDD+ data management systems and registries, ER titles ownership and institutional arrangements.

The reports of activities, including periodic reports from the FNDS to the World Bank (Country Progress Report) are available on the website of the FCPF and on the National REDD+ webpage. There is also information sharing of the group members of REDD+ through four distinct "Google groups" (REDD+, Zambezia, MRV, DGM). Periodically (monthly), FNDS produces new letters as the means to inform all the stakeholders regarding the progress of the activities. So far, around 5 newsletters had been issued and can be assessed from this link. The Government of Mozambique through MITADER (FNDS) continue to make information available to the stakeholders through both the REDD+ website, Facebook page as well as through bilateral invitations and the newly established multi-stakeholder platforms in the two landscapes (Zambezia and Cabo Delgado). These multi-stakeholder platforms designed to facilitate gathering and assessing multi-stakeholders feedback and opinions on REDD+ in Mozambique, but also and perhaps most notably, maintain a constructive relationship with affected communities over the life of the REDD+ program. The multi-stakeholder is playing an important role in project coordination and in promoting integrated landscape management. The platforms bring together stakeholders around relevant issues in the two landscape, including land-use trade-offs, Natural Resources Managements (including Biomass), agriculture management, and foster cooperation and coordination across actors. At both landscapes, were established the Project Implementation Units (PIU) and are serving as the multi-stakeholder platforms secretariats, and assist their members in developing annual strategic action plans to monitor activities and track performance against clear targets established in participatory manner. The multi-stakeholder platforms are also expected to promote better coordination of projects and other initiatives present in the Landscape, by facilitating the establishment of a common vision to manage the landscape and a space for knowledge exchange.

The US\$ 5million additional grant, was used also for strengthen the GoM both at National and Local level. Qualified local staff have been hired and allocated both at National and Local level to ensure the decentralization of the REDD+ in Mozambique. trainings have also been delivered by MITADER (FNDS) on land titling issues and Geographic Information Systems. These trainings were delivered at the Provincial and Districtal level with the goal of increasing capacity on the ground for a successful implantation of the activities that aims to reduce emissions from deforestation and forest degradation.

(ii)#Strengthening Mozambique#s Forest Governance

The grant helped on addressing the main forest governance constraints in the forest sector by improving information management and monitoring, institutional transparency and accountability, participatory decision-making in the sector, organization and representation of the private sector, and building the skills base and capacity of forest stakeholders around sustainability principles. Strong forest governance is fundamental for effective and transparent resource management, for sustaining improved practices on the ground that have a positive impact on people#s livelihoods and land uses. Improved transparency, stronger enforcement of forest law and regulations, and incentives to promote sustainable use of forests can

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transform the sectors. Specifically the grant helped the GoM on:
##Supporting the creation of a National Forest Certification scheme
##Revising the National Forest Politic and Strategy
##Training law enforcement patrols
##Hiring Legal experts and advisers for the National directorates and for the landscapes

The Minimum Criteria for Sustainable Forest Management have been finalized and the final version was submitted in July. The process was led by an International consortium and had two outputs. The first of these outputs is the creation of a national Standards Development Group for Mozambique and the registration of the National Standards Development process with the Forest Stewardship Councils Policy and Standards Unit (FSC PSU). The first output was concluded on 13 June 2018. The second output is the minimum standards that will be used by DINAF as the basis for changes in the forest regulations as well as in its audit of all forest license holders. The minimum standards are a tool which can guarantee sustainable management of forest resources in Mozambique. The document was approved by DINAF and MASA on the 13th of June 2018 under the conditions that comments from a national stakeholder meeting and legal implications were included in the standards. This was completed on the 16th of July 2018. This was a participatory process and consultations were made consisting of a face to face interviews with the different stakeholders in Sofala, Manica, Inhambane, Gaza, Cabo Delgado, Niassa, Nampula and Zambezia in 2017.

The National Forest Politic and Strategy and the Forest law are under revision and National stakeholder#s consultations are expected to take place soon. The Ministry (MITADER) established an independent law enforcement agency, the National Agency for Environmental Quality Control (AQUA), which is in charge of forest law enforcement, among others. The grant helped to strengthen AQUA, so as to improve forest areas patrolling and inspecting, infractions prevention, detection and prosecution. A National Strategy for AQUA still in preparation and Training of Forest Rangers have been delivered. Around 60 forest rangers had been trained and will be deployed to the provincial delegates of AQUA in the two provinces where the landscapes were set (Zambezia and Cabo Delgado). Human resources were also hired to be based at the provincial delegates of AQUA. A joint Law enforcement plan was agreed between AQUA and ANAC (Gile National Reserve).

