

World Bank's Grant Reporting and Monitoring report (GRM)¹

Democratic Republic of Congo

Grant Monitoring and Reporting - Forest Carbon Partnership Facility (FCPF)

General comments on the REDD+ Readiness process

The Ministry of Environment, Nature Conservation and Tourism (MECNT) has demonstrated a high level of commitment to and ownership of the REDD+ Readiness process. MECNT managed to ensure a remarkable level of coordination of a complex process, dealing with various stakeholders (government agencies, civil society, donors, private sector, research entities). The process has been managed with flexibility, enabling stakeholders to adapt and learn as it progresses. The Ministry has been proactive in addressing emerging issues, such as the need for national-level regulations on REDD+ projects given the increasing interest from private sector in conducting REDD+ projects in DRC, or establishing a national REDD+ fund to attract REDD financing. Partners have also shown flexibility in reallocating budget to emerging priorities. In general, the process has moved quickly, with various studies, consultations, international events and the design of investment operations (pilot projects, Forest Investment Program) running in parallel. The country has achieved international recognition for its REDD+ Readiness process, which has allowed it to secure financing for investment activities, such as those to be financed by the Forest Investment Program, and potential scaled-up financing from other donors, as expressed by Norway and DFID.

DRC has made significant progress in its REDD+ Readiness process up to the present. The country has established a functioning National REDD+ Coordination at the Ministry of Environment which is leading a series of technical activities, reaching out to various stakeholders and coordinating ongoing REDD-related initiatives in the country. The country has also carried out a fair amount of consultation and information sharing activities on different components of the Readiness process. Some progress has been achieved in preparing the national strategy, including the finalization of an in-depth analysis of causes of deforestation and forest degradation which serves as the base for the currently-ongoing identification of strategic options to address deforestation. Other technical analysis, such as the identification of options for benefit sharing, should inform the implementation framework to be adopted by the country to ensure proper implementation of REDD+.

At the national level, the process has contributed to raising the profile of issues related to forest cover loss, beyond the forest sector. In September 2011, the Ministry of Environment organized a

¹ *Grant Reporting and Monitoring* is the format and system that is used for reporting on FCPF activities where the World Bank is the Delivery Partner.

High-Level Forum on Forests and Climate Change, bringing together the President's office and various line Ministries, in addition to high-level international participants. Lately, the first steps have been taken to decentralize the process to the provincial level. REDD+ Focal Points have been hired in all 11 Provinces, and their presence on the ground is expected to give a new dynamic to the process at the provincial level. The Provincial Focal Points will monitor pilot projects and other interventions on the ground with a view of feeding into the National REDD+ Strategy, engage in the local-level dialogue on deforestation and forest degradation and potentially preparing provincial-level REDD+ strategies.

The REDD+ Readiness process has been conducted in a participatory manner and has brought various stakeholders together to discuss strategic, legal and institutional issues related to REDD+ and has strengthened the role of civil society organizations (including those representing indigenous peoples and other forest-dependent communities) in policy making. REDD+ outputs of the REDD+ Readiness process are of high quality and are often the product of partnership of various national and international organizations (such as the study on the causes of deforestation and forest degradation, the paper on benefit sharing options, and the ongoing analysis of REDD+ strategic options by the various Thematic Coordination Groups). The capacity of national actors working on REDD+ issues has been significantly strengthened through technical assistance, numerous training events, workshops and on-the-job capacity building.

Despite the momentum REDD+ has galvanized, much remains to be done to strengthen effective high-level ownership of the agenda. The REDD+ Readiness process has created and shared national knowledge, raised the profile of forest and climate change agendas. However, many challenges remain. Primarily, high-level cross-sectoral coordination still needs to translate into concrete actions on the ground. Pressures on forests from development of different sectors, such as transport, mining, oil and agriculture, are likely to increase in the near future. The National REDD Committee and Inter-Ministerial REDD Committee, created to ensure cross-sectoral coordination and high-level steering of the process, have not worked as expected, and should be reformed. For REDD+ to be achieved, the country needs a clear vision on land use planning and management at central and decentralized level that can support sustainable use of its natural resources. Further governance reforms are also needed. In the forest sector, the rights of communities to manage forests need to be strengthened, so that they can engage effectively in local forest management, as foreseen by the 2002 Forest Law. Governance and law enforcement need to be addressed at all levels, and illegal logging tackled more forcefully. Human and institutional capacities need to be strengthened, most particularly at the decentralized levels. In moving forward, DRC should clarify the institutional framework for REDD+, including the roles and responsibilities of different government agencies at the national and decentralized levels.

