

MINISTRY OF LAND, ENVIRONMENT AND RURAL DEVELOPMENT

International Funds Management Unit



MOZAMBIQUE'S FOREST INVESTMENT PLAN

**FIP Sub-Committee Meeting
Oaxaca, Mexico | June 2016**



Mozambique: Development & Climate Context

High exposure and high vulnerability to climate change impacts

Population

- 54% below the poverty line
- 70% living in rural areas

HDI

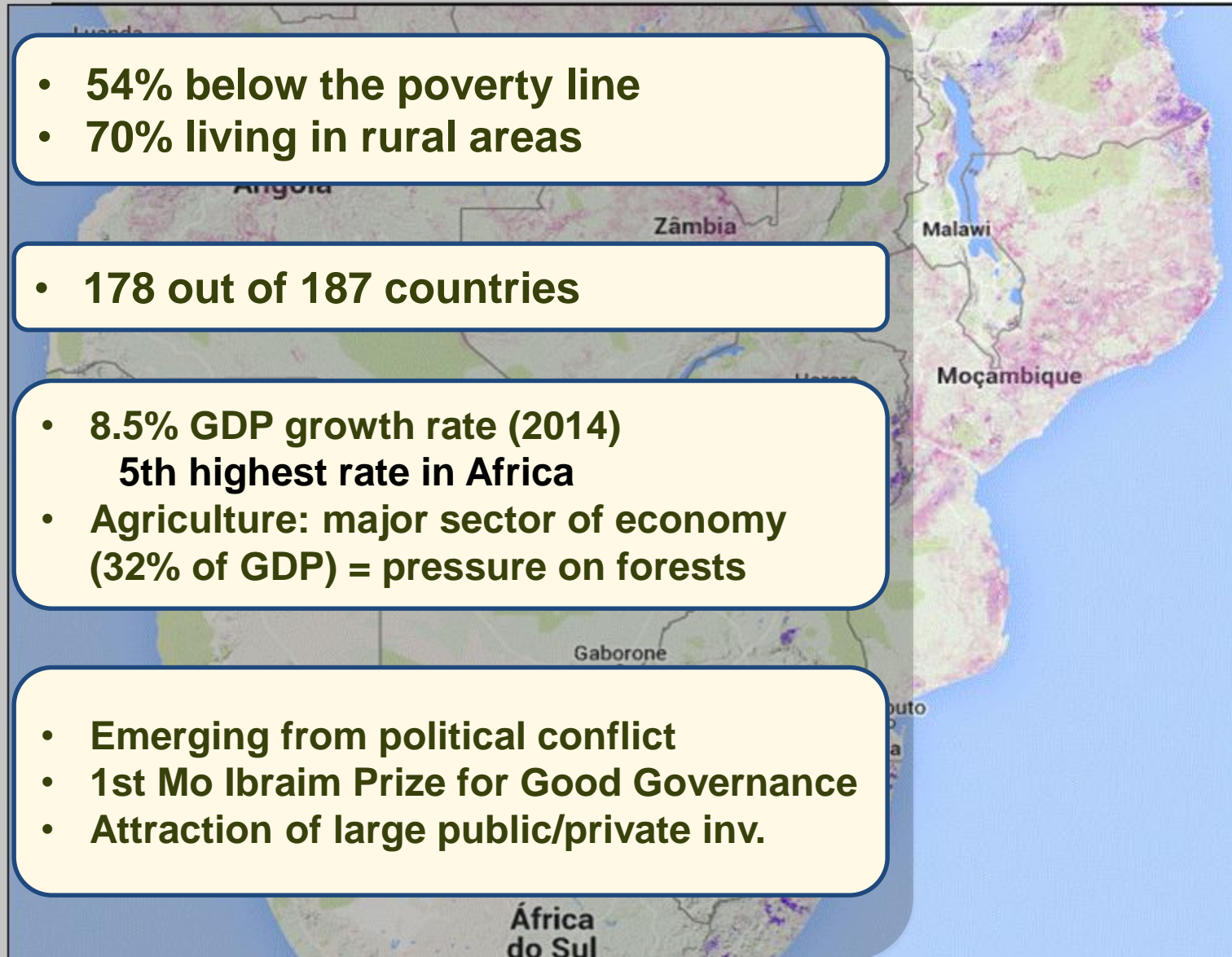
- 178 out of 187 countries

Economy

- 8.5% GDP growth rate (2014)
5th highest rate in Africa
- Agriculture: major sector of economy
(32% of GDP) = pressure on forests