Two legal experts have been hired to support DINAF and AQUA. The legal expert based at DINAF is helping on the process of the revision of the National Forest Politic and Strategy and the Forest law while the legal expert hired for AQUA is helping on setting a legal framework for this newly created law enforcement institution in Mozambique. A senior advisers for AQUA has also been hired to help the National Directorate on legal issues related to law enforcement within the forest sector.

(iii)#Preparation of Emissions Reductions Landscape Programs

Two large-scale Emission REDD+ Programs have been established identified by the national government: the Zambézia Integrated Landscape Management Program and the Cabo Delgado Emissions Reductions Program. Emission reduction from the ZILMP have already been committed by the GoM to the FCPF CF (Lol already signed). The ZILMP (ER Program) will be implemented in 9 districts (Alto Molocué, Gilé, Gurué, Ile, Maganja da Costa, Mocuba, Mocubela, Mulevala and Pebane) of Zambézia province, which represent a total area of 5,3 million ha including, 3 million ha of forest (including mangrove) # that is, 56% of the ER Program area. In 2015, the Government of Mozambique (GoM) successfully presented to the Carbon Fund of the Forest Carbon Partnership Facility (FCPF CF) the Early Idea and the Emission Reductions Program Idea Note (ER-PIN) of the Zambézia Integrated Landscape Management Program (ZILMP). The ER-PIN was selected into the Carbon Fund#s pipeline in October 2015 (Resolution CFM/13/2015/6). A Letter of Intent (LOI) was signed during the Paris Conference of Parties (COP 21) in December 2015 between the Ministry of Land, Environment and Rural Development (MITADER) of the GoM and the Carbon Fund (CF) on the potential purchase of Emission Reductions (ER) from the ER Program. The National REDD+ Strategy and the Definition of Forest were approved by the GoM#s Council of Ministers in November 2016. In January 2017, the GoM submitted its Readiness Package, which was approved by the Participants Committees Meeting (PC23) in March 2017 (Resolution PC/23/2017/5). Mozambique issued its first and advanced drafts ER-PD in, respectively, January and July 2017. The Technical Advisory Panel (TAP) reviewed the ER-PD and issued its TAP Review document in August 2017. The Carbon Fund Participants reviewed the draft ER-PD and the TAP Review document and submitted their consolidated comments to the FCPF Facility Management Team (FMT) in October 2017. Based on the findings of the TAP Review and the comments of Carbon Fund Participants, Mozambique submitted to the FCPF a final ER-PD in December 2017. The TAP reviewed such final ER-PD and issued its final TAP Review document to the FMT in December 2017. On January 30, 2018 Mozambique presented its final ERPD at the FCPF Carbon Fund meeting and it was official approved.

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Component 2: Reference Emissions Level/Reference Levels (US\$ 1,7 million)

(i) Development of an updated national LULC base map

In the framework of climate change mitigation, Mozambique is engaged in the Reduction of Emission from Deforestation and Degradation (REDD+) initiative. The National Fund for Sustainable Development (FNDS) is in charge of developing those components and have successfully submitted the Forest Reference Emission Level (FREL) to the United Nations Framework Convention on Climate Change (UNFCCC) in January 2018. A national forest definition was approved and expressed as follows: #Forest are lands that occupy at least 1 ha with canopy cover greater than 30%, and with trees with potential to reach a height of 5 meters at maturity, temporarily cleared forest areas and areas where the continuity of land use would exceed the thresholds of the definition of forest, or trees capable of reaching these limits in situ#. In addition to the forest definition, a nested land cover classification system (NLCS) has been established with three different levels, the higher level (L1) corresponding to the IPCC land representation categories, the intermediate level (L2) containing 21 classes and the most detailed one (L3) containing 35 classes. The NLCS is consistently being used in the National Forest Inventory (NFI), the AD grid and the greenhouse gas inventory (GHGi).

In parallel, FNDS has engaged in a wall-to-wall mapping work of land use and land cover for the year 2016. Combined Sentinel 2 (S2, delivered by the ESA) and Landsat 8 (L8, delivered by NASA) satellite image mosaics were created for the wet and dry season of the year 2016. Training data was collected by the MRV GIS&RS team in order to perform supervised classification of land use and land cover over the mosaics. The acquisition of training data corresponding to the level 3 of the NLCS over a given granule is facilitated by identifying the location of the AD grid points belonging to each class on the granule. In January 2018, FNDS made available the first version of the LULC map at the level 2 and the final version at level 3 was made available in July 2019.