Overall Assessment

Grant Objective: The Project Development Objective is to reinforce DRC's capacities to design a socially and environmentally sound national strategy to reduce emissions from deforestation and forest degradation (REDD+) and to develop a national reference scenario of emissions from deforestation and degradation that takes into account national circumstances.

Main results:

1. A National REDD+ Strategy (including the legal framework) is prepared and validated by national stakeholders;
2. National circumstances affecting the reference scenario are identified and quantified.
3. A Strategic Environmental and Social Assessment (SESA) is prepared and validated by national stakeholders.

Planned Activities:

Component 1: Support to the coordination of the REDD+ Readiness Process and Multi-stakeholder Consultations	\$1.2
<i>1.1 - Coordination of the REDD+ Readiness Process</i>	<i>\$0.9</i>
Recruitment of national coordinator, financial assistant and international technical assistant	
Recruitment of provincial focal points for REDD	
Capacity building for National Coordination and Provincial Coordinator	
Equipment for national coordination	
<i>1.2 - Promotion of Multi-stakeholder Consultations</i>	<i>\$0.3</i>
Recruitment of a national Information, Education and Communication Specialist	
Preparation of communication material	
Support to national community radio network	
Component 2: Contribute to the design of a national REDD+ Strategy	\$1.3
<i>2a - Preparation of the National REDD+ Strategy</i>	<i>\$0.4</i>
Recruitment of national and international consultant to support preparation of the REDD+ strategy	

<i>2b - Preparation of the REDD+ Implementation Framework</i>	<i>\$0.5</i>
Study on the establishment of a national REDD+ Fund	
Assessment of legal and institutional choices for the REDD framework	
Conceptualization of an Integrated Excellence Center on Climate	
<i>2c - Strategic Environmental and Social Assessment</i>	<i>\$0.4</i>
Consultancy to support the National SESA Commission for REDD in DRC	
Component 3 - Preparation of a National Reference Scenario for REDD+	\$0.6
Support to the national household survey in DRC	
Study on spatial analysis	
Analysis of quantitative data	
Component 4 - Project Management	\$0.3
TOTAL	\$3.4

Overall progress from March 2011² to August 2012³ with regards to achieving Grant Objectives.

Comment: DRC is well on track to achieve the objectives targeted by the FCPF REDD+ Readiness support grant.

Indicator 1: National capacities on REDD+ in general, and specifically on the identification of strategic options to reduce emissions from forest and forest degradation and of associated social and

² Grant signature date.

³ Date of the joint FCPF & UN-REDD joint mid-term review mission.

environmental risks, have increased substantially. This capacity is spread across different sets of stakeholders, including the Government (including, but not limited to, the Ministry of Environment) and civil society organizations. Multi-stakeholder consultations are held regularly in DRC, particularly prior to the beginning and during validation of all technical studies. The National REDD+ Strategy is under preparation, including the in-depth analysis of strategic options to achieve reduced emissions from deforestation and forest degradation, while generating social and environmental co-benefits. Options for the legal and institutional framework to implement REDD+, including on benefit sharing, are being identified. The strategy preparation is based on: i) a high quality technical process underpinned by various studies, ii) multi-stakeholder consultations at the national level, and to a lesser extent, provincial level, and iii) lessons learned from pilot projects and investments on the ground.

Indicator 2: The country has a plan to prepare its national reference emissions level, and capacity has been built nationally to conduct the required analysis. The National Household Survey is under implementation and will generate key data for the preparation of the national reference emissions level.

Indicator 3: A Strategic Environmental and Social Assessment of the REDD+ process is ongoing, led by a National Oversight Committee and executed by the National REDD Coordination with support of an international consultancy firm. Preliminary REDD+ strategic options have been identified, and their social and environmental risks assessed. The REDD Coordination has managed to optimally articulate the preparation of the REDD strategy and the SESA exercise to ensure that they complement each other.

