

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TF011206
Printed On: 11/11/2014

Reporting Period: 07/01/2013 to 06/30/2014
Report Type: Progress Report
Report Status: Approved

Assignment: TF011206

Mozambique: Readiness Preparation Proposal Readiness Fund of the FCPF FCPFR - FOREST CARBON PARTNERSHIP FACILITY

Task Team Leader: 00000257732 - Andre Rodrigues de Aquino
Approving Manager: 00000086248 - Magdolna Lovei

Summary Information	
TF Status	ACTV
Recipient Country	Mozambique
Executed By	Recipient
Managing Unit	8840 - AFTN3 - HIS
Grant Start Date / End Date	01/25/2012 to 10/31/2017
Program Manager	
Original Grant Amount	200,000.00
Grant Amount	3,800,000.00
Outstanding Commitments	0.00
Cumulative Disbursements	998,267.66 as of 06/30/2014
Disbursed 07/01/2013 to 06/30/2014	911,267.66
Donor	TF602001 - MULTIPLE DONORS

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

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OVERVIEW

Overall Assessments

Grant Objectives:

The objective of the R-PP Formulation Installment is to assist the Recipient to formulate a Readiness Preparation Proposal (#R-PP#), on the basis of the Readiness Preparation Idea Note, following the FCPF template for the R-PP.

Overall progress from 07/01/2013 to 06/30/2014 with regard to Achieving Grant Objectives:

Comment:

Overall progress towards REDD+ Readiness has been slow progress, particularly due to delays in establishing the technical team in charge of the project (UT-REDD+). Recently, the pace has picked up with the UT-REDD fully staffed, several analytical studies launched and consultations with stakeholders relaunched. Mozambique has enacted a national decree that institutionalized a REDD+ Technical Group (UT-REDD+), formed by representatives of MINAG, MICOA and FUNAB, which meets weekly. At the Approval of the Decree, the Council of Ministries requested the establishment of an inter-ministerial group (Comite Tecnico de Revisao) to serve as a single platform for the government to harmonize the procedures of channeling rates of exploitation of Natural resources for local communities. This group was created and is composed by the sectors of Agriculture, Fisheries, Tourism, Finance, State Administration, Mineral Resources, Planning and Development, under the coordination of the Environment sector. Despite the creation of the group, no meetings have taken place yet. The same Decree also sets out the procedures for REDD+ project approval (Decree No 102/2013). The UT-REDD+ has been promoting consultations on this decree in seven of the eleven provinces. Since May a new coordinator is in place. Regarding the National REDD+ Strategy, the UT-REDD has decided recently to hire a firm to prepare a study that will identify the drivers of deforestation and the strategic options for addressing them, as well as an analysis that will provide options for a legal and institutional framework. A firm that will prepare the Strategic Environmental and Social Analysis and the ESMF is also in the process of been hired.

Overall progress from 07/01/2013 to 06/30/2014 with regard to Implementation of Grant Financed Activities:

Comment:

The implementation progress is rated moderately unsatisfactory. Disbursement has been very slow # around 5% of the total grant (US\$3.8 million) until the end of Q2 2014. The task team expects that disbursement will increase after hiring the firms that will prepare the technical studies.

Grant follow-up and structure

Description and context of Grant:

In response to the request for financial assistance made on behalf of the GoM and the decisions of the FCPF Participants Committee, an amendment to the Grant Agreement to extend the Additional Grant in the amount US\$3.6 million was signed on June 26, 2013. Following counter signature of the amendments, the Additional Grant became effective in July 2013.

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

Comment on follow up:

A potential ER-Program could be supported through results based finance under the BioCF or FCPF Carbon Fund. An initial estimative financial envelope is US\$ 50 million.

End Date of Last Site Visit:

Restructuring of Grant:

In January 2012, the World Bank signed a Grant Agreement with the Government of Mozambique in support of the REDD+ Readiness Project (P129413), with funds from the Forest Carbon Partnership Facility. This initial US\$200,000 grant had three disbursement categories: Goods and Consultants# services, Workshops and Training, Operating Costs.