(ii) Design and implementation of the national forest inventory and establishment of permanent sample plots

The interest on forest resources is increasing and it has not been great as it is today throughout the world. National Forest Inventories (NFIs) serves as the means for reconciling available forest resources with the national priorities defined by the Governments across the world. Forest plays an important role both for the people who depends on this resource and for the climate regulation.

Since Mozambique's independence back in 1975, Forest Inventory has played an integral role in providing the information vital to managing the Nation's forest resources. Provincial and National forest inventories provide essential data for formulating national forest policies, planning forest industry investments, forecasting wood production, monitoring forest ecosystem dynamics, and assess the status, trends, and sustainability of forests. NFIs assess forest areas, growing stock volumes, and changes in biodiversity status, land use, carbon stock, and ecosystem services.

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This is the fourth NFI in Mozambique and the focus of the three first NFIs in Mozambique was on forestry and forest management. However, this focus has shifted from being primarily focused on wood production to sustainable ecosystem management. Therefore, the scope of NFIs has broadened to include new variables to meet new information requirements for reporting at both national and international level. It applies from forest and forest area to deadwood and forest composition going through growing stock, biomass, increment but also browsing impact or variables related with non-timber forest products (NTFP). For the first time in Mozambique, the spectrum's role of the NFI have been redefined and additional parameters such as carbon sequestration have been included at this fourth NFI financed by the World Bank through the REDD+ Readiness grant. It is real important and worth to mention that for the first time, the five carbon pools were extensively surveyed in Mozambique and this represents a stepping-stone for the implementation of the climate agenda both at the country level and globally.

Data collection for the National Forest Inventory (NFI) was finalized by November 2017 and the first draft of the report was made available by February 2018. The NFI was coordinated by the National Forest Directorate (DINAF), and implemented by the Forest Services at the Provincial level (MITADER), Department of Natural Resources Inventory (DIRN), IIAM and the MRV Unit, and with the support of other collaborating Institutions (Eduardo Mondlane University). Target area of this NFI was all land national territory of Mozambique, but specifically it focuses on natural and semi-natural forest systems. Around 3420 plots were assessed across all the country. As mentioned already above, for the first time in Mozambique, the NFI is covering the five carbon pools and with the results from the NFI the country was able to calculate the carbon content for aboveground (AGB) and below ground biomass (BGB), dead organic matter (litter and dead wood) (DOM) and soil pools (SOC) by vegetation type/ land use, Province, and the corresponding Emission Factors (EFs). All methodological aspects regarding the NFI were displayed online for public consultations.

Despite the relevance of native forests in Mozambique, knowledge about their species composition, structure, and dynamic is still limited, which makes it difficult to elaborate sustainable management plans. The MRV Unit in close collaboration with IIAM, DINAF and UEM started to establish a net of permanent sampling plots in key ecosystems in Mozambique to deepen the knowledge of species composition, structure, dynamic, and specifically to serve as a basis of the MRV system allowing estimate repeatedly over time key C stocks and growth rates. The establishment of the plots have started in June (dry season) and will be led by IIAM. A consultant to design the Guidelines to establish and monitor the plots was hired and the guidelines are ready and are already being tested in 3 different provinces (Gaza, Sofala and Zambezia). These permanent plots will be re-measured every two years to report differences in carbon stocks and EFs.

(iii) Development of a Semi automatized tool for satellite images processing and Monitoring of Activity Data

A semi-automatized tool for Semi automatized tool for satellite images processing and Monitoring of Activity Data is under developing and is expected to be ready by the second semester of 2018. Specifically, five tools are being developed by the MRV unit in close collaboration with the University of Edinburg and LTS (a consulting firm). These tools, will enable to monitor deforestation at National, Provincial, Districtal, and even at Community Level. These tools are:

- i. #Sen2Mosaic Tool: Semi-automated pre-processing of Sentinel-2 data for LULC Classification;
- ii. #Sen1Mosaic: Semi-automated pre-processing of Sentinel-1 data for LULC Classification;
- iii. #Biota Tool: Annual forest biomass change and degradation mapping using the ALOS PALSAR mosaic;
- iv. #Deforest Tool: Continuous forest change monitoring with Sentinel-2 data ;
- v. #Tool 4: Identifying causes of forest change.