Overall progress from March 2011 to August 2012 with regard to implementation of Grant Finance Activities.

Comment: The preparation of the National REDD+ Strategy is well underway. Following the recommendations of the independent mid-term evaluation, the government has proposed a step-wise approach to developing the strategy. By late 2012, the country plans to have a framework REDD+ strategy organized in the following chapters: i) context of REDD+ in the country and the national vision towards REDD+, ii) causes of deforestation and forest degradation as well as the strategic options to address those and achieve REDD+ goals (including risk analysis and cross-cutting issues); iii) institutional arrangements for the implementation phase of REDD+. This framework strategy will not present the costs of the different strategic options, as the data is not yet available. The preparation of a more in-depth "National Strategy" will continue in 2013, and should benefit from: i) lessons from ongoing pilot REDD+ projects; ii) the ongoing decentralization of the REDD+ process.

The identification of national circumstances affecting the national reference scenario is somewhat delayed, due to delays in launching the National Household Survey by the National Institute of

Statistics. However, the Survey is now being implemented using a methodology agreed by all partners and should yield the expected results by the end of the grant period.

Finally, the Strategic Environmental and Social Assessment (SESA) is ongoing, led by the National REDD+ Coordination with support from an international firm. Preliminary results from the process include the preparation of a zero draft version of the National REDD+ Strategy identifying the social and environmental risks of the strategic options under consideration.

Components / Outputs

Comments on the outcomes achieved from *March 2011 to August 2012*

Component 1: Support to the coordination of the REDD+ Readiness Process and Multi-stakeholder Consultations

<u>Planned activity</u>	<u>Actual implementation to date</u>
<i>1.1 - Coordination of the REDD+ Readiness Process</i>	
Recruitment of national coordinator, financial assistant and international technical assistant	All positions are filled and operational.
Recruitment of provincial focal points for REDD	All Provincial Focal Points have been hired and deployed.
Capacity building for National Coordination and Provincial Coordinator	Formal and informal capacity building is ongoing (including technical assistance, workshops, and international visits).
Equipment for national coordination	All equipment was purchased. Additional equipment for the Provincial Focal Points has been acquired.
<i>1.2 - Promotion of Multi-stakeholder Consultations</i>	
Recruitment of a national Information, Education and Communication Specialist	Staff hired. In addition, two members of CSOs have been hired to support the Communications specialist on a permanent basis.

Preparation of communication material	Various communication materials have been prepared (pamphlets, theater plays, calendars, etc). Additional and updated written material targeted at different audiences is to be prepared. The international REDD+ University has gathered over 800 people around intense discussions and capacity building on REDD+ issues in 2011. The FCPF is providing support for the preparation of a high-quality website (www.redd.cd).
Support to national community radio network	This activity was not judged a priority at this stage and was dropped.

Component 2: Contribute to the design of a national REDD+ Strategy

<u>Planned activity</u>	<u>Actual implementation to date</u>
<i>2a - Preparation of the National REDD+ Strategy</i>	
Recruitment of national and international consultants to support preparation of the REDD+ strategy	Consultants hired and operational. The national REDD+ Strategy is currently under preparation, through a very inclusive process. 16 Thematic Coordination Groups bringing together representatives from government (various Ministries), civil society and have been convened to assess in detail each strategic option identified. The FCPF grant is funding the Thematic Coordination Groups to ensure full stakeholder participation.
<i>2b - Preparation of the REDD+ Implementation Framework</i>	
Study on the establishment of a national REDD+ Fund	The UNDP launched the preparation of a REDD+ Multi-Donor trust fund (MDTF). Hence, this FCPF activity was dropped. FCPF funds will be used to support the preparation of the legal and operational documents related to the MDTF and for capacity strengthening.
Assessment of legal and institutional choices for	A study and various capacity building activities on

