

Document of
The World Bank

Report No.: PAD1038

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT AND
INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED GRANT

IN THE AMOUNT OF US\$6 MILLION
FROM THE STRATEGIC CLIMATE FUND

TO THE
CARITAS CONGO ASBL

FOR A

FOREST DEPENDENT COMMUNITIES SUPPORT PROJECT
IN THE
DEMOCRATIC REPUBLIC OF CONGO

March 11, 2016

Environment & Natural Resources Global Practice
Africa Region

This document is being made publicly available prior to Board consideration. This does not imply a presumed outcome. This document may be updated following Board consideration and the updated document will be made publicly available in accordance with the Bank's policy on Access to Information.

FISCAL YEAR
January 1 - December 31

ABBREVIATIONS AND ACRONYMS

AfDB	African Development Bank
CARG	Council for Agriculture and Rural Management (<i>Conseil Agricole Rural de Gestion</i>)
CAS	Country Assistance Strategy
CDD	Community-driven Development
CEEAC	Economic Community of Central African States (<i>Communauté économique des États de l'Afrique centrale</i>)
CIF	Climate Investment Fund
COMIFAC	Central African Forest Commission (<i>Commission des Forêts d'Afrique Centrale</i>)
CODELT	Environment Protection through Legality and Traceability Council (<i>Conseil pour la Défense Environnementale par la légalité et la traçabilité</i>)
CN-REDD	National REDD+ Coordination (<i>Coordination Nationale REDD+</i>)
CQS	Consultants Qualification Selection
CSO	Civil Society Organization
DGM	Dedicated Grant Mechanism
DRC	Democratic Republic of Congo
ESMF	Environmental and Social Management Framework
FCPF	Forest Carbon Partnership Facility
FDCS	Forest Dependent Communities Support
FGRM	Feedback, Grievance and Redress Mechanism
FIP	Forest Investment Program
FIPAC	Indigenous Peoples Forum for Central Africa (<i>Forum International sur les Peuples Autochtones d'Afrique Centrale</i>)
FM	Financial Management
FPP	Forest People Programme
GEA	Global Executing Agency
GEF	Global Environment Facility
GIZ	German Cooperation Agency (<i>Gesellschaft für Internationale Zusammenarbeit</i>)
GRS	Grievance Redress Service
GSC	Global Steering Committee
GTCR	REDD+ and Climate Working Group (<i>Groupe de Travail Climat REDD+</i>)
GTT	Technical Working Group (<i>Groupe de Travail Technique</i>)
ICCA	Indigenous Peoples' and Community Conserved Areas
INS	National Statistical Institute (<i>Institut National de la Statistique</i>)
IPLC	Indigenous Peoples and Local Communities

IP	Indigenous Peoples
LC	Local Community
LCS	Least Cost Selection
MECNDD	Ministry of Environment, Nature Conservation and Sustainable Development (<i>Ministère de l'Environnement, de la Conservation de la Nature et du Développement Durable</i>)
M&E	Monitoring and Evaluation
NEA	National Executing Agency
NCB	National Competitive Bidding
NGO	Non- Government Organization
NSC	National Steering Committee
ORAF	Operational Risk Assessment Framework
P-ESMF	Programmatic Environmental and Social Management Framework
PFCN	Forest and Nature Conservation Project (<i>Projet Forêts et Conservation de la Nature</i>)
PDO	Project Development Objective
PIM	Project Implementation Manual
QBS	Quality Based Selection
QCBS	Quality and Cost Based Selection
REDD+	Reducing emissions from deforestation and forest degradation, conservation of forest carbon stock, sustainable forest management, and enhancement of forest carbon stocks in developing countries
REPALEAC	Central African Network of Indigenous Peoples and Local Communities for Environment Management (<i>Réseau des Peuples Autochtones et populations locales pour la gestion de l'Environnement en Afrique Centrale</i>)
REPALEF	Network of Indigenous Peoples and Local Communities for Sustainable Forest Ecosystem Management (<i>Réseau des Peuples Autochtones et Locaux pour la gestion durable des Ecosystèmes forestiers</i>)
RRN	Natural Resource Management Network (<i>Réseau des Ressources Naturelles</i>)
SCF	Strategic Climate Fund
STD	Sexually Transmitted Diseases
ToR	Terms of Reference
UNDP	United Nations Development Programme
UNPFII	United Nations Permanent Forum on Indigenous Issues
WWF	World Wildlife Fund

Regional Vice President:	Makhtar Diop
Country Director:	Ahmadou Moustapha Ndiaye
Senior Global Practice Director:	Paula Caballero
Practice Manager:	Benoît Bosquet
Task Team Leader:	Loïc Braune

DEMOCRATIC REPUBLIC OF CONGO
Forest Dependent Communities Support Project
Table of Contents

I.	STRATEGIC CONTEXT	1
	A. Country Context.....	1
	B. Sectoral and Institutional Context.....	2
	C. Higher Level Objectives to which the Project Contributes	9
II.	PROJECT DEVELOPMENT OBJECTIVES	13
	A. PDO.....	13
	B. Project Beneficiaries	13
	C. PDO Level Results Indicators.....	14
III.	PROJECT DESCRIPTION	18
	A. Project Components	18
	B. Project Financing	23
	C. Lessons Learned and Reflected in the Project Design.....	24
IV.	IMPLEMENTATION	25
	A. Institutional and Implementation Arrangements	25
	B. Results Monitoring and Evaluation	27
	C. Sustainability.....	28
V.	KEY RISKS AND MITIGATION MEASURES	30
	A. Risk Ratings Summary Table	30
	B. Overall Risk Rating Explanation	30
VI.	APPRAISAL SUMMARY	31
	A. Economic and Financial Analysis.....	31
	B. Technical.....	33
	C. Financial Management.....	34
	D. Procurement	35
	E. Social (including Safeguards).....	35
	F. Environment (including Safeguards)	37
	G. World Bank Grievance Redress.....	38

Annex 1: Results Framework and Monitoring	39
Annex 2: Detailed Project Description.....	45
Annex 3: Project Institutional and Implementation Arrangements	55
Annex 4: Operational Risk Assessment Framework (ORAF).....	74
Annex 5: Implementation Support Plan	78
Annex 6: Consultations, Preparation Activities, and Setup of the NSC	81
Annex 7: Linkages and synergies with ongoing and planned initiatives in the DRC	85
Annex 8: Details of the Selection Process for the NEA and TORs.....	89
Annex 9: Land Security for the IPs in the DRC and the Potential of the ICCA	95
Annex 10: Sociocultural Background for Forest-dependent Communities in DRC	97
Annex 11: Main Conclusions of the Strategic Framework for the Preparation of a Pygmy Development Program in DRC	104
Annex 12: Community-Driven Development Challenges from the Gender Perspective	110
Annex 13: Economic and Financial Analysis	114
Annex 14: Project Area for the Forest-dependent Community Support Project.....	124

PAD DATA SHEET
Congo, Democratic Republic of
Forest Dependent Communities Support Project (P149049)