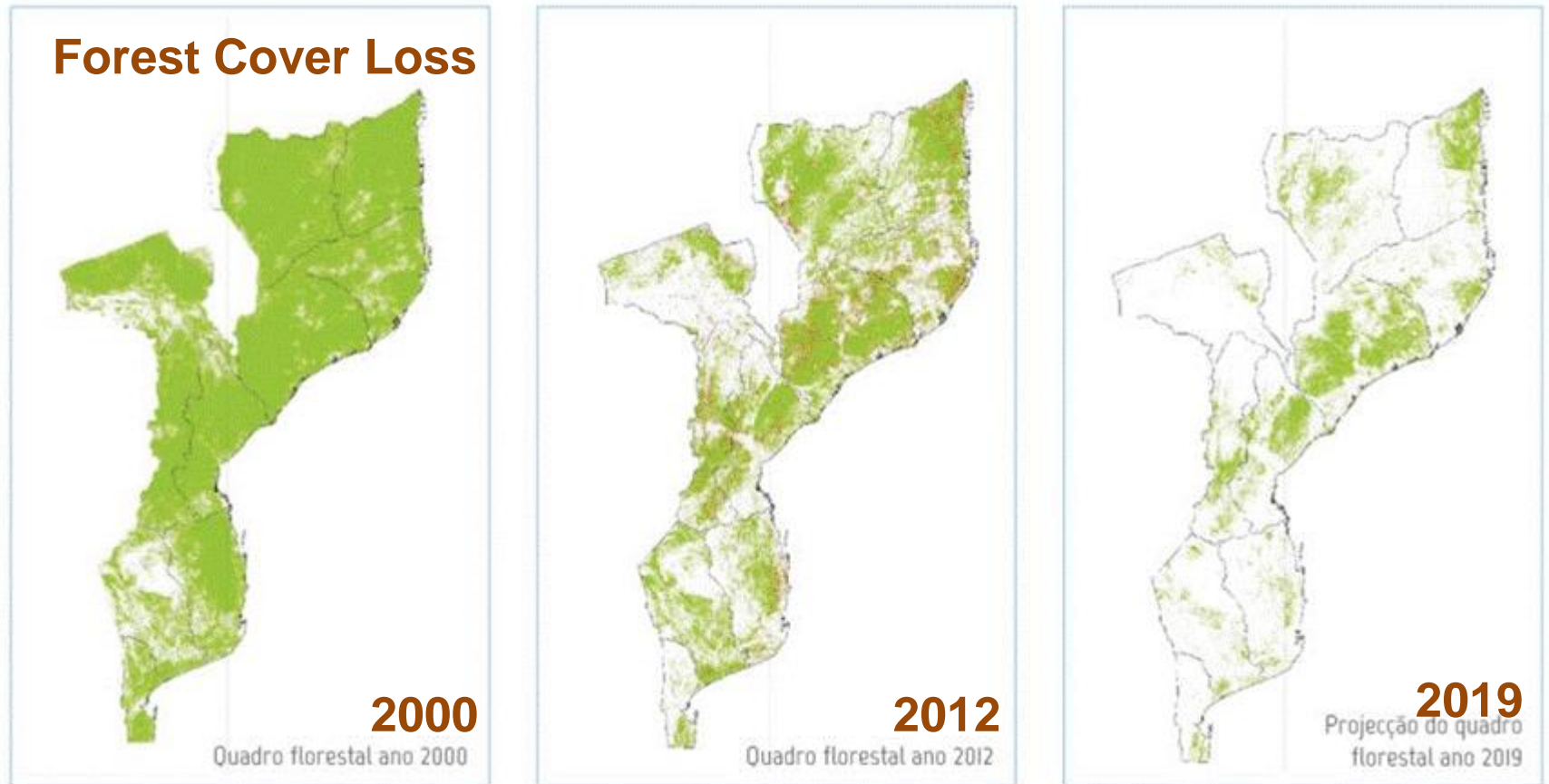
Politics

- Emerging from political conflict
- 1st Mo Ibrahim Prize for Good Governance
- Attraction of large public/private inv.



