





15 March 2013 - Grand Plaza Hotel, Washington D.C., USA

World Bank Forest Carbon Partnership Facility – Meeting No. 6 of the Carbon Fund

The Republic of Congo ER-PIN Overview

- Part of a Low Emissions Sustainable Development Perspective





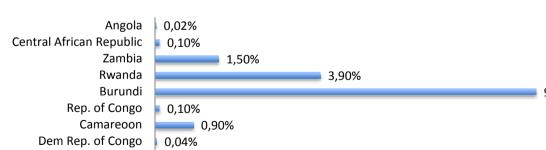
THE REPUBLIC OF CONGO - an overview

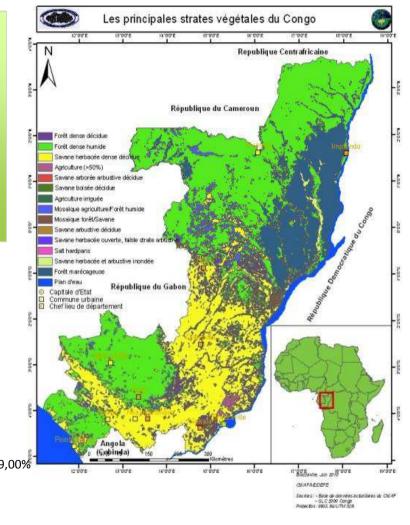
Total Land Area:	342,000 km²
Forested Land Area (%)	65%
Forested Land Area (ha))	22.47 million ha
Parks and Reserves	3.5 million ha
Annual Rate of Deforestation (ha)	17,000 ha
Annual Rate of Deforestation (% loss)	0.08%
Population	4 million
Urban Population	62%
Rural Populaitoan	38%
Annual rate of urbanization	3%
Total No. of Forest Concessions	13 million ha

Annual Rate of Forest cover Loss of other Congo Basin Countries (1990-2000) (Source:

Report FRA FAO, 2005

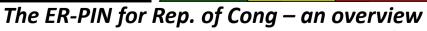
■ Annual Rate of Forest cover Loss of other Congo Basin Countries (1990-2000)



















Congolaise Industrielle des Bois (CIB)

CIB Founded in 1968

- 4 concessions
- 1,3 millions ha certified FSC
- 23,400 habitants and 890 employees
- Production volume 180,000 m³ (2011)
- Export logs: 17%, Transformation: 83%
- 2011 Revenues: € 39,6 millions

CIB Donnor Partners (en M€):

•GTZ : Sustainable Forestry Managment €0.7 mil

•AFD : Sustainable Forestry Managment €1.3 mil

•WCS/ITTO: Wilflife Fauna Managment €2 mil

•FFEM : Agro-forestery €0.9 mil

•WB Dev. Marketplace : Community Radio

Partnerships with NGO & Institutes: TFT, WCS, FSC, LSE, CIRAD, Forest Peoples Program, PharmAccess















OLAM International

Olam acquires CIB in 2011, The North Pikounda REDD+ project began at the same time

Donnor Partners with OLAM (en M\$):

•USAID : Food Security \$5 mil

•Bill & Melinda Gates: Capacity Building \$90 mil

•IDH: 5,5 Enhanced Agriculture Productivity, market access \$5.5 mil

•DE Foundation: Arabica coffee regeneration \$1.2 mil

•IFC: Market access & small holder certification \$2 mil



NGOs & Partner Institutes of OLAM Technoserve, GIZ, ACDI / VOCA, CLUSA, Rainforest Alliance, Fairtrade, AMREF, WCS



























CARBON CONSERVATION

Carbon Conservation conducting forest carbon projects since 2006

Large scale Forest Carbon project development:











Origination

Pipeline Business Development

Project Assessment and Valuation

Project Structuring and Legal **Execution**

16,000 ha

Project Development and Delivery

PD Validation, and **Project Management**

Project Verification



Commercialization

Structuring, Leveraging, Hedging and Securitization

Acquiring, Brokering and Trading











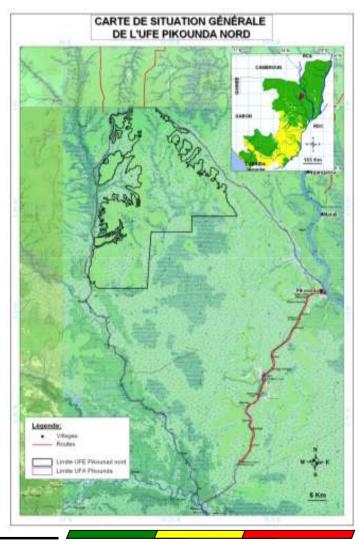




The Congo's Pilot Forest Carbon Project – North Pikounda REDD+

- World Class Avoided Planned Degradation Project
- The Ministry of Forestry has worked since 2010 on REDD+ issues through the WB FCPF and UN REDD
- The Pikounda Feasibility study was concluded in Oct of 2011 (Est. 2.9 - 5.6 million tCO_2e over 20 years)
- Carbon inventory work was conducted in Q4 2012
- Validation & Verification begins April 2013