PROJECT APPRAISAL DOCUMENT

AFRICA

Report No.: PAD1038

Basic Information			
Project ID P149049	EA Category B - Partial Assessment	Team Leader(s) Loic Jean Charles Braune	
Lending Instrument Investment Project Financing	Fragile and/or Capacity Constraints []		
	Financial Intermediaries []		
	Series of Projects [X]		
Project Implementation Start Date 01-Apr-2016	Project Implementation End Date 31-Jul-2021		
Expected Effectiveness Date 31-Aug-2016	Expected Closing Date 31-Jul-2021		
Joint IFC No			
Practice Manager/Manager	Senior Global Practice Director	Country Director	Regional Vice President
Benoit Bosquet	Paula Caballero	Ahmadou Moustapha Ndiaye	Makhtar Diop
Approval Authority			
Approval Authority Board/Absence of Objection Decision is required for every project financed under the Climate Investment Fund (CIF) as specified in the CIF Administrative Agreement.			
Borrower: Caritas Congo asbl			
Responsible Agency: National Steering Committee (NSC)			
Contact:	Kapupu Diwa Mutimanwa	Title:	NSC President
Telephone No.:	243-0998668497	Email:	cpndgmrdc@gmail.com

Project Financing Data(in USD Million)						
<input type="checkbox"/>	Loan	<input type="checkbox"/>	IDA Grant	<input type="checkbox"/>	Guarantee	
<input type="checkbox"/>	Credit	<input checked="" type="checkbox"/>	Grant	<input type="checkbox"/>	Other	
Total Project Cost:		6.00		Total Bank Financing:		0.00
Financing Gap:		0.00				
Financing Source				Amount		
Borrower				0.00		
Strategic Climate Fund Grant				6.00		
Total				6.00		
Expected Disbursements (in USD Million)						
Fiscal Year	2017	2018	2019	2020	2021	2022
Annual	0.70	1.00	1.30	1.30	1.00	0.70
Cumulative	0.70	1.70	3.00	4.30	5.30	6.00
Institutional Data						
Practice Area (Lead)						
Environment & Natural Resources						
Contributing Practice Areas						
Climate Change, Social, Urban, Rural and Resilience Global Practice						
Cross Cutting Topics						
<input checked="" type="checkbox"/>	Climate Change					
<input checked="" type="checkbox"/>	Fragile, Conflict & Violence					
<input checked="" type="checkbox"/>	Gender					
<input type="checkbox"/>	Jobs					
<input type="checkbox"/>	Public Private Partnership					
Sectors / Climate Change						
Sector (Maximum 5 and total % must equal 100)						
Major Sector		Sector		%	Adaptation Co-benefits %	Mitigation Co-benefits %
Agriculture, fishing, and forestry		Forestry		50	50	50
Agriculture, fishing, and forestry		General agriculture, fishing and forestry sector		25	50	50
Public Administration, Law, and Justice		Public administration-Agriculture, fishing and forestry		25	50	50
Total				100		

I certify that there is no Adaptation and Mitigation Climate Change Co-benefits information applicable to this project.

Themes

Theme (Maximum 5 and total % must equal 100)

Major theme	Theme	%
Social dev/gender/inclusion	Participation and civic engagement	20
Environment and natural resources management	Land administration and management	20
Environment and natural resources management	Other environment and natural resources management	20
Public sector governance	Decentralization	20
Social dev/gender/inclusion	Indigenous peoples	20
Total		100

Proposed Development Objective(s)

The objective of the project is to strengthen the capacity of targeted Indigenous Peoples and Local Communities (IPLC) in selected territories and at the national level to participate in REDD+ oriented land and forest management activities.

Components

Component Name	Cost (USD Millions)
Component 1 - Reinforce the participation of IPLC in forest and land management processes related to REDD+	1.50
Component 2 - Support community-based sustainable forest and land management	2.60
Component 3 - Increase the Capacity to Implement Development Activities for IPLC and Consolidate Feedback back	1.90

Compliance

Policy

Does the project depart from the CAS in content or in other significant respects?	Yes []	No [X]
Does the project require any waivers of Bank policies?	Yes []	No [X]
Have these been approved by Bank management?	Yes []	No []
Is approval for any policy waiver sought from the Board?	Yes []	No [X]
Does the project meet the Regional criteria for readiness for implementation?	Yes [X]	No []

Safeguard Policies Triggered by the Project

	Yes	No
Environmental Assessment OP/BP 4.01	X	

Natural Habitats OP/BP 4.04		X	
Forests OP/BP 4.36		X	
Pest Management OP 4.09			X
Physical Cultural Resources OP/BP 4.11		X	
Indigenous Peoples OP/BP 4.10		X	
Involuntary Resettlement OP/BP 4.12		X	
Safety of Dams OP/BP 4.37			X
Projects on International Waterways OP/BP 7.50			X
Projects in Disputed Areas OP/BP 7.60			X
Legal Covenants			
Name	Recurrent	Due Date	Frequency
Cooperation with the NSC	X		
Description of Covenant			
As per Schedule 2, Section I A.1, the Recipient shall cooperate throughout the period of Project implementation, with the National Steering Committee for overall guidance and oversight for the Project, approval of Micro-projects and Annual Work Programs.			
Name	Recurrent	Due Date	Frequency
Operational team for project implementation	X		
Description of Covenant			
As per Schedule 2, Section I A.1, the Recipient shall maintain throughout the Project implementation, the Operational Team composed of qualified experts in adequate numbers to follow-up the safeguard, fiduciary and technical issues and provide secretariat services to the National Steering Committee.			
Name	Recurrent	Due Date	Frequency
Update of Financial Management software		30-Nov-2016	
Description of Covenant			
As per Schedule 2, Section V para 3, not later than three (3) months after the Effective Date, the Recipient shall update its accounting software parameters in order to take into account the specificity of the Project and customize it to generate the Project's interim unaudited financial reports.			
Name	Recurrent	Due Date	Frequency
Procurement training		30-Nov-2016	
Description of Covenant			
As per Schedule 2, Section V para 3, not later than three (3) months after the Effective Date, the Recipient shall finalizes a training plan in procurement procedures for the Recipient's staff involved in the Project, said training plan to be found in form and substance satisfactory to the World Bank.			

Name	Recurrent	Due Date	Frequency	
Independent social assessment for Mid Term Review		31-Jan-2018		
Description of Covenant				
As per Schedule 2, Section V para 2, the Recipient shall hire an independent social auditor in charge of evaluating the social aspects of the Project at mid-term review and at the Closing Date, with terms of reference, qualifications and experience satisfactory to the World Bank.				
Name	Recurrent	Due Date	Frequency	
External financial auditing		28-Feb-2017		
Description of Covenant				
As per Schedule 2, Section V para 4, not later than six (6) months after the Effective Date, the Recipient shall hire independent auditors for the Project with terms of reference, qualifications and experience satisfactory to the World Bank.				
Conditions				
Source Of Fund	Name	Type		
CSCF	Develop and endorse a project implementation manual	Effectiveness		
Description of Condition				
As per Article V para 5.01: the Recipient has prepared and approved the Project Implementation Manual in form and substance satisfactory to the World Bank, as endorsed by the National Steering Committee.				
Source Of Fund	Name	Type		
CSCF	Disbursement condition for the Micro-projects	Disbursement		
Description of Condition				
As per Schedule 2, Section IV. B. 1 (b), no withdrawal shall be made under Disbursement Category (1), until and unless the Recipient has signed the first Micro-project Agreement in form and substance satisfactory to the World Bank.				
Source Of Fund	Name	Type		
CSCF	Retroactive financing	Disbursement		
Description of Condition				
As per Schedule 2, Section IV. B. 1 (a), no withdrawal shall be made for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed US\$100,000 equivalent may be made for payments made up to twelve months prior to this date for Eligible Expenditures.				
Team Composition				
Bank Staff				
Name	Role	Title	Specialization	Unit
Loic Jean Charles Braune	Team Leader (ADM Responsible)	Natural Resources Mgmt. Spec.	TTL	GEN07