These tools will be used to prepare Land Use and Land Cover maps every years in order to monitor the implementation of the mitigation activities and their impact - and for other purposes as NFI design, forest management, etc. The Deforest tool will be used to develop LULC change maps during the seven years of the ERPA term (2018-2014). In addition, SAR (Synthetic Aperture Radar) data, specifically Phased Array type L#band Synthetic Aperture Radar (PALSAR is an active microwave sensor using L#band frequency to achieve cloud#free and day#and#night land observation) from ALOS (2006, Advanced Land Observing Satellite # JAXA # Japan Aerospace Exploration Agency) and from the new ALOS-2 (launched in 2014) would provide useful and complementary information for specific vegetation types and activities (forest degradation). The Sen2Mosaic tool and Sen1Mosaic tool are already ready and the MRV technicians along with other Government sectors will benefit from a training at the University of Edinburg # UK to learn how to use, maintain and upgrade the tools. The training will serve as the basis also to advance the work on the other three tools that are expected to be ready very soon (2018).

(iv) Development of FREL

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The MRV Unit within FNDS carried out an exercise of land use and land cover change assessment over a 4km grid covering the extent of the country and using the Collect Earth application developed by FAO. For the historical analysis of AD, the entire area of the country has been visually assessed on a 4 x 4 km regular grid at national level - which is the same grid used to allocate the NFI clusters from the Stratified Random Sampling design - using high and medium resolution imagery. The spatial assessment unit is almost the equivalent a 3 x 3 block of Landsat pixels (100 x 100 m) where a plot of the same dimensions and an internal grid of 5 x 5 points is overlapped. This set of data, which characterizes the current LULC and the changes produced in the historical series, were used to decide the training areas for the LULC 2016. The results from the interpretation of the grid were used for the generation of activity data for the FREL. The Emission factors will be determined from the NFI. The historical analysis of Activity Data at national level uses the reference period 2001-2016. However, the FREL period still to be defined by the GoM. The FREL was already submitted in January 2018. The first draft was technical assessed by the UNFCCC and the second draft was submitted in May 2018. It is expected that the final version will be ready by December 2018. The chosen period for the definition of the FREL was from 2003 to 2013. This was the period chosen by the National Directorate of Forests (DINAF), when they initiated a project to produce LULC change maps for Gaza and Cabo Delgado Provinces. This period is also consistent with previous periods of analysis of deforestation and also with the FCPF MF. The previous NFI was conducted in 2007, and the period of analysis for the deforestation was from 1991 to 2002. Although activity data has been collected for all years in the period from 2001 to 2016, only activity data for the period 2003-2013 was considered for the FREL.

The FREL will be valid for 10 years. However, the FREL will be updated as new information becomes available, such as activity data for forest degradation, data on other carbon pools, data on fires and others. It is currently planned to conduct a reevaluation of the 4x4 km grid at the mid-point of the FREL, corresponding to the period 2013-2018. On average, 267 029 ha/year were deforested between 2003 and 2013 corresponding to an annual and total emissions into the atmosphere of 38 703 749 tCO₂e and 425 741 243 tCO₂e, respectively.

Component 3: Monitoring Systems for Forests (US\$ 0.8 million)

(i) Preparation of MRV

Significant progress on the preparation of the MRV system has been made. The entire system is expected to be fully operational by December of this year, the same time as the full set of the five semi automatized tools will be ready. Within the MRV system, is expected to be developed the National forest Monitoring System which is expected to be centralized at the National level. There will be consistent monitoring datasets at national level but these also will gather on field information from the lower levels. Provincial and local levels may also account additional activities or additional pools. In particular the national PMRV for Mozambique will measure, report and verify the selected activities: deforestation, forest degradation and enhancement of carbon stocks (A/F) through the implementation of a Continuous Forest Inventory (National Forest Inventory and National Permanent Sampling Plots Network) combined with Forest area change mapping (mainly through several EOS approaches). These results will be gathered and integrated at National Level with access from the provincial and local levels. It is explicitly referred to in the National Strategy that the standards, procedures and guidelines for monitoring and measuring REDD + activities and results in Mozambique should be prepared considering the strategic objective that aims to ensure the active participation of local communities (participatory or community-based MRV; PMRV), and include useful information for the definition of environmental indicators related to the reduction of deforestation and forest degradation and related emissions, economic and social indicators linked to integrated rural development, as well as the specific indicators of environmental and social safeguards, as set out in the Environmental and Social Management Framework (ESMF) of REDD+. During last year, the MRV unit a module that allows the visualization of different project indicators# progress in ArcGIS tools for the purposes of analysis for decision making and a tool to support the registration of REDD + programs and projects was successfully established. The MRV unit acquired equipment for the production of data for national forest inventory. The Dashboards were designed showing the data of IFN, Deforestation, FREL and other data of the programs and projects of the FNDS and made available the spatial data in the platform.