the REDD framework	options for REDD+ benefit sharing have been completed. FCPF funds have been mobilized to prepare the Decree on “Registration of REDD+ projects” and in the preparation of the national REDD+ registry: Additional legal and institutional analysis of the REDD+ process will be conducted in the near future, in close collaboration with the work being conducted by GLOBE (Global Legislators Organizing for a Balanced Environment). An analysis of options for benefit sharing arrangements for REDD+ was conducted by a consortium of national NGOs, followed by various discussions with national stakeholders. Benefit sharing models are to be tested by the pilot REDD+ projects.
Conceptualization of an Integrated Excellence Center on Climate	This activity was not deemed a priority at this stage and will not be implemented with FCPF funding, but rather with funds from other partners currently under identification.
<i>2c - Strategic Environmental and Social Assessment</i>	
Consultancy to support the National SESA Commission for REDD in DRC	The Strategic Environmental and Social Assessment of the REDD+ process is ongoing. An international consultancy firm (AGRECO) was hired to support the Ministry of Environment in conducting the exercise. A national consultant was hired to follow the process from the National REDD+ Coordination on a continual basis. The mainstreamed SESA methodology developed by the FCPF was used at the start of the process to allow for an early identification of strategic options, whose social and environmental risks could be analyzed. The National SESA Overseeing Committee is also operational and supported by the FCPF.

<u>Planned activity</u>	<u>Actual implementation to date</u>
Support to the national household survey in DRC	The National Household Survey will provide important household-level data for the preparation of the reference scenarios. The Household Survey has been delayed due to difficulties faced by the National Institute of Statics in securing financing for the whole Survey exercise. However, the survey has now been launched and data should be available by mid 2013.
Study on spatial analysis	The modeling exercise has not been launched yet. A first workshop is to take place in October 2012.
Analysis of quantitative data	This activity will be launched once the data from the household survey is available.

Component 4 - Project Management

Status: The FCPF funds are managed by the *Unité de Coordination du Projet Forêt et Conservation de la Nature*. They have Financial Management and Procurement competency to deal with World Bank fiduciary rules. However, there has been some lack of clarity as to roles and responsibilities between this Unit and the National REDD Coordination, which caused delays in the finalization of some contracts. The situation was addressed, and the communication between these two entities shows signs of improvement.

FCPF Specific questions

1. Describe progress in how the Grant activities are being coordinated with other REDD+-related initiatives, including those funded by others.

- The National REDD+ Coordination in DRC should be commended for its efforts of coordinating a complex process with multiple donors and stakeholders. They have managed to keep donor efforts coordinated by engaging all the key stakeholders including all technical and financial partners in one single REDD+ process and by maintaining a relatively simple institutional set-up. The R-PP has served as the roadmap around which other donors' and partners' initiatives are coordinated.
- The FCPF support is fully embedded in the larger REDD+ Readiness process. There is a high-level of coordination with the UN-REDD program, which is financing the Readiness process with USD 5.5 million. The same team on the government side manages both programs. Various staff members previously financed by UN-REDD are now financed by FCPF. The two Programs have shown flexibility in responding to the needs of the process by reallocating some budget as priorities evolved. The FCPF and UN-REDD programs are fully committed to the principle that in DRC there is only one Readiness process, although it is supported by different donors.
- The FCPF has been coordinating closely with the Forest Investment Program. Some of the studies conducted during the FCPF phase have been used in the preparation of the FIP Investment Plan. The institutional arrangements for the FIP build on those put in place by the government with the support from the FCPF and UN-REDD, such as the National REDD Coordination, National REDD Committee and the network of CSOs involved in REDD (GTCR).
- The National REDD Coordination Unit has been active in seeking additional collaboration for other donors, including Norway and the European Union to finance other Readiness activities (such as further consultations at the decentralized level).

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

In managing the FCPF grant, the World Bank has sought to remain flexible to respond to the emerging needs of this innovative process. Following the recommendations of the independent mid-term evaluation, the government has proposed a step-wise approach to developing the strategy. By late 2012, the country plans to have a framework REDD+ strategy. The preparation of a more in-depth "National Strategy" will continue in 2013, and should benefit from: i) lessons from ongoing pilot REDD+ projects; ii) the ongoing decentralization of the REDD+ process.

In June 2012, the World Bank agreed to reallocate some funds to the Provincial Focal Points, including equipment and operational funds, and to the Thematic Coordination Groups in charge of contributing to the strategy preparation. It should be noted that these new activities fall within the scope of the R-PP.