Lanssina Traore	Procurement Specialist (ADM Responsible)	Senior Procurement Specialist	Procurement	GGO07
Saidou Diop	Financial Management Specialist	Sr Financial Management Specialist	Financial Management	GGO25
Abdoulaye Gadiere	Safeguards Specialist	Senior Environmental Specialist	Environmental	GEN07
Anders Jensen	Team Member	Senior Monitoring & Evaluation Specialist	M&E	GENDR
Andre Teyssier	Team Member	Sr Land Administration Specialist	Land Tenure	GSULN
Antoine V. Lema	Safeguards Specialist	Senior Social Development Specialist	Social	GSU01
Balume Alpha Abonabo	Team Member	Team Assistant	ACS	AFCC2
Faly Diallo	Team Member	Finance Officer	Financial Officer	WFALN
Isabella Micali Drossos	Counsel	Senior Counsel	Legal	LEGAM
Joelle Mudi Nke	Team Member	Temporary	ACS	AFCC2
Luis Felipe Atahualpa Duchicela Santa Cruz	Team Member	Senior Social Development Specialist	Indigenous Peoples Advisor	GSUGL
Monica Vidili	Team Member	Consultant	Gender	GEN05
Virginie A. Vaselopoulos	Team Member	Senior Program Assistant	ACS	GEN07

Extended Team

Name	Title	Office Phone	Location
Charlotte Cheumani	Environment and Social Impact		Yaoundé
Etienne Benoist	Consultant		
Gabriel Kashimba	GIS specialist		Kinshasa
Philippe Karpe	Lawyer		Yaounde

Locations					
Country	First Administrative Division	Location	Planned	Actual	Comments
Congo, Democratic Republic of	Eastern Province	Yahuma	X		
Congo, Democratic Republic of	Eastern Province	Opala	X		
Congo, Democratic Republic of	Kasai-Occidental	Mweka	X		
Congo, Democratic Republic of	Eastern Province	Mambasa	X		
Congo, Democratic Republic of	Kasai-Oriental	Lusambo	X		
Congo, Democratic Republic of	Kasai-Oriental	Lubefu	X		
Congo, Democratic Republic of	Kasai-Oriental	Lubao	X		
Congo, Democratic Republic of	Kasai-Oriental	Kabinda	X		
Congo, Democratic Republic of	Kasai-Occidental	Dimbelenge	X		
Congo, Democratic Republic of	Kasai-Occidental	Dekese	X		
Congo, Democratic Republic of	Eastern Province	Banalia	X		
Congo, Democratic Republic of	Eastern Province	Bafwasende	X		
Congo, Democratic Republic of	Bandundu	Oshwe	X		
Congo,	Bandundu	Inongo	X		

Democratic Republic of					
Congo, Democratic Republic of	Bandundu	Bandundu Province	X		
Congo, Democratic Republic of	Kasai-Oriental	Lupatapata	X		
Consultants (Will be disclosed in the Monthly Operational Summary)					
Consultants Required? Consultants will be required					

I. STRATEGIC CONTEXT

A. Country Context

1. **The Democratic Republic of Congo (DRC)** spans 2.3 million km² with a widely dispersed population of nearly 70 million - 60 percent living in rural areas.¹ With its agricultural and mineral resources, the second largest contiguous tropical rain forest block in the world, fertile land, and significant hydroelectric capacity, the country has the potential to become one of Africa's key source of growth. Recent trends are encouraging, as the national poverty rate declined from 71.3 percent in 2005 to 63.4 percent in 2012, and DRC has moved in the Human Development Index ranking from 186 to 176. However, 71 percent of people are still food insecure and 57 percent do not have access to basic health services.

2. **Since 2001, the country has been recovering from a series of conflicts and is still a fragile post-conflict country** with enormous needs for reconstruction and economic growth, but within the context of a severely constrained fiscal space and weak institutions. The return to peace in most of the country in 2003 paved the way for political and economic reforms. While security remains an issue in contained areas, with frequent bursts of violence and tensions, the government has rather successfully implemented its economic program for the past few years and has observed the quantitative performance criteria and indicative targets for this program.

3. **DRC is now one of Africa's most rapidly growing economies.** Economic growth in DRC has averaged 7.7 percent during 2010-14, and is estimated to have reached a record 9 percent in 2014 and slowed down to 7.7 percent in 2015. Growth in extractive industries reached 25 percent per year on average over the same period. Activity is also picking-up in agriculture, construction, trade, and services. Coltan and gold production increased respectively by 210 percent and 125 percent in 2014. However, the commodity shock and the Chinese slowdown have affected growth dynamics, and the Central Bank revised its growth estimate for 2015 down to 7.7 percent in December 2015 from 10.2 percent earlier in the year. Inflation has remained at 1.25 percent in 2014, down from over 46 percent on average in 2009. The Congolese franc has remained stable at around 920-930 per US dollar in the past five years, in context of the floating exchange rate regime, and the external position has deteriorated with international reserves at 6.1 weeks of imports at end-2015.

4. **However, economic recovery has not benefited most of the population** or the development of the private and formal sector. One million young people join the labor market every year in DRC, and high rates of youth unemployment persist. Forty percent of the youth are employed in rural areas, whereas only 24 percent are employed in urban areas. A high unemployment rate (46 percent in 2013) and the resulting lack of income are exacerbated by the relatively high price of consumer goods. Also, there is a large disconnect between the preferences for certain types of employment (in the formal sector, public or private) and the available jobs which are largely in the informal sector.

5. **While the DRC holds a large part of the fertile land reserves in Africa,** the country imports a significant share of what it consumes, causing basic commodity prices to stay very

¹ Most recent estimates from the *Institut National de la Statistique* (National Statistical Institute [INS]).

high, partly due to inefficiencies and lack of competition along the trade logistic chains. Thus, the government has just started piloting large-scale agro parks around the country for the production of agricultural commodities (maize, corn, soy, and cassava) using modern techniques.

6. **The challenges for the country** reside in (a) improving governance and building strong institutions, (b) improving infrastructure (notably roads and energy) and the investment climate to unleash private sector potential that will create growth and generate jobs, (c) building human capital, and (d) consolidating peace and stabilizing the eastern part of the country.

B. Sectoral and Institutional Context

Value of the Forest and the Economic Impact of Deforestation

7. **DRC harbors half of all African rainforests**, with 62 percent of its territory covered by various types of forest ecosystems. Forests of all types make a critical contribution to the livelihoods of about 40 million people, who are among the world's poorest, by providing them with food, household energy, medicine, building materials, and income. The country's biodiversity is a globally important asset. The country ranks fifth in the world for plant and animal diversity and contains five Natural World Heritage Sites, more than the rest of Africa combined.

8. **The country's current deforestation rate of 0.3 percent is relatively low** in comparison to the average deforestation rate of tropical countries. Yet, the country is among the top ten worldwide with regard to forest cover loss in absolute terms, with an estimated deforestation of more than 350,000 ha per year over the period 2000–2010. Deforestation is concentrated in 'hotspots' located mainly around the large cities and in the densely populated areas on the edge of the large forest block of the central basin. Household-scale slash and burn agriculture, exploitation of wood (including fuelwood and charcoal), and, to a lesser extent, timber harvesting are the major drivers of deforestation and forest degradation in DRC. They reflect the strong dependence of both the rural and urban population on forest resources.