Forests in Mozambique

51% forest cover | 29Mha productive forests | 13.3Mha forest conservation areas | **Miombo** main forest ecosystem |

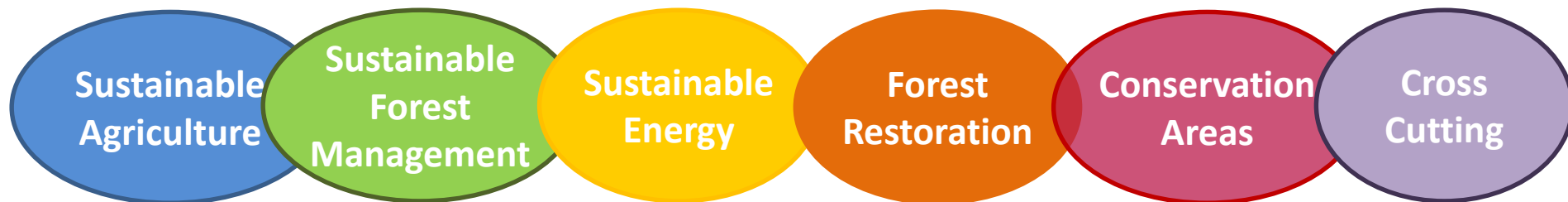


0.58% deforestation rate | 220,000ha/year
50% of national GHG emissions

REDD+ STRATEGY: MAIN DRIVERS OF DEFORESTATION



REDD+ STRATEGY: SIX PILLARS OF INTERVENTION TO REDUCE DEFORESTATION BY 40% BY 2030



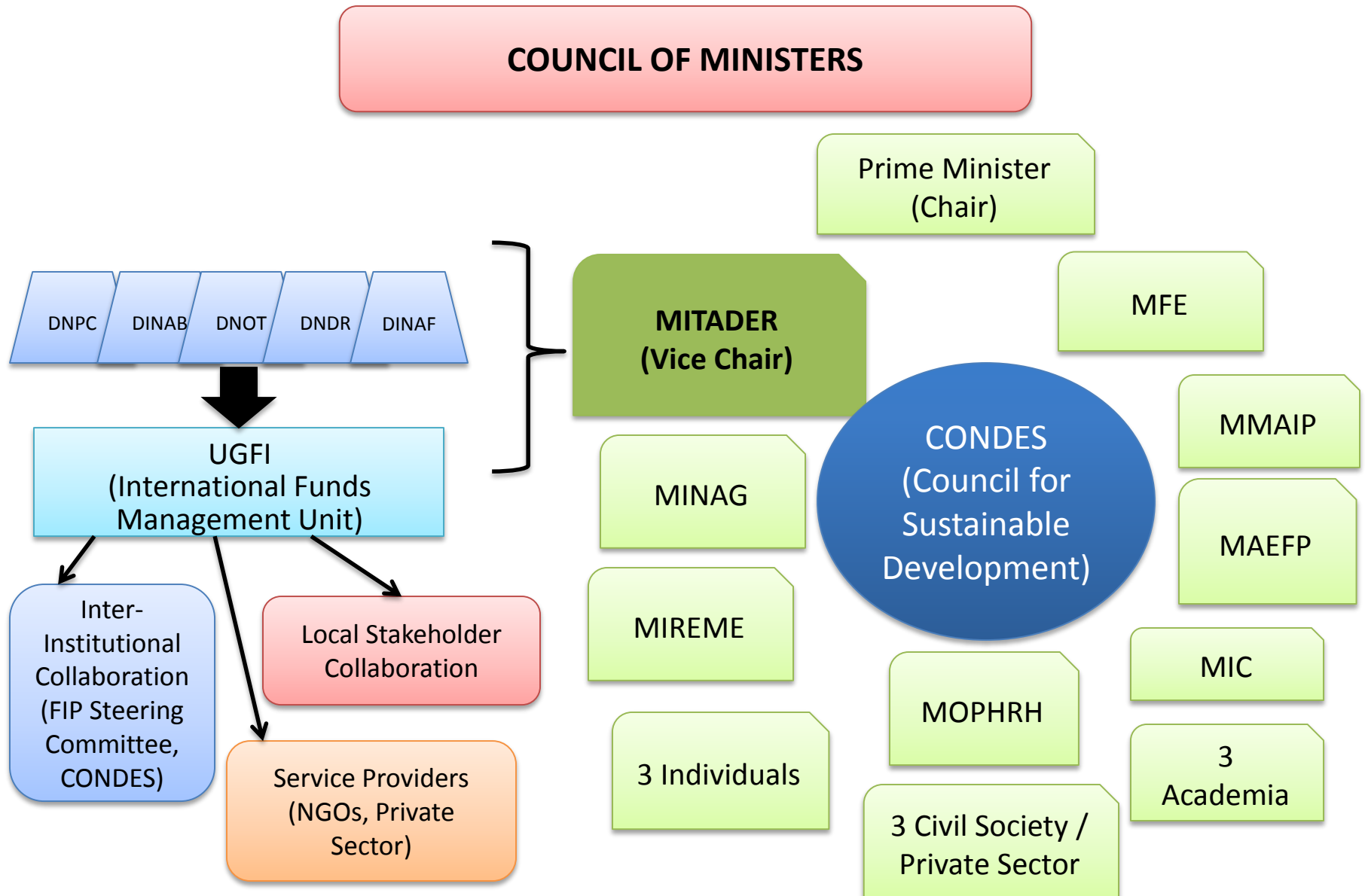
FIP MITIGATION POTENTIAL: AVOIDING 15 M TCO₂ (2016-2025)