Size	93,540 ha
Harvested Area	55,000 ha
Project Type	REDD+ (avoided planned deforestation and degradation)
Standard	VCS & CCBA
Status	Pre-Validation
Est. of time of Credit Origination	Q3 2013
Project Partners	MDEFFE
	CIB-Olam
	Carbon Conservation
Projects Creditng Period	20 years
Projects Monitoring Period	30 years

















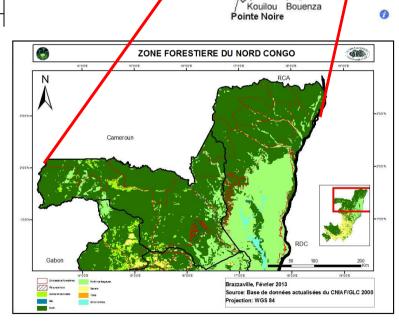
ER-Program Area – 12 Million Hecatares

Staged Project activity to maintain opportunity to scale up

The ER-Program will begin with the North Pikounda REDD+ project in the Sangha Dept.

Emission reductions activity must integrate with spatial planning

Northern Department	Likouala	Sangha
Area of the ER Program	6.4 million ha	5.8 million ha
Forest Concessions	3.5 million ha	3.3 million ha
Forest Concession under Approved		
Management Plans	3.3 million ha	2.1 million ha
Agriculture Development Activity within		
Approved Forest Management Areas (6%)	~ 198,000 ha	~ 126,000 ha
Potential Agricultural & Agro Forestry		
Areas	2.2 million ha	2 million ha
Influence of the PRONAR project	20,000 ha	50,000 ha
Protected Areas	700,000 ha	500,000 ha
Potential REDD+ Activity	A/R, AD, IFM	A/R, AD, IFM
Threat of Forest Cover Loss	High	High















The PARTNERSHIP

How the Partnership will function

- MEFDD / National Committee & National REDD Coordinator will provide national policy guidance and program supervision
- Transparency & Third Party Accountability
- The program will be an aggregation of various activities supported by diversified project owners (private, public, community, NGO, etc)

Roles and Responsibilities

- Congo (MEFDD): oversight, MRV, Baseline Scenario, Spatial Planning; contribution of carbon expertise
- CIB/OLAM: Project Implementer
- Administration of the program; follow-up and evaluation of the projects
- Carbon Conservation: Technical **Carbon Expertise**

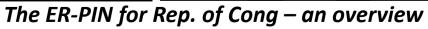
Experience

- Congo MDEFFE: Development and application regulated forest management, REDD+ First mover in Africa
- CIB/OLAM: decades of in country forestry experience, assisted with the implementation of sustainable forestry management, cogeneration, implementation of reduced impact logging under FSC™ guidelines; large scale project development and management
- Carbon Conservation: Large scale forest carbon projects

















Phase One: Potential REDD+ Crediting Activities of the ER-Program

Methodology

- Integration with a pre-compliance Accounting methodology supported by the FCPF methodology Facility
- Transparent carbon accounting & third party auditing
- Application of globally accepted social & environmental best practices

First Phase focus: 2 sectors that bring the most immediate emission reductions and



Forestry

Agro

benefits to the communities

• Revival of community based cocoa

- Incorporation with 1 million hectare plantings
- Rubber tree plantations for communities and industry
- Community reforestation

2. Forestry

- 100% Implementation Concession wide Forest Management Panning
- Reduced Impact Logging
 - Optimization of road
 - Increase the minimum harvest diameters
 - Environmentally sensitive rotation ages
- Stop Logging Activity (i.e. North Pikounda)
- Development of new markets for sustainable local products (wooden houses and other Long term hardwood (LtHw) products

















Phase Two – ER-Program Activities that may Credit Generating

MRV

- Integration with a national / regional baseline
- Seek to improve level of technology used for monitoring
- Domestic coordination of MRV with local ground truthing
- MRV for benefit sharing as well



Energy

3

- Domestic Energy Savings Scheme
- Renewable Energy
- Co-Generation from bio-waste
- Manure/ waste recovery



- Reforestation of areas of exploitations
 - Spatial planning management to conserve forests
 - Support of green and low emission mining

 Charcoal to Clean Energy **Energy Sector Reform**

Second Phase focus: Shift to include more then northern part of the Country and attempt to broaden the scope of emission reduction activity.