9. **Dependence on biomass energy is a case in point.** Over 90 percent of the urban population depends directly on biomass fuels (mainly charcoal and fuelwood) for energy needs, including cooking. The Center for International Forestry Research estimates that the city of Kinshasa alone consumes over 4.7 million m³ of wood annually for energy needs. The charcoal trade to Kinshasa was worth an estimated US\$143 million in 2010, more than thrice the value of all formal timber exports in that year. Rural communities are also strongly dependent on protein sources from forests, including bush meat, with annual consumption estimated at over 1 million tons.

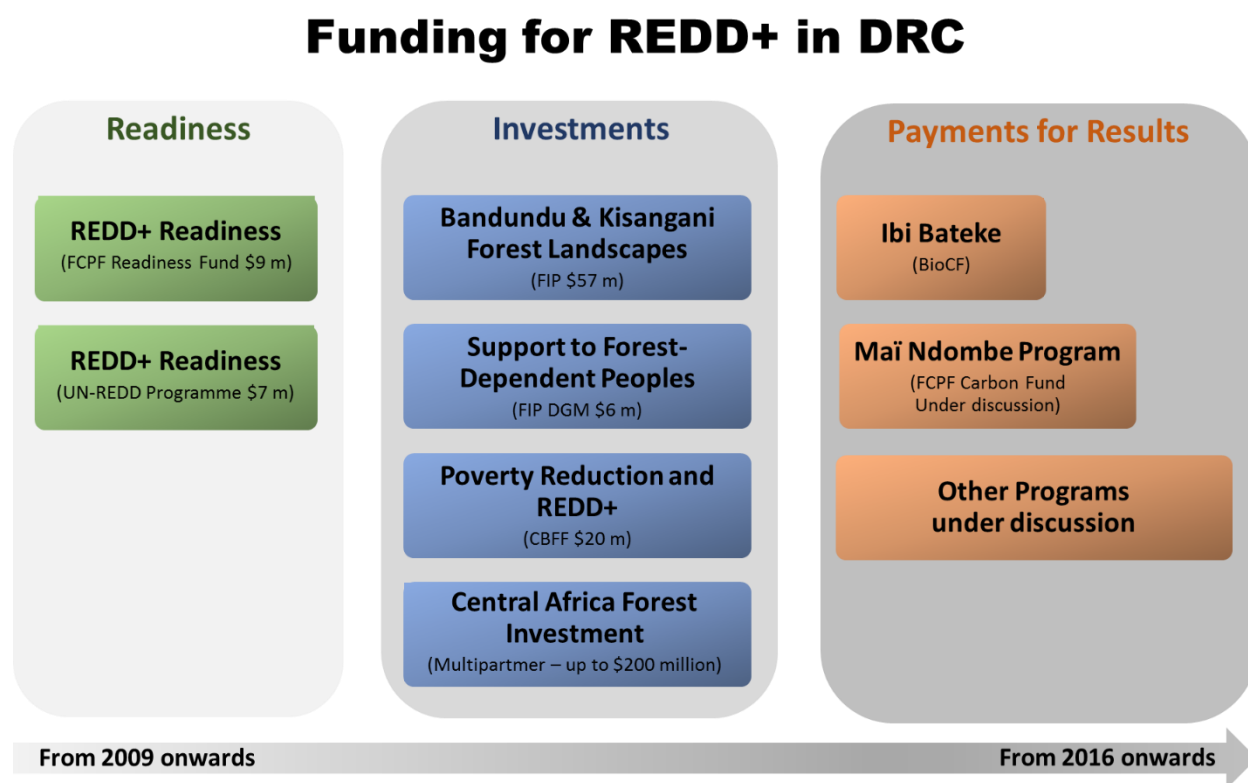
10. **Deforestation and forest degradation rates could escalate rapidly in the future** with the reconstruction of transportation infrastructure. Improved infrastructure facilitates access to forests, which could lead to increased conversion of forests for other land uses, logging, and wildlife hunting and trapping. The rehabilitation of the RN4 (*Route Nationale 4*, National Road 4) in Province Orientale is an example of potential new impact of infrastructure development on forests, in this case, in the form of a deforestation increase, probably related with small-scale illegal logging for export to Uganda and other regional markets. With a fertility rate of seven

children per woman in rural areas, demographic growth is also an indirect cause of rapid increase of the deforestation trend.

REDD+ as a Source of Benefits for the Forest Communities

11. **Reducing emissions from deforestation and forest degradation (REDD+)** is an international mechanism under discussion that could offer concrete possibilities for DRC to seek financial rewards for the globally significant environmental services provided by the promotion of conservation of forest carbon stocks, sustainable management of forests, and enhancement of forest carbon stocks.

Figure 1: Overview of the REDD+ Portfolio and the Three Phases of REDD+



Note: IDA - International Development Association; FCPF - Forest Carbon Partnership Facility; FIP - Forest Investment Program; CBFF – Congo Basin Forest Fund.

12. **The country has gained international recognition for playing a leadership role** in international negotiations around REDD+ and for implementing a national process of ‘REDD+ Readiness’ led by the *Coordination Nationale REDD+* (National REDD+ Coordination [CN-REDD]) Unit under the Ministry of Environment, Nature Conservation and Sustainable Development (MECNDD). The national REDD+ strategy has been prepared through a participatory process. It identifies three strategic options that can reduce emissions from deforestation and forest degradation while maximizing co-benefits for poverty reduction and biodiversity protection: (a) organize forested land around the concept of Permanent Forest Heritage based on a sustainable and balanced rural development; (b) growth poles in savannah and urban centers; and (c) support the evolution of modernization and enabling activities.

Therefore, in the forested area, REDD+ policies are mostly related to land use planning to tackle the drivers of deforestation.

13. Cross-sectoral policies and programs covering not just the forest sector but also the agriculture, energy, and transport sectors are needed to reduce deforestation. The Interministerial Committee on REDD+ was created to ensure cross-sectoral collaboration to achieve reduced deforestation, but it has not yet demonstrated its capacity for fostering a cross-sectoral policy consensus. Achieving effective cross-sectoral coordination is an important challenge for delivering on REDD+ in the country.

The Forest Investment Program

14. **The Forest Investment Program (FIP) is one of the main initiatives supporting REDD+ in DRC.** A targeted program of the Strategic Climate Fund (SCF), which is one of two funds within the framework of the Climate Investment Fund (CIF)², the FIP seeks to address the underlying drivers of deforestation and catalyze transformational change by providing up-front investment to support the implementation of the REDD+ strategy and generate information and experience for policy and regulatory changes.

15. **The country has prepared a FIP Investment Plan to support activities that tackle the main drivers of deforestation** and forest degradation in the country and create intervention models that can be scaled up in the future. This investment plan mostly targets three supply basins: (a) Kinshasa; (b) Kananga/Mbuji-Mayi; and (c) Kisangani. The intervention areas selected through a participatory process at the national level are mapped in annex 12. In each of those basins, the projects aim at promoting sustainable forest management while improving the livelihood of rural communities.

16. **The FIP Subcommittee endorsed a US\$60 million grant envelope** in July 2011 for two projects implemented through the World Bank (Kinshasa basin) and the African Development Bank (AfDB) (Kisangani and Mbuji-Mayi/Kananga basins). In addition to those two projects which are financed through the government, the FIP has two complementary windows: the ‘Set Aside’ funds for private initiatives and the ‘Dedicated Grant Mechanism’ (DGM) for Indigenous Peoples and Local Communities (IPLC).

