

#### DEMOCRATIC REPUBLIC OF THE CONGO

#### Joint Mission of the Forest Investment Program

21 - 28 February 2011

#### TERMS OF REFERENCE

# 1. Executive summary including overall objective, mission dates and government leading agency

A joint mission of the Multilateral Development Banks and their partners will take place in the DRC between the 21<sup>st</sup> and the 28<sup>th</sup> of February 2011, and will be led jointly by the Congolese government (through its Ministry of Environment, Nature Conservation and Tourism) and the Multilateral Development Banks (World Bank and African Development Bank)<sup>1</sup>. The overall objective of this mission is to support the Government of DRC in preparing its FIP Investment Strategy.

#### 2. Mission Objectives, Outputs and Process

The **main objective** of the mission is to support the DRC in preparing the FIP Investment Strategy. This Strategy should respond to FIP investment criteria and priorities, meet national priorities, build on the emerging Readiness Strategy and be prepared in a collaborative and participative manner, in particular involving representatives of local communities and indigenous peoples.

#### The **specific objectives** of the mission are to:

- Examine to what degree the recommendations of the scoping mission have been followed;
- Review the preliminary draft of the FIP Investment Strategy<sup>2</sup> prepared by the Government of DRC and discuss it with the government and other stakeholders with a view to its finalization for presentation to the FIP sub-committee in June 2011;
- Review ongoing REDD+ initiatives to facilitate alignment of the FIP Investment Strategy with the overall emerging REDD+ Strategy currently being developed;
- Discuss the FIP's financing modalities, the role of the private sector in implementation of the Programs, and possible mechanisms for management of FIP funds, including the role of the National REDD+ Fund (currently under discussion);
- Discuss with government and non-government stakeholders their concerns and expectations with regard to the FIP Investment Strategy, in particular with members of national civil society and representatives of indigenous peoples, and in relation to the Dedicated Grant Mechanism for Indigenous Peoples and Local Communities;

<sup>&</sup>lt;sup>1</sup> The International Finance Corporation (IFC) participated in the FIP Scoping Mission but will not participate in the Joint Mission. IFC will, however, assist DRC with some of the private sector development aspects of the FIP Investment Strategy after the Joint Mission.

<sup>&</sup>lt;sup>2</sup> This draft will be based in large part on six guidance notes prepared by the National REDD Coordination Secretariat with support from UN-REDD, Norway, the Forest Carbon Partnership Facility and other partners: 1. Afforestation and reforestation; 2. Subsistence Agriculture; 3. Land Use Planning; 4. Land and forest tenure; 5. Improved woodfuel stoves; 6. District-level integrated development (Mai-Ndombe).



- Discuss the monitoring of the FIP Investment Strategy and its related programs and links to the FIP logical framework and with the national MRV (Monitoring, Reporting and Verification)
- Get feedback from members of the National REDD Committee and the Inter-ministerial REDD Committee<sup>3</sup> on the compatibility of the FIP Investment Strategy with the emerging REDD+ Strategy in DRC in general;
- Ensure close coordination among all REDD and FIP efforts funded by different donors;
- Conduct a field visit to the site of the "Ibi Bateke" reforestation project, a CDM (Clean Development Mechanism) project generating considerable benefits, including production of sustainable charcoal from nitrogen-fixing trees intercropped with cassava (agroforestry), and carbon credits sold on international markets.

The mission will include working sessions with technical and financial partners to ensure that the Investment Strategy is closely related to ongoing activities. The UN-REDD program will be invited to participate in all mission activities in order to reinforce the ties between FIP investments and the DRC's process of preparation for REDD+.

#### The **expected results** of the mission are:

- i) Strengths and weaknesses of the preliminary Investment Strategy are identified and shared with the government;
- ii) Financing modalities for the Investment Strategy, as well as the role of the private sector, are clarified;
- iii) Civil society concerns regarding the Investment Strategy are identified and shared with the government and technical and financial partners;
- iv) A detailed timetable for finalization of the Investment Strategy and its presentation to the FIP sub-committee is prepared; and,
- v) Climate mitigation potential of the Investment Strategy is assessed and quantified.