A feedback and grievance redress mechanism (FGMR) web based tool have been developed and as part of the Process Framework was already tested in Chimanimani, Machangulo, MozFIP and Sustenta project area. This tool is already operational but improvements still be made.

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(ii)#Purchase of equipment

The GoM acquired different types of equipment both to set the MRV system and also for conducting the NFI field work. Below is the list of the equipment#s:

List of some equipment acquired for the MRV Unit:

- 1.#4 Workstations
- 2.#4Monitors
- 3.#4 Workstations Monitor
- 4.#GIS Server
- 5.#Plotter
- 6.#Printer
- 7.#External HD
- 8.#Server UPS
- 9.#Router
- 10.#Database server
- 11.#Drones

List of some equipment acquired for the NFI:

- 1.#Tends
- 2.#GPS
- 3.#Hypsometers
- 4.#Clippers
- 5.#Yuma
- 6.#Truepulse
- 7.#Power generator

Grant Outcome Indicators

No Outcome indicators are defined or used for this grant.

COMPONENTS

There are no components defined for this trust fund / grant.

Comment on planned and actual Output

Comment on component implementation progress

Grant Outcome Indicators:

The R-Package is prepared and validated by national stakeholders

Baseline Value: No
Date: 01/03/2013
Progress to Date: Yes
Date: 02/20/2017
Target Value: Yes
Date: 11/30/2018

Two landscape programs designed

Baseline Value: No
Date: 01/03/2013

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Progress to Date: Yes
Date: 02/20/2017
Target Value: Yes and activities are being implemented on the ground
Date: 06/30/2017

Reference Emissions Level submitted to the UNFCCC
Baseline Value: No
Date: 01/03/2013
Progress to Date: Yes
Date: 02/20/2017
Target Value: Yes, complete
Date: 01/08/2018

EXECUTION

Bank project related to the grant

Project ID / Name: P129413 - MZ - FCPF REDD+ READINESS PREP. SUPPORT
Project Status: Lending
Global Focal Area: Climate change
Product Line: CN - Carbon Offset

Implementing agency and contact details

Agency: MITADER
Contact: Momade Nemané
Address: Av. Mao Tsé Tung, No 997
Phone: 00258843124210
Email: momadenemane@gmail.com
Website: <http://www.redd.org.mz/>

PROGRAM

Program Specific Questions

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

There is a very strong articulation of the FCPF activities with the other REDD+ related activities financed through other sources (FIP, IBRD, MDTF # Sweden, EU, and GEF) as well as other donors (EU). Within the ER-Program, the selected districts are geographically coherent with the areas covered by other initiatives already funded by the World Bank, including the Conservation Area for Biodiversity and Development Project (Mozbio project # in the surrounding of the GNR), the Mozambique Forest Investment Project and the Dedicated Grant Mechanism (MozFip and MozDGM), the Agriculture and Natural Resources Landscape Project (the Landscape project), the Satellite Monitoring for Forest Management (SMFM) as well as the Land Use Planning for Enhanced Resilience of Landscapes (LAUREL) which are all contributing to the ER Program's objectives. All the projects are managed at the National level by the National Sustainable Development Fund (FNDS) and at the ER-Program level by the UT-REDD+.

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

No change has been made.

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

Capacity gap was identified during preparation/implementation of the grant through a Technical Assistance to the FNDS by the World Bank.

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

The following safeguards instruments were approved in January 2017: Environmental and Social Management Framework (ESMF), the Process Framework (PF) and the SESA. Those instruments were prepared at the national level, and have looked in depth into those concrete geographical areas selected by the Government as pilot 'landscapes' for REDD+ activities, to ensure that safeguards instruments are informed by concrete case studies. The safeguard specialist at UT-REDD+ and the WB safeguards Mozambique specialists are supervising the preparation of safeguards instruments in accordance with the World Bank safeguard policies.

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

The ESMF was finalized and serves as a guide to the screening of the proposed Program interventions to ensure that they do not negatively affect the natural and social environment. The preparation of the Environmental and Social Management Framework is considered the best management instrument for WB funded projects.