The Dedicated Grant Mechanism

17. **The DGM is a global program³ that was conceived and developed as a special window under the FIP** to provide grants to the IPLC and intended to enhance their capacity and support initiatives to strengthen their participation in the FIP and other REDD+ processes at the local, national, and global levels. The DGM is designed specifically to promote the inclusion of communities reliant on forests in policy formulation and initiatives that seek to reduce deforestation and degradation. Its global design is a product of a collaborative effort between the SCF, Indigenous Peoples (IPs), and local community representatives from various countries.

² <https://www.climateinvestmentfunds.org/cif/node/5>.

³ <https://www.climateinvestmentfunds.org/cif/DGM/About>.

DRC has been ably represented in this process with rigorous engagement from self-selected representatives.

18. **This program is implemented following agreed Framework Operational Guidelines** that were established in collaboration with a global group representing the IPLCs from the FIP countries. The DGM program is structured in two parts to serve the localized objectives of the IPLC at the country level as well as the training, alliance-building, and knowledge exchange needs at the regional and global levels.

(a) **Country-level ‘DGM’ investment projects** (such as this project) that are financed in each of the eight FIP pilot countries⁴ to support on the ground activities and capacity building

(b) **A Global Component** for exchange of knowledge, capacity building, and strengthening of networks and partnerships among IPLC organizations in the pilot countries and beyond

19. **The Global Component is driven by a Global Steering Committee (GSC)**, composed of delegates from each country, and supported by a Global Executing Agency (GEA). Each Country Component (or country project) is driven by a National Steering Committee (NSC) and supported by a National Executing Agency (NEA). The GSC is strongly linked with the various NSCs and similarly, the GEA has a mandate to foster collaboration with the NEA.

20. **The DGM program is implemented by the Bank as a series of projects** under a single framework program (Global Learning and Knowledge Exchange Project) and eight country-specific projects. The Global Learning and Knowledge Exchange Project⁵ and the framework approach were approved by the Board on March 3, 2015.

21. **The proposed Forest Dependent Community Support (FDCS) Project is the country-level ‘DGM’ operation for DRC**, and as such, it aims to support the IPLCs’⁶ participation in the FIP and more generally in the REDD+ as well as land use management at the local and national levels.⁷ The project is aligned with the global FIP and DGM framework and is by nature exclusively composed of country-specific activities.

22. Projects financed under the DGM have an innovative design as they are built on direct engagement with the indigenous communities. The IPLCs maintain a strong role in the governance of the project since they establish their own governance bodies, entirely composed of IPLC representatives. As the country representatives contributed actively to the design of the global DGM and the formulation of its Framework Operational Guidelines, that guidance has been captured well in the design of the proposed country operation.

⁴ Brazil, Burkina Faso, DRC, Ghana, Indonesia, Lao People’s Democratic Republic, Mexico, and Peru.

⁵ Report No.: 93666-GLB; Project ID: P128748.

⁶ To avoid confusion in terminology and in the spirit of the DGM philosophy, the term ‘IP’ is restricted to the Pygmy population and ‘LCs’ to the communities that live in areas neighboring the IP area and share with them traditions, rituals (including religious events), and livelihoods (centered on hunting).

⁷ While the DGM represents the program providing the funds and the FDCS Project stands for the project implemented with those funds, both terms are equally used in the project documents.

23. **Leadership by the IPLC.** The project has been designed under the initiative of the IPs and/or Local Communities (LCs) and will directly benefit them; the IPLC organizations are at the heart of project operational arrangements and stand to benefit from the project results over the long term. The capacity-building component, in particular, has been designed to follow a ‘learning-by-doing approach’ in the implementation of micro-projects—the ownership by the IPLC (that will lead to self-identified training activities, resolution by the communities of their own difficulties, and participatory decision making) is an objective as important as the successful implementation of the micro-projects.

24. **Respect of IPLC culture.** Consultations, selection of delegates, and NSC rules have been led by the IPLC in a manner that respects the cultural ways, modes of living, rights, and cultural resources of the communities.

Situation of Indigenous Peoples and Forest-dependent Communities

25. **Millions of people in Africa depend directly or indirectly on forests;** hence the need to preserve and sustainably manage forested areas to maintain and improve livelihoods. Among the forest-dependent population, the IPs represent the most vulnerable group. There has not been any official census of the indigenous population in DRC but it is estimated at around 600,000 people located in various provinces (Équateur, Bandundu, Kivu, Province Orientale, Katanga, and Kasai). Traditionally, these people heavily rely on forest resources for nutrition, construction, and medical purposes. However, the IPs remain one of the most marginalized and poorest people in the country.⁸

26. **The IPs in DRC include the following groups: Aka, Twa, Cwa, Baka, and Mbuti.** Most IPs are sedentary or semisedentary. Only a small portion (around 40,000) have a nomadic lifestyle (hunting and gathering), but traditions of hunting and semi nomadism for hunting are still common. Despite this shift to sedentary livelihoods, the IPs have kept their cultural traditions alive and struggle to preserve their specificity, technical know-how, and ancestral knowledge. For cultural, religious, and economic reasons, they strongly depend on forest resources (and more generally on nature).

27. Table 1 describes the territories and the beneficiaries in the project areas.

Table 1: Territories and Beneficiaries in the Project Areas

FIP Basin	Province	Territories	Census	Lifestyle
Kinshasa	Mai-Ndombe	Kiri	8,000–15,000	Becoming sedentary
		Oshwe	5,000–10,000	Becoming sedentary
		Inongo	1,500–3,000	Becoming sedentary
Kisangani	Tshopo	Opala	3,000–5,000	Semi nomads and sedentary
		Banalia	1,000–4,000	Semi nomads and sedentary
		Bafwasende	15,000–20,000	Semi nomads and sedentary
		Yahuma	2,000–3,000	Semi nomads and sedentary

⁸ “Strategic Framework for the Preparation of a Pygmies Development Program (*Cadre Stratégique pour la Préparation d’un Programme de Développement des Pygmées*).” 2010.

	Ituri	Mambasa	30,000–40,000	Semi nomads and sedentary
Mbuji-Mayi/Kananga	Kasaï Oriental	Lupatapata	4,000–7,000	Nomads and semi nomads
	Sankuru	Lusambo	11,000	Nomads and semi nomads
		Lubefu	10,000–15,000	Nomads and semi nomads
	Kabinda	Lubao	10,000	Nomads and semi nomads
		Kabinda	15,500	Nomads and semi nomads
	Lulua	Dimbelenge	10,000–15,000	Nomads and semi nomads
	Kasai	Mweka	17,000–20,000	Nomads and semi nomads
		Dekese	7,000–10,000	Nomads and semi nomads

Source: DGPA (*Dynamique des Groupes des Peuples Autochtones*). *Atlas de localisation des Peuples Autochtones Pygmées en RDC*. 2012.

28. In theory, according to the Constitution of DRC that states that all citizens are equal, the IPs have the same rights as any Congolese citizen; in reality, they suffer from discrimination and have limited access to basic services such as education, health, justice, and political and social representation. In general, the IPs remain subject to the dominance of surrounding communities and are often exploited as low-paid workers and treated with contempt. This situation is aggravated by the sedentarization process, sometimes leading to gradual loss of cultural identity, denials of rights, violence, and spoliation. More information about the cultural values, discrimination of the IPs, and difficulties to have their rights recognized—starting with land use and land tenure rights—is provided in annex 10. A draft bill on the protection and promotion of Pygmies’ rights was introduced in the national Parliament in May 2014⁹ but has not yet been put to vote.

