

July 26, 2013

**Comments from United Kingdom on Approval by Mail: Democratic Republic of Congo - Integrated REDD+ Project in the Mbuji-Mayi/Kananga and Kisangani basins (AfDB)**

Dear Patricia

Many thanks for providing us with the opportunity to comment on the DRC *Integrated REDD+ Project in the Mbuji-Mayi/Kananga and Kisangani basins (AfDB)* proposal

This is an ambitious project addressing real need in the two project areas. It is well aligned with DRC Government priorities and strategies and is integrated into the DRC's REDD+ national strategy processes and sub national plans. It focuses on two geographical areas that are not well served by other technical and financial partners and which are experiencing acute energy security deficits. We therefore welcome the focus on the charcoal value chain. We also note the high level of consultation with stakeholders and beneficiaries outlined in the appraisal, and the efforts made to mitigate against some of the challenges experienced in the implementation of other initiatives, such as the CBFF.

However, we have a number of concerns with the proposal as it stands. The main areas are highlighted here.

**General comments**

1. The length and loose structure of the appraisal documents made for a confusing and difficult read. We would like to make a recommendation that future proposals are presented more concisely and with clearer structure . Whilst many of the key strategic barriers to successful implementation are raised in the appraisal document, the strategic case to address these barriers is not presented clearly and robustly and nor does a strong theory of change emerge.
2. The project document highlights the challenge of weak capacity in DRC, particularly at sub national level. Bearing this in mind, we have some concerns at the level of ambition of the project, and the heavy reliance on LEAs to deliver a complex and ambitious set of interventions. We would welcome reflection and discussion with the AfDB on whether the scope of the project could be more focussed and/or to explore the options of a phased approach to implementation. For example, the proposal annexes make clear that successfully settling land tenure issues is a pre requisite for the implementation of the project's forest related initiatives and will become increasingly important once the potential benefits to be had from REDD+ become more apparent. In a phased approach, this could form a first phase of project work.
3. It is our understanding that many other forest sector programmes managed by the Ministry of Environment, Nature and Tourism (MENT) are administered through an

Independent Project implementation Unit. It is not clear in the appraisal report whether the proposed structure for implementation of the project makes use of this facility or is forming a separate entity. Furthermore, we are unclear about the capacity of the national coordination unit, particularly its capacity to undertake the technical coordination role described, as well as procurement and financial management. It would be helpful to understand the extent of support expected from the REDD technical unit, mentioned in the appraisal annex, as distinct from the REDD+ national steering committee.

4. It would be useful to have more of a sense of whether capacity within MENT (in Kinshasa and the Provinces) has been improving. There has been substantial investment in infrastructure and staff skills, via a variety of donor programmes to the Ministry over the last years at capital and provincial level. An indication of progress and outcomes arising from this support would be useful, in determining the project risk level more accurately, and identifying improved mitigation options. Whilst the proposal does offer some glimpses into this, we would appreciate a more thorough assessment.

5. The implementation structure has many layers, and it isn't clear what the relationship is between the provincial coordination bodies and the national. As stated above, we are concerned about the LEAs. Much is expected of them and we would have expected to see some assessment of likely candidate organisations and their capability given that the project risk assessment suggests there could be a major capacity limitation.

### **The activities to be implemented**

6. Much of the project's success will rest on the alternative livelihoods activities described in component 2 of the project delivering tangible benefits. The structure of the proposal makes it difficult to understand the incentives for community/farmer participation, how beneficiary selection will take place, the extent to which beneficiaries will make payments (in cash or kind) for these initiatives, and how this will work in practice. The proposal states a number of times that high levels of expectation exist amongst the local population. It would be helpful to know if this expectation is associated with the concept of PES or more simply with the knowledge that a project is to be implemented.

7. The economic appraisal case makes the assumption that land is not a constraint. The appraisal annex also describes the limited "working capacity" of households. If these two assertions are correct, it raises important questions about the likelihood and interest of farmers to engage in agricultural intensification and sedentary agricultural practices where labour is potentially the more important constraining factor. The report does not provide a convincing analysis of the incentives for, and constraints to, promoting settled agriculture. It is also not clear whether the alternative livelihoods are viable, and whether this is the case with or without the potential carbon values.

## **PES and beneficiary contributions**

8. We are not clear on what the proposed PES mechanisms are. In parts, the proposal appears to classify the alternative livelihood activities and associated inputs that will be provided to beneficiaries, as PES. The proposal also states that the project will identify the optimal PES systems based on carbon finance. It is not clear whether this will entail engagement with the voluntary carbon markets or other mechanisms. If this is the case, we would expect to see more detail on how this will be done, for what proportion of the emissions saved?

9. Reference is made to the stipulations in the forest code for forest revenue distribution, but further detail is required to explain how this will be applied in the context of the project. The usufruct contracts that are referred to are not explained. How are they linked to the issue of the beneficiary contribution of 0.6 million? In such an uncertain tenure environment, we would expect to see an analysis of how this mechanism will work in practice.

## **Tenure and CF**

10. The proposal highlights the lack of clarity around rural land tenure in DRC as a major limiting factor and quite rightly points out that land and tree tenure issues must be clear before investments in forest related activities get underway. The project will try to address this issue by land use planning, zoning and issuing usufruct titles through a system coordinated between clan chiefs and local land registration officials. We are not clear on the extent to which these usufruct titles and/or contracts will have any legal basis, for example in future disputes or situations where decisions may have to be made about competing land uses.

11. The forest code established the potential for Community Forestry but there has been little progress on developing the implementation text. Is this an indication of low levels of buy-in for the community forest concept? If yes, it should be brought more fully into the risk analysis. Since the project document stresses the need to develop a sense of identity to encourage the settlement of the population around common assets, the status of such areas will be precarious in the absence of land tenure security and no CF regulations in place.

We would welcome the opportunity to have a call with AfDB and other interested members of the sub-committee to resolve these issues to ensure approval as soon as possible. We would like to propose the week beginning August 5th.

With best wishes

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