



Forest Carbon Partnership Facility
Carbon Fund Meeting Paris (CF14) 20-22 June 2016

TAP Review

Democratic Republic of Congo

Objective, scope of work and implementation of TAP work

- Work based on the **TORs**: distribution of work amongst TAP members, regular exchanges, country visit, elaboration of a three TAP review papers (Nov 2015, Feb. 2016, May 2016). Interviews and exchanges with a variety of stakeholders within and outside government during country visit
- Based on TOR, review the advanced draft ER-PD and assess it against the criteria and indicators listed in the **Methodological Framework** of the FCPF Carbon Fund
- Regular exchange with FMT

Positioning the TAP review in the wider process

TAP Review

Review of the ER-PD against the C&I listed in the Methodological Framework. Assessment of:

- i) Feasibility of the program
- ii) Methodological approach
- iii) Carbon and non-carbon benefits
- iv) Safeguards and legal issues
- v) Sustainability of mitigation approach

World Bank Due Diligence

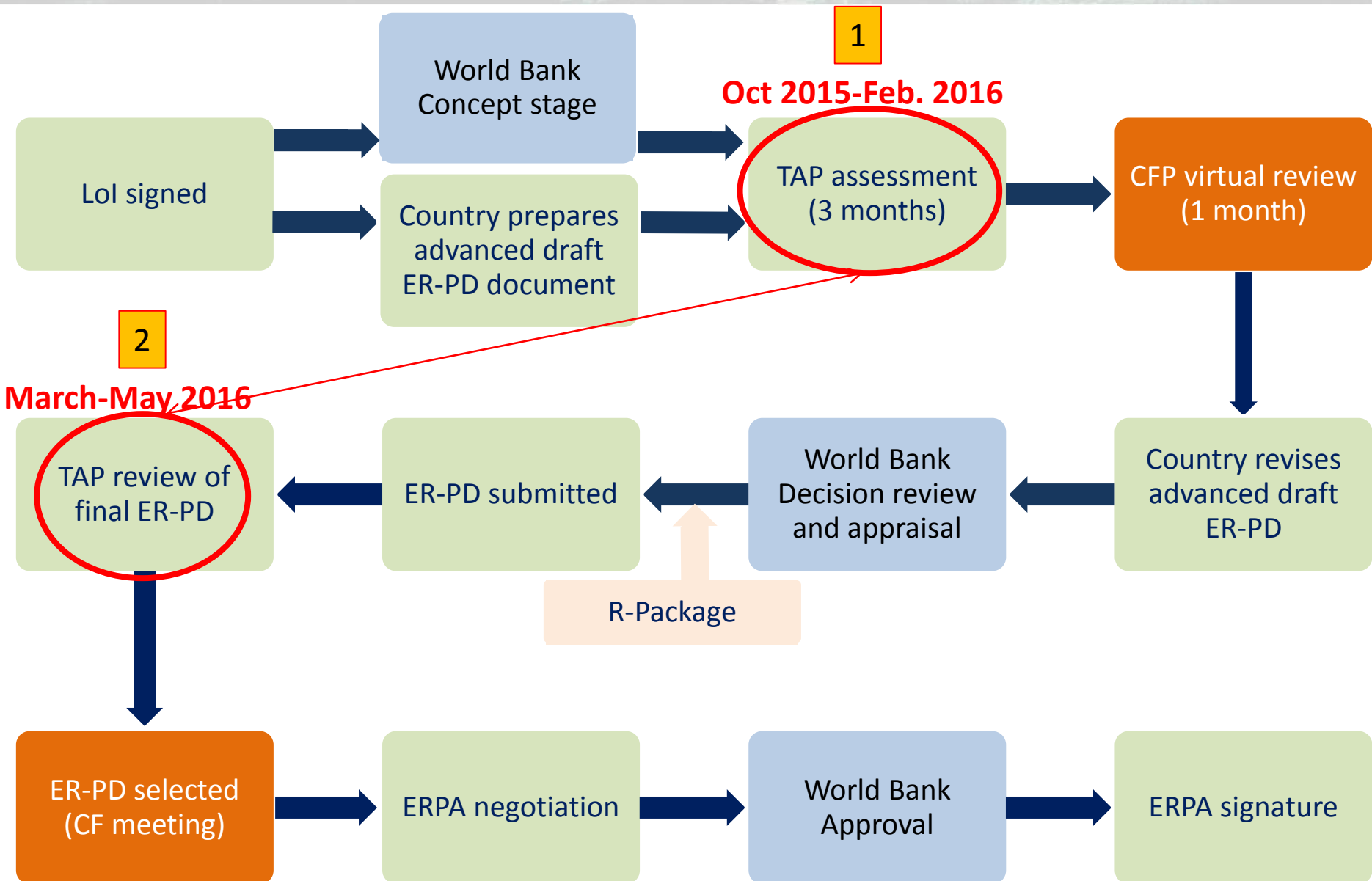
Assessment of:

- i) the feasibility of the program
- ii) economic & financial sustainability
- iii) Existing capacity
- iv) safeguards risks
- v) fraud and corruption risks
- vi) accountability measures
- vii) other issues that may arise

Carbon Fund Participants and other stakeholders

Assessment of the ERPD according to their own standards and requirements

Our assessment process in the ER-PD Assessment Process





DRC TAP Assessment against the Methodologic Framework

Results of TAP Assessment

- **Advanced Draft ER-PD dated 7 February 2016:**
 - Of a total of 78 criteria and indicators **53 criteria or indicators are met (yes)** and 16 are not met (no);
 - 9 indicators have been classified under do not apply (n/a)

- **Assessment of the Final ER-PD dated 30 May 2016:**
 - Of a total of 78 criteria and indicators **61 criteria or indicators are met (yes)** and 3 are not met (no);
 - 14 indicators have been classified under do not apply (n/a) to the current assessment.

Overall Ambition and Scale

(Criteria 1 & 2)

- The ER **Program** is **ambitious** in terms of demonstrating the potential of the full implementation of the variety of interventions of the National REDD+ strategy and aims to address a significant portion of forest-related emissions and removals
- The Program intends to reduce emissions by about 34.3 Million tons of CO₂ eq. gross reduction over a 5-years' time scale, which corresponds to a **5-year target net reduction of about 24.7 Million tons of CO₂**, slightly less than 5 Million tons of CO₂ per year
- The Accounting Area (Maï Ndombe Province) is of **significant scale** (128,000 km², incl. 9.8 m ha of primary and secondary forests) and significantly representative in the context in respect in respect to land-use/developmental challenges in the central part of the Congo Basin

Carbon Accounting (3)

Scope and methods

- **Extraordinary effort went into improvements towards the carbon accounting approach (since 1st TAP review), which included considerable additional data collection**
 - C3. The ER Program identifies anthropogenic sources and sinks associated with REDD+ Activities to be accounted for:
 - Emissions from deforestation
 - Emissions from forest degradation (must be accounted for where significant)
 - Carbon stock enhancement in both new forests and remaining forests
 - C4. The ER Program accounts for the following significant carbon pools GHG gases:
 - Living biomass (other pools excluded) and Carbon dioxide (other GHG excluded)
 - C5. ER Program identified and used the most recent IPCC guidance and guidelines:
 - Identifies IPCC methods used and follows most of the basic concepts
 - Deviations from the IPCC guidelines remain, as is common practice in REDD+ accounting
 - C6. Key data and methods are publicly available online.
- TAP observed that some final data items are being collected to further improve the emission factors (sample plots for emission factors)**

Carbon Accounting (3)

Uncertainty

- C7. Sources of uncertainty are systematically identified and assessed.
- C8. The ER-PD describes procedures designed to minimize systematic and random errors.
- C9. Uncertainties are assessed following international best practice

→ TAP's recommendation:

- The uncertainty analysis needs to be completed with the accuracy assessment
- Preliminarily, a negative bias of the emissions factors was observed (sub estimation of emissions) that could be corrected for (based on the data that are being currently collected)

Carbon Accounting (3)

Reference Level

- C10. The ER-PD's subnational reference level is informed by the national forest reference level, currently under development.
- C11. The reference period is 2004-2014 (Exception from the rules)
 - MF guidance: "... end-date for the Reference Period is the most recent date prior to 2013 for which forest-cover data is available to enable IPCC Approach 3. An alternative end-date could be allowed only with **convincing justification**, e.g. to maintain consistency of dates with a FRE Level or FRL, ..."
 - The national forest reference level includes activity data for 2000-2014 for most of the country, but 2004-2014 for Mai-Ndombe
 - 10 years reference period
- C12. The forest definition is in line with definitions applied in other contexts.
- C13. The RL is based on annual average historical E&R with an upward adjustment
 - Increasing demographic trends
 - Adjustment amounts to max. allowable 0.1% of carbon stocks (lower than historic trends)

