

## Forest Carbon Partnership Facility (FCPF) Readiness Plan Idea Note (R-PIN): External Review Template

### Guidelines for Reviewers

Select a mark from the following scale: NA: Not Addressed. 1: Inadequately addresses criterion. 2: Barely addresses criterion. 3: Average, or adequately addresses criterion. 4: Good job of addressing criterion. 5: Excellent job of addressing criterion.

<b>1) Country submitting the R-PIN:</b>	<b>MADAGASCAR</b>	
<b>2) Date of Review:</b>	30 June 2008	
<b>I. Summary Assessment of the Quality and Completeness of the R-PIN:</b> <i>Note with value of 1 – 5</i>		<b>Mark (score):</b>
Criterion (i): Ownership of the proposal by both the government and relevant stakeholders:		<b>4</b>
Criterion (ii): Consistency between national and sectoral strategies and proposed REDD Strategy:		<b>4</b>
Criterion (iii): Completeness of information and data provided:		<b>5</b>
Criterion (iv): Clarity of responsibilities for the execution of REDD activities to be financed:		<b>4</b>
Criterion (v): Feasibility of proposal and likelihood of success:		<b>3</b>
<b>SUMMARY SCORE:</b> <i>add scores above and enter sum into box on right</i>		<b>Sum = 20</b>
<p>Improvements the country could make to R-PIN, and any TA needs for it:</p> <p><i>Well elaborated R-PIN with clear focus on concrete action and coordinated with ongoing piloting work on REDD. Very practical ideas that still need to be translated into a concrete readiness work programme. Little mention of capacity building and training for forest management given that the strategy is to have local forest communities manage the forests—this will be key to success.</i></p>		
<b>II. Participants Committee Selection Criteria: Information</b>		
<p>Relevance of country in REDD context: Priority to countries with: (i) substantial forest area and forest carbon stocks; and (ii) relevance of forests in economy, including livelihoods of forest dwellers and Indigenous Peoples:</p> <p><i>The R-PIN proposes a variety of innovative approaches to tackle deforestation and degradation; including testing new methodological approaches and distribution of REDD revenue.</i></p> <p><i>Madagascar has a wide range of different biomes. Not all forests have high carbon densities, but the R-PIN points out that deforestation rates are highest in the spiny forests in the south of the country, meaning that the emissions from these less carbon dense forests may be contributing as</i></p>		

*much those from rainforest. Other hot spot deforestation area are situated in the sub mountain regions of the East. Deforestation generally is due to poverty and is driven by shifting cultivation, fuel wood gathering and charcoal making. There is emphasis on community forest management and agricultural intensification to bring benefits to rural communities and to help find alternatives to shifting cultivation and to achieve a better recognition of the role of forests in rural livelihoods.*

**Geographic and biome balance:** across the world's main forest biomes.

*Covers a range of biomes, three habitat types are identified: dry forest, spiny forest and rainforest (mountain and lowland).*

*In total balance of globe it is a small player but its forests are unique with respect to biodiversity and in need of reducing further deforestation to prevent another Haiti.*

**Variety of approaches:** Proposed innovative approaches to tackling deforestation and degradation; methods; testing new mechanisms and distribution of REDD revenues; and/or regionally important leadership.

*Includes interesting approaches such as conservation contracts; participatory ecological monitoring (biodiversity assessments) and committing production forests as carbon reservoirs through REDD and forest restoration. New methodological approaches are developed through a number of existing forest carbon projects and may provide valuable information for a more equitable flow of funds within the national REDD system; the proposal includes small grants for community forest management and conservation, as well as more commonly proposed large scale protected area creation and transfer of forest areas to community control.*

### III. Detailed Review of R-PIN Responses to Template Questions:

*Please review the R-PIN quality and completeness in terms of addressing the major questions in the FCPF R-PIN template.*

#### 1. Government focal point, and ownership and consultation in producing the R-PIN:

*Focal point clearly identified (ONE, Office National de l'Environnement); there is already a consultation mechanism in place between the ONE and the entities responsible for 3 currently on-going REDD projects. Workshops have been held with ministers and directors at regional level. An inter-ministerial steering committee is planned.*