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

The consultation process was implemented within the context of international and national principle governing REDD+ namely the World Bank guidelines for stakeholder engagement and Mozambican legislation. The FCPF provides the requirement for effective stakeholders engagement emphasizing local communities and forest dependent communities; the Mozambique law (Ministerial Diploma 158/2001) and the regulatory framework for REDD+ (Decree 73/2013) establish the need for local communities consultation. These two and other applicable regulations set the boundaries for implementation of this public consultation process. A summary of all consultations can be found at: <https://goo.gl/ybxHPS>

COMPLETION

Overall Assessments and Lessons Learned

Main lessons learned:

Capacity building to ensure quality of the results is crucial. An integrated system to monitor forest changes, safeguards compliance, and project registry is also crucial to ensure a proper use of the resources and to manage all the projects properly. Alignment with the local government agendas was crucial for the successful implementation of the REDD+ initiatives. Thematic studies undertaken were the key entry points for understanding what real drives the deforestation and forest degradation and also to ensure all the safeguards issues and institutional and legal arrangements toward a successful implementation of the REDD+ initiative. A lot of data regarding resources stocks were acquired and is being managed by FNDS. Mindful that these data needs to be displayed publicly, the Bank is supporting the GoM on developing a data or information sharing policy. This activity is being coordinated by FNDS and the policy will cover all the sectors with MITADER in order to ensure the availability of data to all target audiences and the various stakeholders.

Overall outcome (and its Sustainability):

Comment:

All the activities proposed under this grant were fully implemented and finalized. The additional funding received from the Forest Carbon Partnership Facility (FCPF) on the amount of US\$5 mill (dated February 12, 2016) was to develop a Forest Reference Emission Level /Forest Reference Level (FREL/FRL) and a Monitoring Systems for Forests (M); establishing and operationalizing a Measuring, Reporting and Verification (MRV) System and providing goods for the development of a National Activity Data (AD) Analysis (Land Use Land Cover Changes Analysis) and a National Forest Inventory. Additional funds from different sources (FIP, IBRD, MDTF # Sweden, EU, and GEF) have been secured to implement ground activities to reduce emissions from deforestation and forest degradation.

In 2015, the Government of Mozambique (GoM) successfully presented to the Carbon Fund of the Forest Carbon Partnership

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Facility (FCPF CF) the Early Idea and the Emission Reductions Program Idea Note (ER-PIN) of the Zambézia Integrated Landscape Management Program (ZILMP). The ER-PIN was selected into the Carbon Fund pipeline in October 2015 (Resolution CFM/13/2015/6). A Letter of Intent (LOI) was signed during the Paris Conference of Parties (COP 21) in December 2015 between the Ministry of Land, Environment and Rural Development (MITADER) of the GoM and the Carbon Fund (CF) on the potential purchase of Emission Reductions (ER) from the ER Program. According to this LOI, the World Bank (WB) could purchase up to 8.7 million of ER from this program # #Maximum Contract Volume#. The Government of Mozambique is now negotiating the ERPA and is expecting to sign it during the second week of October 2018.

The final draft of the national REDD+ Strategy and the Definition of Forest were approved by the GoM Council of Ministers in November 2016. In January 2017, the GoM submitted its Readiness Package, which was approved by the Participants Committees Meeting (PC23) in March 2017 (Resolution PC/23/2017/5).

Mozambique issued its first and advanced drafts ER-PD in, respectively, January and July 2017. The Technical Advisory Panel (TAP) reviewed the ER-PD and issued its TAP Review document in August 2017. The Carbon Fund Participants reviewed the draft ER-PD and the TAP Review document and submitted their consolidated comments to the FCPF Facility Management Team (FMT) in October 2017. Based on the findings of the TAP Review and the comments of Carbon Fund Participants, Mozambique submitted to the FMT a final ER-PD in December 2017. The TAP reviewed such final ER-PD and issued its final TAP Review document to the FMT in December 2017. On January 30, 2018 Mozambique presented its final ERPD at the FCPF Carbon Fund meeting and it was approved conditionally. After meeting all the conditions, in May Mozambique's ERPD was included into the FCPF CF pipeline.

With the additional funding, was possible to produce the Activity Data at the National level and the National Forest Inventor From the NFI applying National allometric equations, EF factors per forest strata were determined. Mozambique submitted the first draft of the FREL to the UNFCCC and an updated national LU/LC base map (2016) using sentinel 2 images was produced. A set of semi automatized tools for image processing, forest degradation assessment and development of historic land cover change maps are in progress will be part of the NFMS. A set of equipment's both to the central level and to the PIUs were purchased. A series of capacity buildings to the technicians were delivered and still taking place.

In addition, major institutional achievements under Readiness funding include: (i) the creation of the Zambézia Multi-Stakeholders Landscape Forum (MSLF), which is a crucial instrument for stakeholders consultation and participation in the design and implementation of the ER Program and (ii) the approval of the new REDD+ Decree by the Council of Ministers in order to best reflect the evolution of REDD+ policies in Mozambique since 2013 and meet all the requirements of the FCPF. The new REDD+ Decree, which now regulates and defines principles and standards for the implementation of all REDD+ programs and projects in the country, provides a more precise framework with regards to, inter alia, REDD+ data.