Carbon Accounting (3)

Measurement, Monitoring and Reporting

- C14. Programme monitoring and reference level setting use the same approach:
 - Spatially explicit activity data (Approach 3)
 - Locally derived emission factors (Tier 2)
 - Direct measurement of forest degradation

- C15. The approach for collection activity data is aligned with the national forest monitoring system (note: the national forest reference level is only forthcoming).
 - Activity data collected will inform the forthcoming national level
 - No firm decisions have yet been taken on emission factors in the national forest reference emission level

- C16. Opportunities for community participation in monitoring and reporting have been explored

Carbon Accounting (3)

Accounting for Displacement (Leakage)

- C17. Potential sources of displacement risk are systematically identified and prioritized
- The strategy to mitigate displacement risks relies on measures **integral** to programme design
 - E.g. alternative income sources are proposed such as planting of woodlots for charcoal production or relocation of small-scale farming from forested areas to degraded savanna

Carbon Accounting

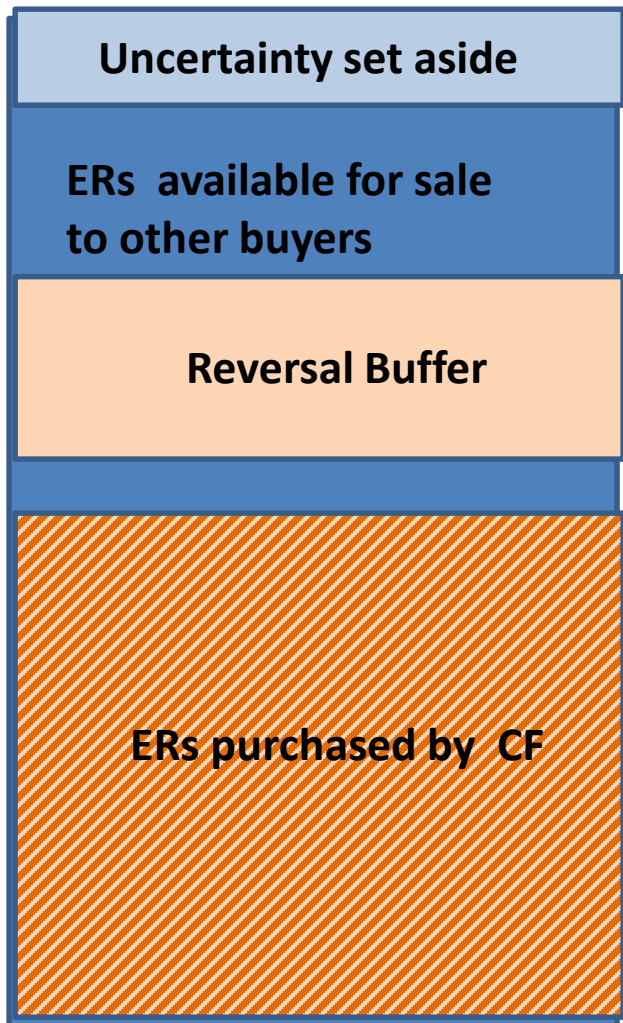
Accounting for Reversals (Non-Permanence)

- C18. A systematic assessment of natural and anthropogenic reversal risks has been undertaken with a acceptable approach, but the risk ranking proposed (20%) could be further discussed
 - As proposed in 6.3 of the buffer guidelines, a final decision is taken at the level of the trustee
- The assessment uses a VCS tool developed for this purpose, that does not cover reversal risks beyond the term of the purchase agreement.
 - The strategy to achieve sustainability of emission reductions needs further explanation given the short programme duration
- C19. A dedicated account in the national registry will function for reversal management, but the registry is not in place yet and the national registry with its reversal management mechanism needs to be designed
 - TAP proposes to check this in the future verification process
- C21. The measurement approach is capable of picking up reversals

Carbon Accounting (3)