*As a result of this high level government involvement, the government has full ownership of the process. International conservation NGOs (CI, WCS) and cooperation agencies (Germany, Switzerland) have contributed to develop the R-PIN and might claim some ownership. However, there is no evidence that forest communities were involved in developing the R-PIN. A concern is that too many international organizations are involved and with AIM only one local NGO.*

#### 2. Identification of institutions responsible for: forest monitoring, law enforcement, conservation, and coordination across forest, agriculture and rural development:

*Institutions are clearly indicated but the functional links between them in respect to the REDD mechanism still needs to be specified.*

*Given that a sizeable forest area is intended to be transferred to communities, it is important to create adequate institutional support for monitoring, enforcement and conservation. It should be assured that forest community representatives are included in any institutional arrangement in this regard.*

**3. Current country situation:**

Where do deforestation and forest degradation occur, main causes, estimates of greenhouse gas emissions, data available? Key issues in forest law enforcement and forest sector governance?

*Madagascar already has in place a detailed analysis of deforestation (with published results), based on Landsat imagery of 1990-2000 and 2000-2005. The country is currently completing a more detailed analysis for different habitat types (already completed for 19 of the 22 regions). The analysis done underlines the importance of protected area creation in reducing deforestation rates overall and the importance of tackling deforestation in dry and spiny forests in particular. What is still missing is a clear approach for the so-called KoloAla, the permanent production forest area and for forest degradation (which generally precedes deforestation).*

*Greenhouse gas emissions are given for national situation, not by habitat type. The causes of deforestation are clear and distinguished by habitat/region, and differentiate between deforestation and degradation. Overall, the material presented shows that Madagascar has already done considerable work on monitoring, on analyzing and understanding causes of deforestation and degradation and on development concepts to address the issues.*

**4. Data available on indigenous peoples and forest dwellers?**

*As indicated in the R-PIN, there are only few “true” forest dwellers. Madagascar already operationalized the World Bank’s safeguard procedures for indigenous people (OP4.10). The issue of recognition of communities as indigenous peoples and rights to land against the background of the numerous protected areas found in Madagascar is still an open question; this issue also need to be tackled in a future REDD mechanism.*

*In the proposal the Mikea community in the Mikea forest is mentioned as “true forest dwellers”. The Mikea forest is being established as a protected area and the safeguards under O4.10 will be used. However as the IP reviewer pointed out, provisions under the UN Declaration on the Rights of Indigenous Peoples need also need to be consulted.*

*In other forests targeted for REDD activities, the claim is that the communities “live on the peripheries of the forests and are forest users”. These communities are forest users, and the question of access to the forest resources will remain an issue when forests are committed as carbon reservoirs and sinks.*

*It is encouraging that the government plans to transfer forests to communities for community forest management. The fact that communities will be “actively engaged in forest management” and will be “principal beneficiaries” of improved forest management is laudable. A clear explanation of what “transfer” means in this context still has to be provided. Will it be full transfer of ownership rights or just control? Does the government intend to create community conserved areas as is currently being discussed under the CBD? “Ownership” or “control” issues need to be addressed early as they have implications on access and benefit sharing.*

**5. Current strategy in place to address deforestation and forest degradation. What stakeholder process was used to arrive at it?**

*The national plan for development (MAP) that was driven through a Presidential initiative includes goals for environmental management and identifies 4 main challenges relating to deforestation at national level. The regional level will be addressed in the currently ongoing second stage. Nevertheless, the MAP remains short on addressing social issues (which will be of crucial importance in a REDD approach for Madagascar). REDD (under the terminology of avoiding deforestation) is an approach developed in Madagascar with voluntary funding since 2001 in and around selected protected areas.*

*The 3 REDD-type projects that are now in operation are using different strategies, but all have a strong component on local stakeholder involvement.*

*Not mentioned in this section but described in other parts of the R-PIN is that the extension of protected areas has shown some encouraging first results in reducing deforestation. A more recently applied approach is the transfer of forest and other natural resource land to communities for management. However, the R-PIN does not clarify what kind of stakeholder consultation process is being used in the creation of these strategies.*

**6. What would be needed to reduce deforestation and forest degradation?**

Has country considered the potential relationship between REDD strategies and country's broader development agenda?