29. **The IPs are not only seen as a fragile population group but also as a source of knowledge** that could be used as part of the development policies within the sub-region. This was recently exemplified by an edition of the *Forum International sur les Peuples Autochtones d’Afrique Centrale* (Indigenous Peoples Forum for Central Africa [FIPAC]) in March 2014 dedicated to ‘Indigenous Peoples, Traditional Know-how, and Green Economy’. Instead of limiting the IPs’ development to artisanal handicraft and small businesses, this approach recommends the use of the rich traditional culture and knowledge of the forest communities as a lever for economic diversification, inclusive growth/poverty reduction, and job creation in Central Africa as part of the green economy.

30. **While the potential has been identified, the challenge remains** to find ways to exploit those customary practices to generate socioeconomic benefits for the IP population. The environment ministers of *Communauté économique des États de l’Afrique centrale* (Economic Community of Central African States [CEEAC]) and the IP organizations have issued respective common declarations, urging the countries to promote traditional practices within the emerging framework of the green economy.

Representation of the Indigenous Peoples in DRC and Collaboration with Civil Society

31. **The efforts and goals of IPs are shared and broadly supported at the sub-regional and international levels.** This movement has achieved important collective outcomes with the

⁹ *Proposition de loi portant protection et promotion des droits des peuples autochtones Pygmées*. 2014.

support of international nongovernmental organizations (NGOs) and various United Nations (UN) organizations, especially adoption of International Labor Organization Convention 169, signed by DRC (but not ratified); adoption of the UN Declaration on the Rights of Indigenous Peoples by the UN General Assembly on December 12, 2007; and the creation of the United Nations Permanent Forum on Indigenous Issues (UNPFII).¹⁰ Those international instruments (which are not legally binding) recommend that member states establish adequate measures within the national legal system to resolve land claims by the peoples concerned. This document emphasizes the collective attachment of the IPs to their land and resources and encourages states to use the principle of free, prior, and informed consent for all activities that concern the IPs.

32. **Regional organizations** such as the CEEAC and the *Commission des Forêts d'Afrique Centrale* (Central African Forest Commission [COMIFAC]) are trying to protect and promote the IPs' cultural assets. To increase the visibility of IPs' organizations and help them be more structured at the sub-regional level, the COMIFAC is supporting the REPALEAC (*Réseau des Peuples Autochtones et populations locales pour la gestion de l'Environnement en Afrique Centrale*), a sub-regional IP network operating in the ten COMIFAC countries. The REPALEAC is represented in the country by the *Réseau des Peuples Autochtones et Locaux pour la gestion durable des Ecosystèmes forestiers* (Network of Indigenous Peoples and Local Communities for Sustainable Forest Ecosystem Management [REPALEF]), bringing to the REPALEF the legitimacy and the mandate to federate IPs organization to appear stronger at the sub-regional level. In recognition of these efforts, the CN-REDD which is in charge of the REDD+ policy within the country has included the REPALEF in the group of civil society organizations (CSOs) that are consulted on the REDD+.

33. **In addition, the IPs from DRC are represented at the international level by the UNPFII,¹¹** which was given a mandate by the UN to 'discuss indigenous issues within the mandate of the council relating to economic and social development, culture, environment, education, health, and human rights'. Out of the 16 members of the UNPFII, eight are nominated directly by indigenous organizations in their regions through regional caucuses. However, the issues of legitimate representation at the national level are transposed at the regional level as it has an impact on the attendance of the regional caucuses.

34. **Finally, major international NGOs are supporting the IPs mostly at the international level.** While some are specialized in the defense and promotion of the IPs, most of them have broader agendas such as conservation, civil rights, and anticorruption. A detailed description of organizations supporting the IPs in DRC is provided in annex 7.

35. **Overall, IPLC underrepresentation has been identified as a major issue at all levels** that prevents their participation in local, national, and international discussions on policies that directly affect them. The proposed FDCS Project, by design, aims to bridge that gap by placing the IPs at the forefront of project interventions.

¹⁰ The Permanent Forum was established by the United Nations Economic and Social Council (ECOSOC) resolution 2000/22 on July 28, 2000.

¹¹ The UNPFII comprises 16 independent experts acting in their personal capacity. Eight of the members are nominated by governments and eight are nominated directly by indigenous organizations in their regions. The members nominated by indigenous organizations are appointed by the president of the ECOSOC and represent seven sociocultural regions to give broad UN representation to the world's IPs.

The Indigenous Peoples development strategy

36. **Following the 2005 Inspection Panel investigation¹²**, the Bank adopted an action plan which, among other things, emphasized that Indigenous Peoples should be more systematically integrated in development activities across Bank-funded activities in DRC and highlighted the need to discuss and agree with the DRC government and other donors on measures to further strengthen development of Indigenous Peoples.

37. As part of this action plan, consultations were organized in 2008 with pygmy-led NGOs and other relevant stakeholders to identify key concerns for Indigenous Peoples, resulting in the completion of the ‘**Strategic Preparation Framework for a Pygmies’ Development Program¹³**’ in 2009, which is now referred to as the World Bank Development Strategy for the Indigenous Peoples Communities in DRC. This study outlined the need to address the state of poverty and marginalization in which the IPs live and thus asserted the importance of reinforcing the IPs’ capacities, valuing or preserving their culture and identity, and improving their livelihoods. It concluded with six recommendations, called “Focal Points”, to be highlighted in future work with Indigenous Peoples. The main conclusions are in annex 11.

C. Higher Level Objectives to which the Project Contributes

38. The higher level objective to which the project contributes is to help DRC's efforts to reduce emissions from deforestation and forest degradation and promote sustainable forest management and enhancement of forest carbon stocks (REDD+). Indeed, IPLC traditionally have a low-impact livelihood due to their knowledge of the forest and sustainable natural resource management; thus, it is expected that supporting their participation in land use policymaking will not only mitigate the negative impact of deforestation but also indirectly promote sustainable forest management and reduce the emissions from deforestation and forest degradation.