Calculation of Emission Reductions

Maï Ndombe - ER Volume



- Reported and verified emissions and removals from RL correctly subtracted
- A number of ERs to reflect the level of uncertainty associated with the estimation of ERs set aside (8% of ER Volume)
- Non permanence risk of 20%
- Overall measures are proposed to prevent double accounting.
- Possible claiming Maï Ndombe ERs for DRC's NDC needs further specification

Safeguards (4)

Meeting WB Safeguards and Promote and Support Cancun Safeguards

- ER Program meets applicable World Bank policies and procedures
→ World Bank Due Diligence Process
- ER Program recognizes the safeguard issues contained in the UNFCCC guidance on REDD+, and provide information on how they are doing so.
- The DRC has its own national guidelines on social and environmental safeguards which has been endorsed by the World Bank. In addition, the FPIC approach proposed in the national REDD+ standards is proposed to be integrated into the ER Program
- Safeguards Plans address social and environmental issues and include related risk mitigation measures identified in the readiness process.
→ Need to be subject to site specific safeguard plans and to the inclusion of appropriate risk mitigation measure for each specific site
- Feedback and Grievance Redress Mechanism (FGRM) **in development**, will be made public over the coming months. Sufficiently dealt with in the ER-PD₁₄

Sustainable Program Design (5)

Drivers, Land & Resource Tenure Assessments, Benefit-sharing mech.

- Main causes (referred to as “drivers” of DD in ER Program) area identified
→ TAP proposed to also look at immigration as a potential driver
- Measures proposed to address drivers
→ TAP recommended further considerations (p 35 of TAP Report)
- An assessment of the land and resource tenure regimes present in the Accounting Area has been undertaken and made publicly available
→ TAP recommends that site specific tenure arrangements need to be further assessed (e.g. as part of local participatory land use planning)
- Benefit sharing arrangements (institutional and legal) for the ER-Program clearly set out and described.
→ Further comments by the TAP to strengthen measures to promote poverty reduction among local communities

Sustainable Program Design (5)

Non-Carbon Benefits

- Non-Carbon Benefits are play an important role as incentive for reaching the mitigation targets in the DRC-ERPD
- A number of Non-Carbon Benefits are identified and described
→ The process to identify these non-carbon benefits in consultation with relevant stakeholders could have been better described
- In the final ER-PD, the beneficiaries are clearly identified, including consideration of gender.
- The generation and enhancement of priority Non-Carbon Benefits has been described, also some indication have been given on the potential to make them sustainable beyond the term of the ER-PA

ER Program Transactions (6)

ERPA Signing Authority and Transfer of Title to Emission Reductions

- Arrangements made that demonstrates the ER-Program Authority to enter into an ER-PA with the CF:
 - Reference to an existing legal and regulatory framework (AM 2012 and *Ordonnance présidentielle* n°15/015 du 21 mars 2015);
 - The MECNDD is the designated Government authority for both the domestic and the international transfer of emission.
 - Central government will sign the ER-PA with the Carbon Fund
- In the TAP the question arose if the ER-PA needs to be further analyzed in regards to national legal circumstances (beyond the scope of the TAP).
- The ER Program describes implications of land and resource tenure assessment for ER Program Entity's ability to transfer Title to ERs
 - Legal and governance frameworks for REDD+ are **under development**, with focus being on the Ministerial Regulation on REDD+ Project Authorization ("REDD+ Regulation 2012")
- need to be reviewed (in the future verification process?)

ER Program Transactions (6)

Data Management and ER Transaction Registries

- Appropriate arrangement to avoid having multiple title claims to an ER through the creation of a National Registry (centralized REDD+ Programs and Projects Data Management System)
 - The National Registry is currently in design and should be operational by end of 2016 (includes information on FGRM Issues and Safeguards)
 - Once a project has been approved through the national 2102 REDD+ Regulation, it will be formerly registered in this National REDD+ Registry.
 - Any generated Emission Reductions (ERs) once measured and verified will then be issued as domestic Emission Reduction Credits (ERCs) exclusively through the National REDD+ Registry
- **Will need to be evaluated once established (e.g. by the trustee, in the verification process, ...)**

Thank you for your attention....



Assessment team members:

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Till Neeff (methodological framework); Martijn Wilder and Gaby Kabue Kayombo (legal issues)