The division of labor among the Multilateral Development Banks will be as follows: the African Development Bank will focus on the agriculture and forestry sectors; the World Bank will ensure overall coordination and focus on the energy sector, carbon finance, environmental and social safeguards, and creating an enabling environment for farmer and private sector investment; and the International Finance Corporation will focus on private sector development.

# 3. Introduction/background (Context of the pilot country to implement a FIP Investment Strategy)

The Climate Investment Funds (CIF), established by the Multilateral Development Banks, aim to promote international cooperation on climate change and support developing countries in their efforts to mitigate the increase in greenhouse gas emissions and to adapt to climate change. Two trust funds have been created within the framework of the CIF: (i) the Clean Technology Fund (CTF), which supports projects and programs that allow demonstration,

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<sup>&</sup>lt;sup>3</sup> During the scoping mission, the MDBs agreed with the Government of DRC that rather than creating a new institution for overseeing the Forest Investment Program, this task would be allocated to the existing Interministerial REDD committee, which has a diverse membership including civil society.



deployment and transfer of low-carbon technologies; (ii) the Strategic Climate Fund (SCF), which finances programs and projects promoting innovative approaches to climate change.

The SCF supports three targeted programs with dedicated funding, including the Forest Investment Program (FIP), which aims to support reduction of deforestation and forest degradation, as well as sustainable forest management, by providing scaled-up financing for readiness reforms and public and private investments. The FIP will not be able, in itself, to offer the necessary incentives to significantly reduce greenhouse gas emissions. However, it will enable pilot countries to profit from incentivizing measures implemented in the framework of mechanisms adopted by the United Nations Framework Convention on Climate Change, which ensures promotion and development of the forest sector, such as the REDD+ (Reduction of Emissions from Deforestation and Forest Degradation) mechanism currently under discussion.

The Democratic Republic of the Congo (DRC) was selected in June 2010 as one of the FIP's pilot countries. The government of the Democratic Republic of the Congo has confirmed its interest in participating in the program by transmitting a letter to the FIP Committee in July 2010, as well as the duly completed questionnaire. Its selection took into account the country's advanced stage in the 'preparation for REDD+' process, demonstrated by its being the first country in the Congo Basin with a Readiness Preparation Proposal (R-PP) approved by the FCPF (Forest Carbon Partnership Facility) and the UN-REDD Program. The R-PP preparation process ensured the participation and involvement of actors affected by deforestation and forest degradation, in particular indigenous peoples and local communities. The R-PP sets out a road map until 2012 for the creation of institutional and technical capacities that will enable the DRC to participate in an international REDD+ mechanism. The FIP Investment Strategy will form an integral part of the overall emerging REDD+ Strategy by making targeted investments at scale for key aspects identified under the REDD+ Strategy.

The National REDD Coordination of DRC, with support from a number of technical and financial partners, has made considerable progress since the R-PP was approved. Among other achievements, they have prepared six guidance notes that will be extremely useful inputs to the FIP Investment Strategy: the Forest Carbon Partnership Facility and other partners: 1. Afforestation and reforestation; 2. Subsistence Agriculture; 3. Land Use Planning; 4. Land and forest tenure; 5. Improved woodfuel stoves; 6. District-level integrated development (Mai-Ndombe). Following the Joint Mission, the government will recruit a consultant, to be funded under a FIP Preparation Grant, who will assist the National REDD Coordination:

- In incorporating comments received on the draft investment strategy during the FIP Joint Mission;
- In re-formatting the DRC FIP investment strategy in a way that is clear and attractive to public and private sector investors;
- In mobilizing additional public and private sector investors interested in engaging with DRC FIP

#### 4. Scope of Work

#### a. Pre-mission Activities

A FIP **scoping mission**, composed of representatives of the Multilateral Development Banks (the World Bank, the African Development Bank, and the International Finance



