



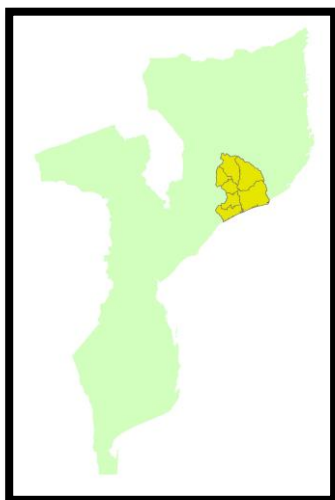
Government of Mozambique
Zambezia Integrated Landscapes Management Program (ZILMP)
Executive Summary of ER PIN submitted to FCPF Carbon Fund on October 5, 2015

Mozambique has an area of **80 million of hectares**, and a **population of 25 million people**. The country is richly endowed with natural resources – arable land, forests, fisheries, water and mineral resources. Mozambique’s economy has experienced an **annual average economic growth of around 7.5%** in the last decade, but still faces profound development challenges, as rapid growth has not resulted in a significant reduction of poverty. It is still one of the world's poorest countries with **about 54% of the population living below the poverty line and 70% of the population lives in rural areas**, as evidenced by the country’s low level of the Human Development Index (178 out of 187 countries in 2014).

About 51% of the country’s territory is covered by forests (40.6 million hectares). The country’s deforestation rate is 0.58%/year, and accounts for an annual forest loss of approximately 220,000 ha. This is almost half of Brazil’s total annual forest loss (480,000ha), despite the fact that Brazil has 12 times more forests than Mozambique. As the country continues its rapid development based on land use activities such as mining, agriculture and unsustainable forestry, the challenge going forward will be to develop the nation economically while maintaining its natural resources.

The Zambezia Integrated Landscapes Management Program (ZILMP) demonstrates the commitment of the Government of Mozambique (GoM) to promote sustainable rural development through forests conservation and management, conservation agriculture, biomass energy management and land use planning. **The ZILMP is endorsed as a priority by the Government of Mozambique and the Provincial Government of Zambézia. The Program will pilot innovative and decentralized governance arrangements at the National, Provincial and District levels, which integrate government, private sector and civil society stakeholders, with the goal of reducing greenhouse gas emissions from deforestation and forest degradation, while promoting rural development.**

The ZILMP will be also fully aligned with the government “Estrela” program and the Standing Forest Program, which aims to develop physical and social infrastructure (access to markets, water, energy, finance and knowledge) to catalyze sustainable production in rural areas; and promoting rural development based on forest conservation, with focus on alternative activities to natural resources extraction and good forest management practices respectively. The Standing Forests Program will be the back-bone of the 5th strategic objective of the Government’s Five-Year Plan (2015-2019). In addition, a new Forest Law will establish a **“Timber Moratorium”** that will begin in 2016 and involve the suspension of certain forest operations for a determinate period of time to allow reorganization of the sector, with a focus on sustainability.



The ZILMP will be located in the Zambézia province, the most densely populated and the fourth most deforested province in Mozambique. The provincial economy is based in agriculture and forest resources, and 70.5% of the population is under the poverty line, and 93% is in the rural area. The ZILMP will cover a total area of **3.8 million hectares, of which 2.3 million are forests**. The annual deforestation rate in the program area is 0.68%, and represents a forest loss of 18.000 ha/year.

This is an ambitious initiative: (i) it comprises a large population (1,2 million people) that will demand large scale efforts; (ii) as the first ER Program in Mozambique there are significant “lessons to be learned” and numerous capacity and management challenges to be tackled. Experience has proven that when it comes to designing innovative policies that need to be successful, it is safer to “start small, learn well and grow fast”, than to be too ambitious and fail over the course of the program. The ZILMP will be implemented through a cooperative approach combining policies, programs and actions across different levels of the government (national, provincial and districts) and multiple stakeholders (government, farmers, communities, private sector, NGOs, etc.) to maximize funds and



institutional capacity. Therefore, there will be a combination of “command-and-control” policies for land use, with “positive incentives” such as access to public funds conditioned on deforestation rates, and incentives for the adoption of sustainable production systems.

The graph below depicts the main drivers and some proposed program activities:

Weak governance, lack of organized process for recognizing land tenure and zoning, low income and poor social conditions, etc.

- A. **Developing Coordination and Monitoring:** studies, program preparation, forest platform, capacity building, consultations and communications.
- B. **Land Planning, Law Enforcement and Governance:** green development plans, land registry, sustainable tourism, community hunting area

Shifting cultivation, subsistence farming, agricultural expansion, removal of wood for domestic uses, illegal logging, etc.

- C. **Sustainable production, livelihoods and income generation:** conservation agriculture, sustainable forest management, structuring NTFP and cash crops supply chains, strengthening of 28 Natural Resources Management Committees, forest plantations, FSC, market information platform to support fair trade, etc

Lack of community organization and engagement, low access to energy, lack of individual firewood plantations, illegal logging and inefficient cook-stoves and charcoal plants etc.

- D. **Community strengthening, social development and energy supply:** community awareness and capacity building, workshops, training, communication, Engage and finance civil society organizations through projects and initiatives (FIP DGM), Improving access to energy, Implementation of community woodlots, Research and Development, etc

The emission reductions (ERs) expected to be generated by the program between 2017 and 2024 is 10,487,552tCo₂, of which 80% will be offered to the FCPF, which equals to 8,700,784 tCO₂.

The current sources of **financing** for the program preparation and implementation are the World Bank FCPF, Mozbio, FIP; the GoM domestic budget; and other donors. The initial implementation costs for the first 5 years of the program are estimated in approximately US\$ 44,4 million. **All investments already committed by the GoM and donors like and FIP sum up to US\$ 21,6 million; if the program succeeds in generating and selling the expected ERs another U\$ 29,1 million will be generated totaling U\$ 50,7 million.** If the proposed approach is successful and the project generates additional funds, the GoM intends to replicate the program in other areas.

In summary, the following features make ZILMP as a unique program:

- ✓ Includes key **cross-sectoral interventions** to be scaled at national level;
- ✓ Engages stakeholders far **beyond the forestry sector:** agriculture, planning, energy, tourism;
- ✓ Hosts some of the **largest and most well preserved tracts of miombo forests** in the coastal forests of East Africa (identified as conservation priorities).
- ✓ **It is home to Gilé National Reserve (GNR), a unique protected area that offers an exceptional biodiversity** and hosts various critically endangered species.
- ✓ ER Program includes the **Primeiras and Segundas Marine Reserve, the largest marine reserve in Africa** with extensive mangroves.
- ✓ **High level engagement and of private sector** in key sustainable value chains: cashew nuts, sesame, pulp and paper, reforestation, etc.
- ✓ **High synergy with several projects and programs being implemented by the World Bank** in Mozambique (FIP, MozBio, Landscape Project, etc.)