Integration with Government's Sustainable Rural Development Goals

STRONG NATIONAL POLITICAL COMMITMENT

- New Ministry of Land, Environment and Rural Development (MITADER)
- National Program for Sustainable Development
- Flagship program *Projecto Floresta em Pé* to transform forest sector, and forest sector reform
- INDC presented to the UNFCCC in 2015
- National emissions reductions targets in the forest sector by 30% by 2021 and 40% by 2030
- National REDD+ Strategy in 2016

Institutional Arrangements for REDD+



EXPECTED CO-BENEFITS FROM FIP INVESTMENTS

A woman wearing a red headscarf and a patterned skirt is walking on a dirt path, carrying a large, thick log on her head. The background shows a dry, wooded area with sparse green vegetation and a large, dead tree trunk. The sky is blue with some clouds.

**Improved
governance and
institutional capacity**

**Sustainable forest
and land
management**

**Income diversification
and employment
generation among
communities**

**Community engagement
in improved agricultural
and land management**

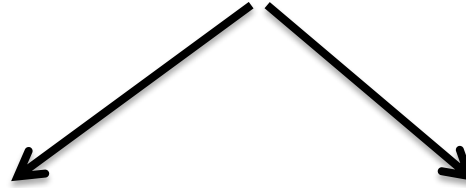
**Resilience to climate
change impacts**

**Rehabilitation of
degraded lands and
improved ecosystems
through reforestation**

**Decreased pressure
on forests through
sustainable biomass**

**Transformational
value added**

FIP Strategic Direction



National Level

**Policy and legal reform,
governance and
strengthening of capacity that
will create the enabling
conditions for change**

Landscape Level

**Transform economic activities
and opportunities across
sectors to improve forest and
land management practices
and contribute to rural
livelihood improvements**



Mozambique's Forest Investment Plan

Project One

Mozambique Forest Investment Project (MozFIP)

Project Two

Emissions Reductions in the Forest Sector through Planted Forests with Major Investors (IFC)

Enabling and Governance Reforms

- Legal and institutional reform
- Strengthening Governance
- Private sector enabling conditions
- Communication, consultations, outreach

- Piloting models for community engagement
- Training and technical assistance to communities

Sustainable Agriculture & Livelihoods

- Promotion of conservation agriculture and key sustainable forest and agriculture-based supply chains
- Spatial planning and participatory micro-zoning

- Conservation agriculture
- Participatory micro-zoning

Sustainable Biomass Energy

- Reduced biomass energy use
- Improved biomass energy production
- Promotion of alternatives