Corporation), as well as observers (Norway and the Congo Basin Forest Fund), took place in Kinshasa in November 2010. The objective of the scoping mission was to initiate a dialogue with the government and main stakeholders in order to plan the FIP Investment Strategy's preparation activities. More specifically, the mission was intended to: (i) discuss the goals pursued by the FIP program, its benefits, and its implementation methods in the DRC, so as to ensure a common understanding and vision of the FIP among all stakeholders in the country; (ii) discuss how the FIP would fit into and support the REDD+ preparation process in the DRC, ongoing since 2009 with support of the FCPF and UN-REDD programs; (iii) discuss with stakeholders the type of activities that could be incorporated in the FIP's investment program in the DRC, taking into account the ongoing National REDD+ Strategy preparation process; and (iv) draw up the Terms of Reference for the joint mission. The scoping mission served to update the mission's members and national partners on the state of the DRC's preparation for REDD+, the objectives and operation of the FIP, as well as its role in the Congolese REDD+ process.

#### b. Preparatory work for Joint Mission

As preparation for the Joint Mission, the Ministry of the Environment, Nature Conservation and Tourism is currently working on the draft Investment Strategy, which draws on a series of "REDD+ Anticipated Programs" prepared as part of the REDD Readiness process (supported by the FCPF and UN-REDD). These 'Anticipated Programs' aim to address the main underlying and direct causes of deforestation and forest degradation in DRC, and form the base for the FIP Investment Strategy.

Consultations with local stakeholders on the draft Investment Strategy will also have taken place in Kinshasa, before the joint mission. In addition, the National REDD Coordination is preparing two technical notes: i) the role of private sector in REDD+ in DRC; ii) preliminary reflections on financing modalities for the FIP Investment Strategy in DRC. These two notes should provide elements for the discussions to be conducted by the mission.

#### c. Coordination with other REDD+-related processes

The Joint Mission will meet with the representatives (see section 5) of all government agencies and development partners working on REDD-related issues in DRC (forestry, agriculture, energy). The UN-REDD Program will also be invited to participate in all mission activities in order to reinforce the ties between FIP investments and the DRC's process of preparation for REDD+.

#### d. Consultations with other stakeholders (IPs, LCs)

Information sharing and consultation with representatives from local communities and indigenous peoples will take place during a meeting with mission members. Three members of organizations representing local communities and indigenous peoples have also been invited to participate throughout the mission. During the FIP Scoping Mission, the Dedicated Grant Mechanism for Indigenous Peoples and Local Communities (DGM) was discussed with all stakeholders, and the DRC Indigenous Peoples representative participated in the Africa regional DGM meeting held in Accra in November 2010.



### 5. Joint Mission composition (Team members, assignments and experts outputs)

The mission will be led jointly by the Congolese government and the Multilateral Development Banks.

Name	Institution	Role	
Simon Rietbergen	World Bank	Overall MDB co-ordinator	
André Aquino	World Bank	Carbon finance specialist	
Klas Sander	World Bank	Wood Energy specialist	
Vincent Palmade	World Bank	Trade facilitation specialist	
Paul Martin	World Bank	Environmental specialist	
Antoine Lema	World Bank	Social safeguards specialist	
Modibo Traoré	AfDB	Mission co-leader	
Jean-Louis Moubamba	AfDB	Agricultural Economist	
Clotilde Mollo-Ngomba	AfDB	Congo Basin Forest Fund	
Amadou Bamba Diop	AfDB	Natural Resource Management expert	
Jean-Baptiste Kadiata Bakach	AfDB	Agronomist	
Josep Gari	UNDP / UN-REDD	Technical/financial partner	
Lars Ekman	Embassy of Norway	Technical/financial partner	
John Flynn	USAID	Technical/financial partner	
Ken Creighton	WWF	Technical/financial partner	
Anne Martinussen / Lars Løvold	Rainforest Foundation Norway	Technical/financial partner	
Filippo Sarraco	EU	Technical/financial partner	
Andreas Schleenbaecker	GTZ-PBT	Technical/financial partner	
Nathaniel Dyer	Rainforest Foundation UK	Technical/financial partner	
Benoit Kisuki	Conservation International	Technical/financial partner	
Désiré Luhahi	MECNT Office Director	Liaison with Minister	
Vincent Kasulu	Sustainable Development Director National Focal Point UNFCCC	Lead REDD Negotiator	
Victor Kabengele	Ministry of Environment, Nature Conservation and Tourism (MECNT)	National FIP Focal Point	
Kanu Mbizi	MECNT	National REDD coordinator	
Fabien Monteils	MECNT	Technical Assistant to the National REDD Coordination,	
Mme Bilonda	Forest Management Department, MECNT	Head of Reforestation Division,	