Bank Performance:

Comment:

The World Bank both in Mozambique and DC provided close technical support to the client throughout all the Bank financed activities. The Bank participated actively in all the missions and provided high quality technical support to all the activities. During the National Forest Inventory field work, a World Bank Senior Carbon Finance Specialist made two quality assessments on the field and provided guidance to improve the methods that were applied. Regarding the LULC base Map, the World Bank specialists supported actively the Government of Mozambique through all the process to get the level 2 classification LULC base map for the year 2016. The National Forest Inventory report had gone also through a deep revision by the World Bank, FAO and National Forestry Service # USA to ensure the quality needed. The World Bank supported the GoM to produce the Forest Reference Emission level (FREL) in which was submitted to the UNFCCC. Through the process, several Video Conferences were held to ensure the quality of the FREL submitted. The World Bank support had been very important to enhance technical skills within the MRV Unit. The GoM technicians have also benefit from several technical trainings arranged by the World Bank in order to improve their skills. On a daily basis, the World Bank interacts with the client (FNDS) to ensure that technical adviser is delivered whenever is needed.

Additional Assessment

Development / strengthening of institutions:

Comment:

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Technical assistance to strengthen the institutional capacities of FNDS had been delivered. The technical assistance led to a world class organizational and management. SSKE mission to Brazil and Mexico and resulted on FNDS (and other Rural Development institutions) importing best practices in climate resilient and organic community based value chains. On the Climate Finance front, a week workshop was organized, addressing the GCF criteria and selected projects, so that FNDS, the NDA and civil society organizations became knowledgeable of the processes. On the mission to Mexico, the GCF NDA team and the accredited fund were met and experiences shared on the positive Mexican experience.

Technical capacity within the GoM both at national and provincial level was created. The National Sustainable Development Fund (FNDS) was created and equipped in terms of human, technical and material resources. Just to recall, FNDS is hosted within MITADER and is responsible for overall strategic guidance and coordination of different initiatives and the REDD+ program. A Project Implementation Unit (PIU) has been established at MITADER, with significant capacity at the national level. In each province, Project Implementation Units (PIUs) are functional, comprising of more than 10 technical staff.

Mobilization of other resources:

Comment:

The Bank has been supporting resources mobilization through several operations. Other Bank operations in this portfolio include the ongoing IDA/GEF MozBIO project (\$46M), MozBIO 2 Project (\$45M) the IDA Agriculture and Natural Resources Landscape Management project (\$40M); the Dedicated Grant Mechanism for Local Communities (\$4.5M), and the Programmatic ASA on #Forests and Landscapes#, the Land Use Planning for Enhanced Resilience of Landscapes (LAUREL), the MozFIP (\$47M) project which is financed through different sources, including IDA and a Multi Donor Trust Fund (MDTF) for Integrated Forests and Landscape Management. Finally depending on the performance of the ER-Program a possible Performance based funding from the FCPC Carbon Fund (\$50M).

Knowledge exchange:

Comment:

The increased demand for forest resources due to rapid population growth and Agriculture intensification takes the world to decide upon improved management of forest and environmental resources. Forest appears as one of the most important Carbon sinks on Earth and this resource quantification and carbon stock estimation can help understanding the climate change and the global carbon budgets. The Land Use, Land Use Change and Forestry (LULUCF) sector plays an important role on climate change (global warming) at all scales through changes of the greenhouse gases, sensible heat, evapotranspiration and photosynthesis. Forest biomass loss through deforestation and forest degradation is resulting on less carbon stored and thus the negative effects of climate change being magnified.

The World Bank has organized a South-South Knowledge Exchange in Brazil aiming to enabling conditions in Mozambique and Madagascar to successfully implement REDD+ initiatives towards result based schemes from Emission Reduction on targeted landscapes, through more exposures of the participants to more concrete and successful examples on international forest measurements methods, forest monitoring, results reporting and third part verification procedures. This SSKE brought together 19 participants from four FCPF CF countries: Guatemala, Madagascar, Mozambique, and Peru, visited Acre (Brazil) from March 12th to 16th, 2018 to share knowledge and gain firsthand experience, with the main actors (public and private sector, research institutions and communities) from this State of Brazil that is a valuable example in the world of effectiveness and success on key elements of the design and implementation of REDD+ programs and projects. The SSKE covered two main thematic streams; MRV elements (forest monitoring systems, MRV for REDD+ considering sub-national initiatives, ER transaction registries) and REDD programmatic elements (design of policies and activities to curb deforestation, benefit sharing plans, Safeguards Information Systems and Grievance Redress Mechanisms).