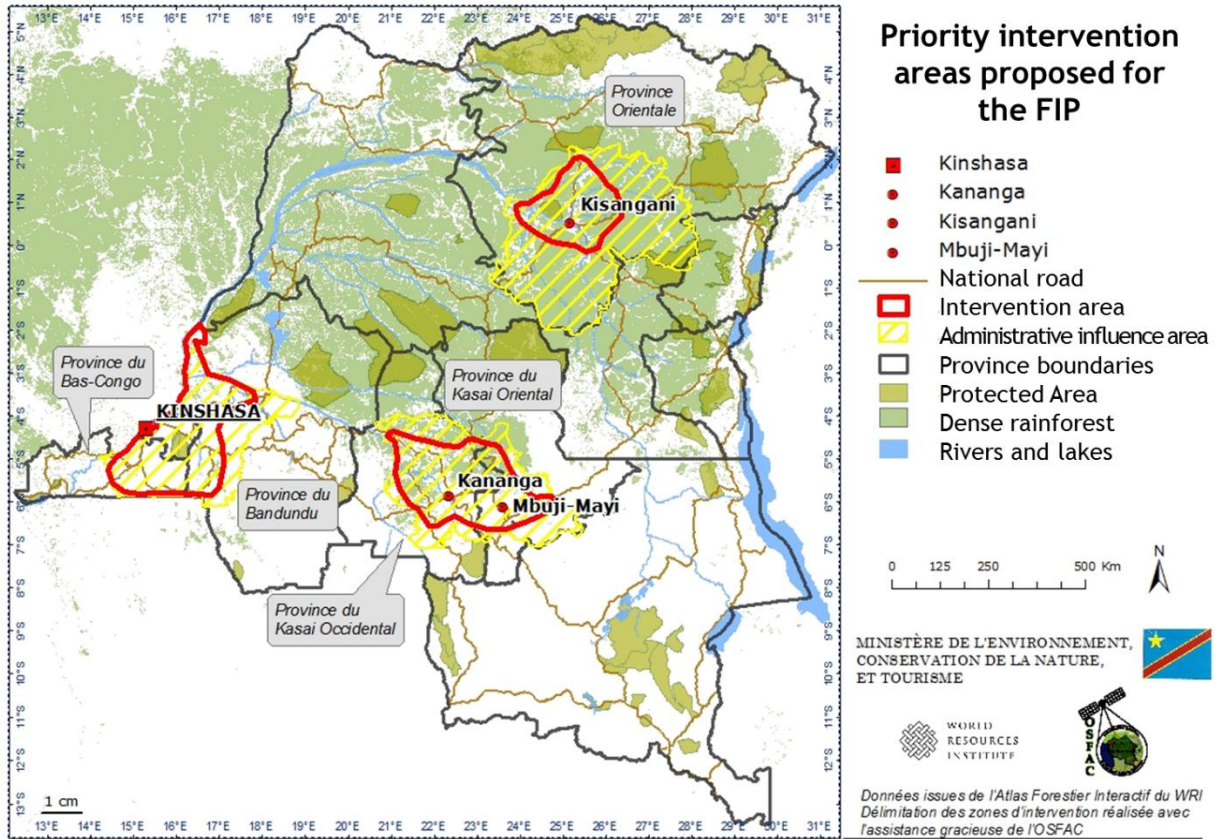
Complementarity between the FDCS Project and the FIP Investment Plan

39. **The FDCS Project is funded under the country component of the DGM for DRC.** As such, it is fully integrated and aligned with the FIP Investment Plan. Below are the main topics showing that alignment.

¹² In 2005, an Inspection Panel investigation was processed (Case 37 –Investigation Report No. 40746 - ZR) following the claim that the forest sector reforms supported by the World Bank would lead to violations of Indigenous Peoples rights to occupy ancestral lands and manage and use their forests according to their traditional practices (News Release No. 2008/188/AFR).

¹³ Report No. 51108-ZR, December 2009.

Figure 2: The Three Wood Supply Basins in the FIP Investment Plan¹⁴



40. **Geographical complementarity.** First, the areas for the consultations and the setting up of an NSC are all included in the three basins. While the FIP activities will only focus on portions of each basin, the areas selected for this project will include surrounding sectors and territories to align with the IPLC's living territories. In addition, this will reduce the risks of leakage¹⁵ and mitigate the risk of tensions between the communities in the FIP investment areas and the ones in the same basin but outside of the investment area.

41. **Based on and improving inclusive participation,** FIP investments will take place through the existing official and traditional institutional framework (Village Development Committee; *'chefs de terre'* (land chiefs), *Conseil Agricole Rural de Gestion* [Council for Agriculture and Rural Management (CARG)]; provincial governments; and decentralized technical services) in which the minorities may not be adequately represented. Therefore, the FDCS Project will support the inclusion of IP and LC representatives by building their capacity and bringing a higher degree of financial independence.

42. **Supporting complementary investments.** While the FIP will support farmers' organizations to improve their planning and efficiency so as to increase the quantity of sustainable agriculture and timber products, this project will focus on improving traditional

¹⁴ Source: FIP Investment Plan for DRC

¹⁵ Increased deforestation outside of a project area as a result of the increased management within project limits.

livelihood for the IPs and LCs; the focus will be less on agriculture, equipment, and training and more on securing land rights or non-timber forest product collection areas.

43. **In line with the REDD+ National Strategy.** The National Framework Strategy for REDD+ has identified seven pillars: three pillars focus on specific sectors (agriculture, energy, and forest) and four pillars tackle enabling activities (governance, demographics, land planning and management, and land tenure). The project will support IPLC participation in land planning at the local level and land tenure policy definition at the national level. As such, the project will support the IPLC voice for contributing to the REDD+ activities related to the enabling pillars addressing some underlying causes of deforestation. More specifically, the project is in line with one of the objectives of the strategy which is to “promote, in an intersectoral and prospective vision, land use and optimal planning of people and activities [...] in order to effectively contribute to the country sustainable development goals, while minimizing the impact on forests.”

Alignment with DGM Program Objectives

44. The FDCS Project funds originate from the DGM Program that was created by the FIP to answer the need for active participation of the IPLC in REDD+. The project’s objectives and activities are in line with the DGM objectives and modalities as well as with the FIP objectives.

45. **Consistency with the DGM objectives.** The DGM’s objective is to enhance the capacity and support specific initiatives of the IPLC in the FIP pilot countries to strengthen their participation in the FIP and other REDD+ processes at the local, national, and global levels. Those objectives are reflected in the FDCS Project which has particular focus on (a) building a legitimate and transparent national and provincial representation to promote IPLC interests, in particular, regarding land tenure and, more generally, land rights and (b) implementing pilot cases to secure IPLC rights over forested land while supporting alternate development activities.

46. Component 1 aims at capacity building and Component 2b will demonstrate the possibility to secure land use rights for the IPLCs. Investments under 2a will drive local development and indirectly increase communities’ capacity, demonstrating their ability to manage and execute micro-projects that can be replicated in the FIP and REDD+ areas.

47. **Consistency with the DGM guidelines.** In accordance with Chapter III of the guidelines for the DGM, the objective of component 1 is to support investments and capacity building for the IPLC through the following subcomponents: (a) implementation of on-the-ground activities of IPLCs’ choice in the FIP pilot countries and (b) capacity-building programs for IPLC organizations.

48. **Alignment with the DGM approach.** The proposed activities are aligned with all the DGM thematic areas: capacity development, promotion of rural livelihoods, and investments in sustainable management of forest landscapes.

Alignment with Country Assistance Strategy and World Bank Strategy

49. Ultimately, the project contributes to (a) improving natural resource management by supporting IPLC development; (b) supporting the decentralization process in DRC by helping the emergence of new rural leaders and strengthening their voice in land use management policies; (c) securing the land use rights of the poorest rural population by improving their level of inclusion in the land use management policies; and (d) offering alternative development perspectives that would have a reduced impact on the forest and be culturally adapted to the forest dwellers.

50. **Those objectives are in line with DRC’s Country Assistance Strategy (CAS) (FY13–16)** whose first objective is to improve good governance while strengthening the development impact of Bank-funded operations, with climate change issues as a cross-cutting question that is addressed through the four strategic objectives of the CAS. The project is part of the REDD+ agenda that is supporting outcome 1.2, ‘ensuring that the country gets a fair share of the revenues from its natural endowment’. In addition, the project focus on local development and poverty alleviation is in line with Strategic Objective Three, ‘to increase access to social services and raise human development indicators’.

51. **The proposed operation is also aligned with the Africa Strategy** which gives special attention to natural resources management. The strategy emphasizes the need to ensure that local communities benefit from natural resource extraction and that sustainable management of forests is critical for development and climate change.