Has any technical assistance been received, or is planned on REDD?

*Madagascar is an example of a country where the pressure on forest resources is mainly due to poverty and population growth, as well as the lack of economic alternatives in rural areas. Thus, the REDD strategy to be developed needs particular attention of the social and local economic causes of deforestation and forest degradation. This implies to apply approaches that involve local communities to a greater extent than in the past. Integrated land use plans at communal and regional level are required, which include interventions in agriculture and the energy sector to reduce pressure on forests. Institutional reforms in the forest service are needed for effective deconcentration, decentralization and empowerment of communities to manage forest. This will involve intensive consultations with communities and addressing underlying causes of deforestation using rights based approaches. It will also require training and increasing capacity for local people about forest management and resources to train locals in what it means to sustainably manage forests.*

*Issues to be addressed in a REDD strategy include (i) the legal framework to safeguard ownership rights of emissions reductions; (ii) public finance and fiscal policy and their coherence with REDD, and (iii) the integration with two existing national programmes on rural development and land tenure. It lacks mention of the increased capacity needed by local communities to better manage the forests.*

*The R-PIN clearly states that "FCPF funds will be used to harmonize and to consolidate the methodologies used to date in Madagascar, with the aim to integrating current projects into an overall national approach to REDD". Technical assistance has been provided in the context of 3 existing REDD projects. There is a need to harmonize and consolidate different data/analytical approaches. FCPF funds will be used for this, and to establish the necessary capacity to monitor forest cover, develop a reference scenario and design and implement the REDD strategy. Technical and managerial capacity both at national and regional levels needs to be created, thus capacity building needs to be built into the Readiness approach.*

**7. What stakeholder consultation process would country use for developing and implementing REDD under FCPF support?**

*A broad range of stakeholders will be reached through national and regional workshops organized during the policy design phase. The forest zoning plan which has been already developed at national level will be refined at regional level with participation of populations in the forested areas, and communities will be involved in discussion of management options for using procedures outlined in OP 4.10.*

*Considering the specific situation of Madagascar with poverty being one of the main drivers of deforestation and forest degradation, forest-dependent families and communities should be at the very top of the consultation process. The future strategy thus should comprise close involvement of forest communities living in the hotspot areas of deforestation and forest degradation. Such consultation should include women, youth and elders and not only community leaders for them to understand REDD and what it means to participate.*

*There has been extensive stakeholder participation in the 3 REDD projects currently on-going. Workshops on deforestation and REDD have been held earlier all over the country with support of the existing pilot projects.*

**8. Implementing REDD strategies: challenges to introducing effective REDD strategies, and how might they be overcome? Would performance-based payments through REDD be a major incentive for implementing a more coherent strategy to tackle deforestation?**

*The following challenges were identified: financial, technical capacity, methodological issues, governance issues and organizational issues. The innovative element in the proposal is the integration of REDD into the different levels of the sector and the fact that it addresses the most important challenges of the sector. The proposal also clarifies the relationship to the broader development agenda in the country.*

*There is still only limited technical capacity available at national level for analysis and much of the work is done*

*through international consultancy. Human capacities need to be scaled up. Technical and scientific challenges include, inter alia*

- *harmonizing the different methodologies used in the 3 current REDD projects;*
- *creation of a national registry ("baseline") for forest based emission reductions;*
- *aligning local-based approaches in REDD, including models for conservation, management and restoration;*
- *establishment of effective, transparent mechanisms for benefit sharing;*

*At a broader level, challenges to introduce REDD strategies include e.g. capacity building for community governance of forests and integrating the REDD approach into mainstream national programmes such as land tenure project.*

*Performance based payments are considered as a strong incentive, but the R-PIN also cautions against long delays in payments and also against too much emphasis on methodological exactitude which can itself be a disincentive to action.*