POTENTIAL CREDIT ORIGINATION

Estimated 3.9 million tCO₂e / year

REDD+ & Afforestation

1. Agro Forestry

20-30 Million
ERs / 10 years

REDD+ & Afforestation

2. Forestry

 20-50 Million ERs over 20-100 years

Clean energy options

3. Energy

Origination of PES credits may be possible

Low emission alternatives

Mining

 Origination of PES credits may be possible







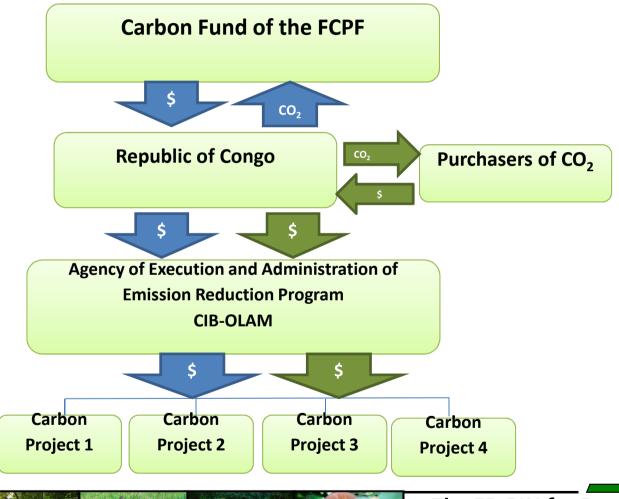






Option 1: The Republic of Congo signs an ERPA with the FCPF Carbon Fund

The Government of the Republic of Congo Monetises the Credits





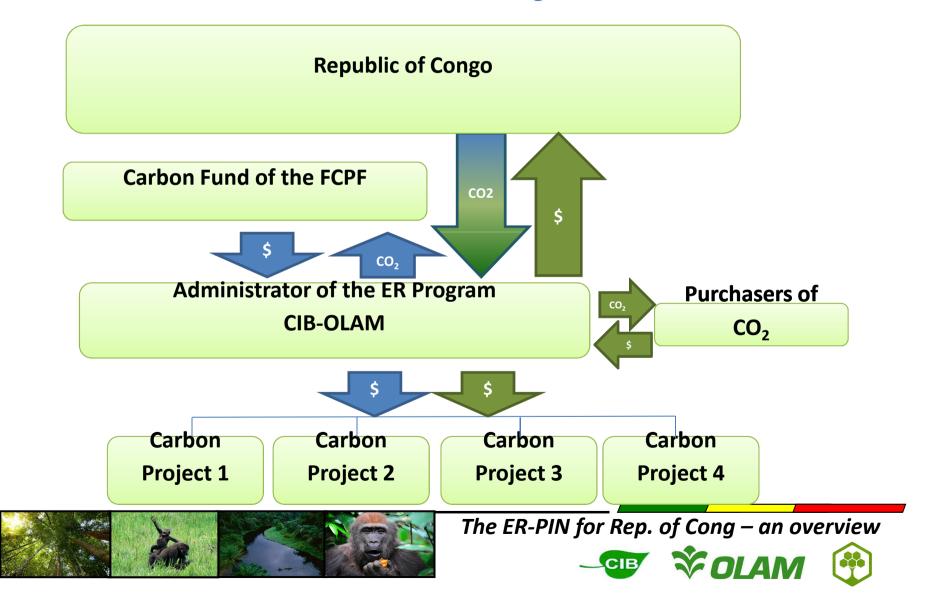






Option 2. - CIB-OLAM signs and ERPA with the Carbon Fund of the FCPF

The Administrator of the ER-Program Monetises the Credits





BENEFIT SHARING SCENARIO

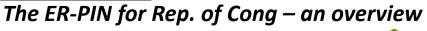
RoC and CIB-Olam have initiated discussion concerning the details of the benefit sharing aspect of the ER-PIN program

- There will be a level of transparency in the ER-PIN implementing body
- There will be a national carbon registry that is audited by third parties
- A certain percentage of govt. and project credits (or revs) must be reinvested into regional/national low emission initiatives, with a priority for genuine sustainable development.
- A certain percentage of govt. and project credits/revenues to be reinvested into ongoing MRV















NEXT STEPS Readiness Preparation (Readiness Fund) ER – Program Development Validation, verification of North Pikounda REDD+ **Approval ER-PIN** Letter of CF 6 R-Package **Proposal** Intent March 2013 September 2013 **ERPA** April 2013 December 2013 ER-Program Jan 2015 August 2013 Document **Carbon Finance (Carbon Fund)** The ER-PIN for Rep. of Cong – an overview











THANK YOU

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