- Promotion of alternative species for biomass energy

New Multi-Use Forests

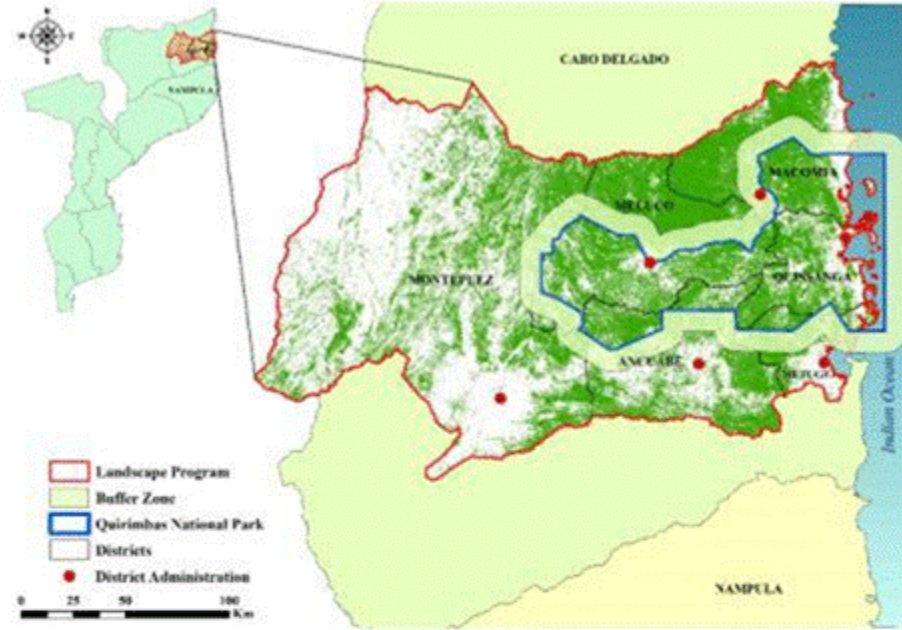
- Sustainable forest management
- Supporting community-company engagement
- Restoration

- Community engagement in outgrower schemes

DEEPENING OF INITIAL ACTIVITIES, NEW THEMATIC AREAS

EXPANSION TO MORE LANDSCAPES

CABO DELGADO



The map displays the ZILMP area in Madagascar, with districts labeled: ILE, AUTO-MELAKY, GILE, MULEBA, BOMBE, FENANG, and MANANJA BAKOASA. The Gile National Reserve (GNR) is outlined in blue, and its buffer zone is outlined in pink. The map includes a legend, a scale bar (0-150 km), a compass rose, and an inset map of Madagascar.

Legend:

- Tree Cover
- Gile National Reserve (GNR)
- Buffer Zone (GNR)
- ZILMP
- Districts
- District Administration

Scale: 0 25 50 100 150 km

Compass rose: N, S, E, W

Indian Ocean

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FIP Package and Financing Plan

Project	Grant	Loan	Total
Current FIP Package			
Proj 1 - World Bank Mozambique Forest Investment Project			
Component 1 – Enhancing Forest Governance	1.5	4.0	5.5
Component 2 – Promoting climate-smart agric, biomass energy & SFM in targeted landscapes	6.3	9.2	15.5
Component 3 - Project Management, Monitoring, Safeguards & Inter-sectoral Coordination	1.0	-	1.0
Proj 2 - IFC with Private Sector			
Emissions Reductions in the Forest Sector through Planted Forests with Major Investors	2.0	-	2.0
Total Requested from FIP Resources	10.8	13.2	24.0

- **Co-Financing Leveraged:** GoM own funds, Multi-Donor Trust Fund, Private Sector buy in, DGM for Local Communities (~\$18.6M)
- **Parallel Financing:** MozBio, Agric & NRM Landscapes Project (~\$134.6M)

Stakeholder Participation and Consultations

- **Ongoing** public consultations at national, provincial and district levels since 2010
- Active **multi-stakeholder provincial forums** involving local governments, private sector, academia, civil society, local communities
- Online questionnaire; comments and all consultations posted online

www.redd.org.mz



Inclusive Process and Partnerships

Government

- Ministry of Land, Environment and Rural Development (MITADER)
- Ministry of Agriculture
- Ministry of Energy
- Provincial Government of Zambézia and Cabo Delgado

Private Sector

- Portucel Mozambique
- Forest Concession Holder
- Reforestation Companies
- Tourism concessionaires
- Timber Association