#### **9. REDD strategy monitoring and implementation:**

**How forest cover and land use change are monitored today, and any constraints in this approach?**

*In the past there have been uncoordinated efforts for monitoring different processes/activities in the forests. Now a single national institution, the Office National pour l'Environnement (ONE) is responsible to manage the information system in Madagascar. The major concerns are the capacity of ONE and the long term financing and the improvement of technical capacities.*

*Up to today, forest monitoring was mainly concerned with the creation of new protected areas on a case-by-case basis. National based monitoring, including broader land-use aspects and production forests are relatively new. Madagascar has accomplished three consecutive assessments of deforestation already (using Landsat, 1990, 2000, 2005), but intends to make more regular and integrated analyses with the support of the FCPF.*

*It is planned that monitoring will include the national and sub national (local) levels, and include national baseline and locally implemented projects (the so-called nested approach with REDD projects within an overall national baseline framework). FCPF funds are especially required for development of the accounting/registration system that will be needed to integrate this data and resolve any double counting.*

#### **10. Additional benefits of potential REDD strategy, and how to monitor them: biodiversity and rural livelihood?**

*There is no systematic process for monitoring livelihood benefits at present. FCPF will mainly operate at the national level, but the main challenges are in socio-economic development at local level, including e.g. in how benefits will effectively reach communities. The benefits identified for local communities include: maintaining environmental services (e.g. water availability for food, sanitation and agriculture); direct employment for producing and planting trees; legal right over land and natural resources; buffer zone management; market access for products; improved soil management techniques; more intensive rice agricultural know-how. What needs to be clarified in addition in any carbon compensation program in REDD is the access to the existing forests by local communities and forest dwellers, in particular newly created forest protected areas and their function in respect to local livelihood concerns. E.g. what happens in newly declared forest protected areas in respect to traditional (low intensity) use, such as collect medicinal plants and other NTFP, hunting, using forest sides as graveyards among others. Issues of traditional knowledge systems while negotiating carbon contracts should also be addressed to ensure benefits flow to the communities.*

*Biodiversity is currently being monitored both nationally and at project level. With the support of the FCPF, the systems in use could be improved. Involvement of local communities in assessing biodiversity is envisaged, which might increase the equitability of flows of funds within the REDD programme.*

**11. What assistance is country likely to request from FCPF Readiness Mechanism?**

*The challenges and proposed overall lines of activities have been well presented, but more concrete activities still need to be developed in a comprehensive work plan that also need a budget by main line of activities (not provided yet).*

*The work to be conducted through a readiness project includes harmonization of project level methodologies to a national level REDD methodology; analysis of the deforestation patterns observed over 1990-2005 so that predictions can be made and causes better identified; identification of priority sites for REDD (committing forests in hot-spot deforestation and forest degradation areas); and high resolution analysis of these sides, including field work on the socio-economic drivers of deforestation and forest degradation. FCPF support is also anticipated for improving monitoring capacity. Another main concern addressed is the design of revenue sharing systems and to define the necessary institutional and legal structures for a national incentive system.*

**12. Donors and international partners already cooperating with country on REDD.**

*Already existing international cooperation include GTZ of Germany and Intercooperation of Switzerland, both working on a common capacity building and piloting approach for a national REDD scheme; Conservation International and Wildlife Conservation Society working on protected area creation and REDD payments through the voluntary market and CDM A/R; and USAID working on an overall concept of forest management, including conservation areas and production forestry. A FPIC readiness project could support knowledge gathering, coordination and development of a common national approach and locally applied piloting work. It will be built up on the existing work.*

**13. Country's Potential Next Steps and Schedule:**

*There is a need to indicate a work plan with clear targets, budget and responsibilities. In addition technical action plan needs to be prepared to detail the work needed to develop reference scenario, monitoring mechanism, and national REDD strategy that is based on the proposed nested approach.*

**14. Attachments and their usefulness:**

*Useful and informative attachments, including a deforestation map, summaries of the 3 ongoing REDD projects, and policy documents relating to MAP, land tenure and forest policy.*