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

National capacities on REDD+ in general, and specifically on the identification of strategic options to reduce emissions from forest and forest degradation and of associated social and environmental risks, have increased substantially. This capacity is spread across different sets of stakeholders, including the Government (Ministry of Environment, Agriculture, Rural Development, Energy, Land Issues, among others) and civil society organizations. The capacity of national actors, including the government and civil society has been strengthened, on REDD+ issues through technical assistance, numerous training events, workshops and on-the-job capacity building.

As to financial and procurement capacity, the FCPF / WB have worked closely with the *Unité de Coordination du Projet Forêt et Conservation de la Nature*. They have Financial Management and Procurement competency to deal with World Bank fiduciary rules. However, there has been some lack of clarity as to roles and responsibilities between this Unit and the National REDD Coordination, which caused some delays in the finalization of some contracts. The WB has promoted further discussion between these two entities and the relationship shows signs of improvement.

4. Describe progress in addressing social and environmental risks (including safeguards) related to the Grant. Is the SESA conducted in accordance with the Common Approach?

The Strategic Environmental and Social Assessment (SESA) of the REDD+ process is ongoing. An international consultancy firm (AGRECO) was hired to support the Ministry of Environment in conducting the exercise. A national consultant was hired to follow the process from the National REDD+ Coordination on a continual basis. The mainstreamed SESA methodology developed by the FCPF was used at the start of the process to allow for an early identification of strategic options, whose social and environmental risks could be analyzed. Along with the low level of capacity within government on this issue, the timing of this exercise posed a great challenge. The process needed to be launched early, so as to enable the consideration of social and environmental risks in the choice of strategic options for the Strategy, but not too early, otherwise the strategic options would not yet have been identified.

The ongoing SESA process is providing a major contribution to the design of the National REDD+ Strategy by identifying the social and environmental risks of the strategic options being considered as elements of the National Framework Strategy. The SESA process will also result in the preparation of an Environmental and Social Management Framework (ESMF) and other safeguards instruments. A zero draft of the National REDD+ Strategy has been prepared in a participatory fashion. SESA has played a catalyzing role in bringing together the multi-stakeholder Work Groups to analyse the strategic options under consideration. The zero draft of the Strategy should serve as the basis for subsequent versions, with a final framework strategy document expected by December 2012.

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

The ESMF is being prepared as part of the FCPF process. The ESMF and other safeguard documents (Indigenous Peoples Development Framework, Process Framework, etc.) will be prepared taking into account the social and environmental risks identified for each strategic option identified in the zero

draft of the strategy (discussed above). This strategy identifies different categories of activities that could be implemented under the REDD+ process. For each category, the on-going activities have been identified. The ESMF will be prepared based on these types of activities. The methodology adopted focuses on participatory workshops convening representatives of various stakeholders, including indigenous peoples. The recommendations from these workshops form the basis for the Management Frameworks.

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

As to consultations, the National REDD Coordination has played a commendable role of involving various stakeholders throughout the process. Consultations are held every time ToRs for a new study are prepared, when the study is launched, during the study and when outputs are validated. CSOs are often invited to implement parts of these studies. A strong partnership with the Working Group on Climate and REDD+ (GTCR) has allowed the Coordination to reach out to various organizations through the networks built by CSOs themselves. The relation with the GCTR itself has not been easy due to internal conflicts among different NGOs groups, but the Coordination has taken a very proactive role in mediating these conflicts. Most of the consultations are concentrated in Kinshasa, which has attracted some criticism. However, it is expected that consultations will be increasingly decentralized now the Provincial Focal Points are in place. It should also be noted that not all aspects of the process need to be discussed at the decentralized level, and that there is a real danger of consultation fatigue and raising expectations too high. A senior expert on communication was hired, along with two CSO assistants designated by the CSOs themselves. Various communication materials on REDD+ have been prepared, including brochures and radio spots. A noteworthy event organized by the National REDD+ Coordination is the international REDD+ University, which, for two consecutive years (2010 and 2011), gathered over 800 people around intense discussions and capacity building on REDD+ issues.