Elysée Musuamba	Department of Forest Inventory and Management (DIAF) MECNT	Agronomist/GIS expert	
Roger Muchuba	Groupe de Travail Climat- REDD (GTCR)	National Civil Society Representative	
Félicien Kabamba	GTCR	National Civil Society Representative	
Cyrille Adebu	OCEAN	National Civil Society Representative	
Adrien Sinafasi	Dynamique des Groupes des Peuples Autochtones	Indigenous Peoples Representative	
Tony Reekmans	Novacel	Private sector representative	
Françoise Van De Ven	Secretary General F.I.B (Wood Industries Federation)	Private sector representative	
Richard Pendje Demodetdo	OKAPI Environnement Conseil	Private sector representative	

# 6. Mission agenda/schedule

The mission's **provisional schedule** is as follows:

Day	Time	Activities	Observations	Location
	9:00– 11:00	Internal meeting for international mission members	Meeting to discuss the schedule, working methodology and expected results	WB
21/02 Monday	12:00- 13:00	Opening Session with MECNT authorities	Session presided over by the Minister (conditional on his availability)	MECNT
	14:00- 18:00	Discussion with the government team (MECNT and NC-REDD)	Review of scoping mission results  Presentation of the preliminary Investment Strategy	MECNT
22/02	9:00- 12:00	Discussion with the government team (MECNT and NC-REDD)	Discussion of financing structures  Private sector's role	MECNT
Tuesday	13:00- 15:00	Meeting with technical and financial partners	Initial reactions to the preliminary Investment Strategy	MECNT
	15:30-	Meeting with private sector	Discussion of role and	MECNT



	17:30	about the Investment Strategy	expectations of the private sector	
23/02	9:00 - 11:00	Meeting with civil society about the Investment Strategy	Meeting with extended group of civil society	MECNT
Wednes day	13:00- 15:00	Meeting with members of the National REDD Committee and the Interministerial REDD Committee	Reactions to the preliminary Investment Strategy	MECNT
24/02	9:00 - 11:00	Meetings between the government team and the mission		MECNT
Thursda y	13:00- 15:00	Meetings between the government team and the mission	Preparation of the mission Aide Mémoire	MECNT
25/02	9:00- 12:00	Internal meeting for mission members	Preparation of the mission Aide Mémoire	MECNT
Friday	14:00	Summary / review session with MECNT	Presided over by the Minister (conditional on his availability)	MECNT
26-27/02 Weekend	Field visit to site of "Ibi Bateke" reforestation project.			
28/02 Monday	9:00- 12:00	Possible working session for mission members (if necessary)		MECNT

# 7. Contacts (MDBs and Government)

### Government

Vincent Kasulu	Sustainable Development Director National Focal Point UNFCCC	kaseyamak@yahoo.fr
Victor Kabengele	FIP Focal Point in the DRC, Ministry of Environment, Nature Conservation and Tourism (MECNT)	abckab@gmail.com
Kanu Mbizi	National coordinator for REDD, MECNT	kanumbizi@yahoo.fr

# **MDBs**

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