In July 2013, an additional Grant Agreement of US\$ 3.6 million was signed between the WB and the Government of Mozambique. This additional grant supports the implementation of Mozambique#s Readiness Preparation Proposal (R-PP). The Grant Agreement, however, does not refer to any disbursement category.

The project was restructured so that a new disbursement category for #goods, training, operating costs, non-consulting

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services and consultants#services# can be created. The funds from the Additional Grant (US\$3.6 million) will be allocated to this disbursement category. The respective Grant Agreement was amended. This is in line with the practice for other grants awarded by the Forest Carbon Partnership Facility.

OUTCOME

Comments on outcome achieved from 07/01/2013 to 06/30/2014

The most important activity during this past year was hiring the UT-REDD+ staff. The team hired is bringing more speed to the project and will help the country to fulfil the project goals. The disclosure of REDD+ decree at provincial Govern level (Governor and all provincial directors) is important in terms of communication from the top to down also it helps clearly understand of REDD+ program. Until now the UT-REDD+ has covered 7 provinces out of 11. During the disclosure of Decree 73/2013, it was noted that there is a need to start explain the basic of REDD+ at all level (provincial govern and community levels), therefore, it#s urgent to prepare communication material. However, there are two provinces that were not necessary to explain them the basic of REDD+ because there is a company implementing REDD+ project.

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

The most important activity during this past year was hiring the UT-REDD+ staff. The team hired is bringing more speed to the project and will help the country to fulfil the project goals. The disclosure of REDD+ decree at provincial Govern level (Governor and all provincial directors) is important in terms of communication from the top to down also it helps clearly understand of REDD+ program. Until now the UT-REDD+ has covered 7 provinces out of 11. During the disclosure of Decree 73/2013, it was noted that there is a need to start explain the basic of REDD+ at all level (provincial govern and community levels), therefore, it#s urgent to prepare communication material. However, there are two provinces that were not necessary to explain them the basic of REDD+ because there is a company implementing REDD+ project.

EXECUTION

Bank project related to the grant

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

Implementing agency and contact details

Agency: MICOA and MINAG.
Contact: Paula Panguene
Address: Deputy Director, MICOA
Phone: +25821466495
Website:
Email: "paula.panguene" <paula.panguene@micoa.g

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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 has been a weak coordination with the MICOA MINAG department (DNTF) which is leading the MRV system; this should be strengthened. The task team has been suggesting more frequent communications among those institutions. Related to other REDD+ initiatives, especially at the regional local / provincial level, very little coordination has been occurring. The task team is working closely with MITUR and other development partners to expand the REDD+ process to other provinces of the country.

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

N/A

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

The task team has been providing training on safeguards, procurement, and financial issues to the UT-REDD team on a daily basis. An in-depth safeguards training to the UT-REDD team (MICOA and MINAG) was organized in August, 2014. The task team has been having skype meetings with the REDD+ coordinator on a monthly basis.

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 firm that will prepare the SESA/ESMF was planned to be hired in August, however there has been some delays.

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

Please see above.

6. Describe progress in stakeholder consultation, participation and disclosure related to this Grant.

The REDD+ Unit is promoting consultation on the REDD+ in general, and on the national REDD+ Decree in several provinces of the country.

DISBURSEMENTS

Disbursements Summary in USD

Date From	Date To	Planned Cumulative	Planned Period	Actual Cumulative	Actual Period
01/01/2012	06/30/2012	0.00	0.00	0.00	0.00
07/01/2012	12/31/2012	0.00	0.00	87,000.00	87,000.00
01/01/2013	06/30/2013	0.00	0.00	87,000.00	0.00
07/01/2013	12/31/2013	0.00	0.00	199,167.79	112,167.79
01/01/2014	06/30/2014	0.00	0.00	998,267.66	799,099.87
07/01/2014	12/31/2014	0.00	0.00	0.00	0.00
01/01/2015	06/30/2015	0.00	0.00	0.00	0.00
07/01/2015	12/31/2015	0.00	0.00	0.00	0.00
01/01/2016	06/30/2016	0.00	0.00	0.00	0.00
07/01/2016	12/31/2016	0.00	0.00	0.00	0.00
01/01/2017	06/30/2017	0.00	0.00	0.00	0.00

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07/01/2017	12/31/2017	0.00	0.00	0.00	0.00
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