Other

- World Bank
- AfDB
- IFC
- PNUD
- FAO
- WWF
- IUCN
- IIED
- And others



THE WORLD BANK
IBRD • IDA



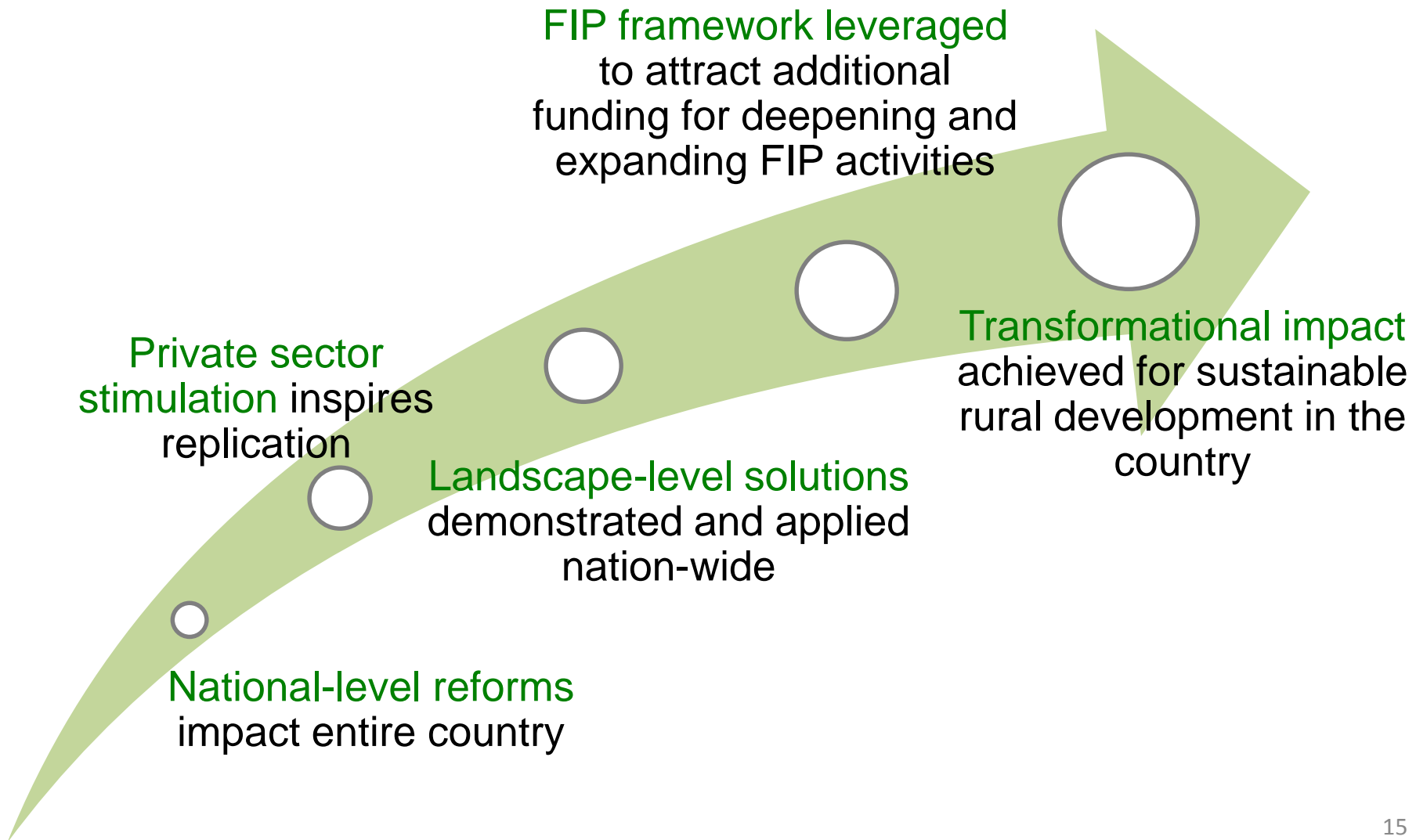
Mozambique's Dedicated Grant Mechanism for Local Communities

- DGM will promote synergies with broader FIP and REDD+ activities
- DGM will overlap with FIP investment areas and have a national reach
- Objective is to align DGM timeline as much as possible with the FIP
- Current status: Dynamic process with active interim NSC; DGM projects already pre-identified



WHERE DO WE GO FROM HERE?

Govt Plan for Scale Up, Replication and Leveraging Finance



GRACIAS. THANK YOU. MUITO OBRIGADO!