During the trip (SSKE) the participants at the unique opportunity to attend a set of presentations and discussions by the regional technical teams about the Plan for Prevention and Control of Deforestation (PPCD Acre), the Unit for Environmental Risk Management and Remote Sensing (UCEGEO), the Forest Monitoring System IMAC, and the Program CAR and PRA (Implementation of the Forest Code). The Acre's State System of Incentives for Environmental Services (SISA) is known as the world's first jurisdictional REDD+ program. The ecosystem services included in SISA are carbon sequestration, maintenance of water and hydrological services, conservation of soils, conservation of biodiversity, and valuation of traditional knowledge, most of which do not yet have specific regulations. In particular, the carbon sequestration program, called ISA-Carbono, has as general objective to reduce GHG emissions from deforestation and degradation, following the State Plan for Control and Prevention of Deforestation, and represents one of the first public policies of jurisdictional REDD and is considered the most advanced in the world. The program is designed to include the entire state territory, incorporating regional and thematic

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subprograms as well as special REDD projects. The ISA-Carbono Program is comprised of 2 sets of main interventions, including (1) direct assistance and regulatory actions such as technical extension, community organization, fire control, and improvement of monitoring and control mechanisms, and (2) incentives for environmental services directed to improving the productivity of deforested areas as well as to promote sustainable use of forests and protection of forests for stakeholders such as indigenous peoples, extractives families and small households in settlement projects. Program governance is carried out by 3 entities: (1) a multi-stakeholder commission to supervise the program, (2) a government institute for regulation, monitoring and carbon registry, and (3) an agency (CDSA) for environmental services development#a private-public business to fundraise for and implement the ISA-Carbono.

Client's policy / program implementation:

Comment:

N/A

Efficiency:

Comment:

The ENR TTL in Mozambique has assigned focal points to each of the activities and projects. The strategy has increased our efficiency and strengthen the good relationship with the client thus ensuring high rates of efficiency and the grant implementation. On a daily basis, the focal points liaise with the counterparts within the government in order to improve the quality of all the activities performed by the GoM.

Replicability:

Comment:

Mozambique might be the first or second country to sign the ERPA. Mozambique has been one of the countries in Africa that is advancing on the REDD+ process and gained experiences will possibly be replicated in other countries. Within the country, the creation of the two landscapes have already attracted more funds for implementing ground activities. The lessons from the two landscapes will inform the Integrated Forest and Landscape management portfolio within the FNDS, so the activities can be replicated in other parts of the country.

Main recommendations to stakeholders:

Stakeholders engagement at all the phases is essential since this topic is highly complex and it has to be discussed among several actors (public, private, academia, NGO, etc). It is also important to ensure that all the stakeholders# interests are reflected on the National REDD+ Strategy and that all the stakeholders will fair benefit from the possible future results based payments. The Benefit sharing plan should be finalized and strictly followed to ensure inclusion and sustainability of the project. Capacity building to the GoM officials should continue in order improve the uncertainties associated with the FREL, both national and from the ER Program.

Main recommendations to Bank Management:

The REDD+ agenda is involving rapidly and the technicians at the CMU levels most of the times are not exposed to these rapid advances. More incentives in terms of trainings, workshops participation should be given to the staff at the CMU level. Technical skills on Carbon accounting, forest management, Remote Sensing and GIS are crucial for being able to follow some specific activities within the REDD+ agenda. Bank staff interaction on a daily basis with the GoM is need to ensure high rates of deliverables and high efficiency on the implementation of the activities.

DISBURSEMENTS

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Disbursements Summary in USD

Date From	Date To	Planned Cumulative	Planned Period	Actual Cumulative	Actual Period
01/01/2016	06/30/2016	0.00	0.00	0.00	0.00
07/01/2016	12/31/2016	0.00	0.00	2,025,422.83	2,025,422.83
01/01/2017	06/30/2017	0.00	0.00	3,522,169.74	1,496,746.91
07/01/2017	12/31/2017	0.00	0.00	4,889,944.24	1,367,774.50
01/01/2018	06/30/2018	0.00	0.00	4,999,945.31	110,001.07
07/01/2018	12/31/2018	0.00	0.00	4,999,945.31	0.00
01/01/2019	06/30/2019	0.00	0.00	4,999,945.31	0.00

PROCUREMENT PLAN

None

PROCUREMENT ACTUAL

None