52. As it aims to promote rural development and increase the capacity of remote and vulnerable households to help them face the livelihood change induced by development, the project is aligned with the Bank’s twin goals (ending extreme poverty and promoting shared prosperity) that cannot be achieved without addressing climate change and securing ecosystem integrity. In particular, the project reaches out to some of the most marginalized forest-dependent communities to support institutional and capacity development for a greater role in policy and strategy processes while enhancing their adaptive capacities and their role in protecting and managing the remaining tracts of tropical forests. As such, this project will support some of the poorest people in the world.

53. Finally, the project as well as the DGM as a global initiative are in line with the Bank’s increased attention on innovation. While the operation has limited funding and operates in a challenging environment, it will provide results and learnings (from success as well as failure) with a great potential positive impact for the beneficiaries. The project is also, by design, fully in line with the Bank’s good practices on citizen engagement, social accountability, and community-driven development (CDD).

Alignment with the World Bank Strategic Preparation Framework for a Pygmies’ Development Program (or World Bank IP Engagement Strategy)

54. The project would help implement four of the six ‘Focal Points’¹⁶ identified in the World Bank IP Engagement Strategy (more details on the strategy in annex 11).

¹⁶ It is the terminology used in the World Bank IP Engagement Strategy.

(a) Focal Point 1 (Capacity Building) is based on the statement that the Pygmies lack voice and representation and concludes that their leaders and institutions need to be given the opportunity, through training and resources, to contribute to building the capacity of communities to organize; defend their culture; construct and assert positive images of themselves; promote economic activities in line with their interests; and, most importantly, improve their living conditions. This capacity building is the purpose of Component 1, especially Subcomponent 1b that focuses on structuring the local representation of the IPLC and training emerging IP leaders.

(b) Focal Point 3 (Link Pygmy Development with that of Other Communities) has a clear recommendation regarding the ways of improving access to natural resources—to support Pygmies in all participatory (or non-participatory) zoning processes and, in general, support the Pygmies in all matters that are linked to the use of natural resources. This is directly linked with the objective and indicators of Subcomponent 1b and the representation of the IPLC in the Rural Management Councils at the local level.

(c) Focal Point 4 (Improve Pygmy Living Conditions) specifically targets “promoting alternate economic activities (agriculture, livestock, beekeeping, and fish farming) as well as all other socioeconomic projects that can alleviate poverty”, which is the objective of Subcomponent 2a. The strategy also focuses on “campaigning [...] to give Pygmies responsibilities in terms of the forest and the environment,” which is one of the objectives of Subcomponent 1a, and “identifying the Pygmies’ ancestral homeland through participatory zoning processes and giving them rights of use,” which is the purpose of Subcomponent 2b.

(d) Finally, Component 2a includes a window for the ‘Valorization and Preservation of Pygmy Culture and Identity’ as recommended by Focal Point 2 of the strategy.

55. According to the design, the two parallel long-term project goals have been aligned with the ground objectives of the strategy: a) allow Pygmy communities to freely choose their lifestyle and (b) strengthen the sustainable management of the country's valuable forest resources.

II. PROJECT DEVELOPMENT OBJECTIVES

A. PDO

56. The project development objective (PDO) is to strengthen the capacity of targeted IPLC in selected territories and at the national level to participate in REDD+ oriented land and forest management activities.

B. Project Beneficiaries

57. The proposed project will involve a number of stakeholders including IPs, LCs, district committees, civil society groups at the local levels, and national-level stakeholders such as the Ministry of Environment and Sustainable Development, the Ministry of Land Tenure Affairs, the Ministry of Social Affairs, and the Ministry of Agriculture and Rural Development, among others.

58. The direct beneficiaries will be IPs, LCs, local entities such as community-based organizations in the 16 targeted territories, and the national organizations¹⁷ that are active at the provincial and national levels to advocate for the IPs. As detailed above, the term ‘IPs’ is restricted to the Pygmy population and ‘LCs’ to the communities that live in the areas neighboring the IP area and share traditions; rituals (including religious events); and livelihoods (centered on hunting). In that sense, the project intentionally targets the marginalized population in the 16 territories.

C. PDO Level Results Indicators

59. The project aims to build the capacity of the LCs to an extent that (a) the IPLCs from the 16 territories have a clear, legitimate, and sustainable representation at national and territorial levels for the discussions related to land and forest management and (b) the IP and LC organizations have demonstrated their capacity to develop culturally sound activities that increase their well-being while preserving the forest.

60. Therefore, the expected result from the project is the strengthening of the processes that will eventually contribute to increasing the role of the IPLC in land and forest governance — assuming that an increased role of the IPLC in land and forest management will lead to sound forest management and in the longer term to tangible impacts on livelihoods and forest conservation. Experiences in IPLC management of micro-projects and in land and forest management will demonstrate the capacity of the communities to participate in forest governance and will pave the way for future initiatives. While the project will help the IPLC exploring solutions for the formal recognition of their traditional user rights, it does not commit to the change of any legal text.

61. Since the capacity-building efforts are process driven, project impact will be measured using beneficiary satisfaction and understanding of and participation in the various processes. This is in line with the benchmarks used to measure citizen engagement. A representative group of IPLC leaders will be selected in a participatory manner to provide continuous feedback. Their feedback will provide inputs to continue improving the participation, representation and accountability and eventually set-up potential corrective actions if needed.

62. The PDO will be measured through the following indicators:

- (a) IPLC satisfaction rate regarding IPLC representativeness in the discussions on land and forest management held by the CN-REDD and CONAREF (percentage);
- (b) Share of provinces with a score of three or more on IPLC representation in land and forest management discussions at the local level (percentage);
- (c) DGM stakeholders with increased role in REDD+ processes at the local and national levels (percentage);
- (d) Aggregated score on community-based land and forest governance in four pilot sites (number);

¹⁷ NGOs at the national and provincial levels may not be constituted only of the IPLC.

- (e) Targeted beneficiaries satisfied with project interventions (percentage)
- (f) Direct project beneficiaries (Number), of which female (percentage)

63. The PDO indicators and their significance in relation to the PDO are described in Table 2.

Table 2: PDO Indicators and Significance

Indicator	Description	Use of Information
IPLC satisfaction rate regarding IPLC representativeness in the discussions on land and forest management held by the CN-REDD and CONAREF	The indicator measures the satisfaction of members in targeted IPLC and the target beneficiaries regarding their representation by the selected representatives in discussions on land and forest management in national fora, that is, CN-REDD events and land tenure consultations by the CONAREF.	The indicator captures the capacity to participate in a key REDD+ process at the national level through representatives. Project interventions aim to ensure that the IPLC are represented by legitimate and trained representatives (delegates). Measurement of satisfaction of target beneficiaries is a proxy for the expression of demands and concerns in the national policy dialogue. It is thus assumed that the higher the satisfaction the better the representation and expression of the views of the targeted IPLC.
Share of territories with a score of three or more on IPLC representation in land and forest management discussions at the local level	The indicator measures the stage of IPLC representation at the local level. This will be measured through a score from zero to five—selection of an IPLC representative for the territory: 1 point; designation (and replacement) through a participatory process: 3 points; and participation in the operational discussions regarding land and forest management (CARG and governor, and administrator): 1 point.	The indicator expresses the capacity to participate in a key REDD+ process at the local level. Project interventions aim to increase IPLC representation at the local level and eventually full participation in land and forest governance processes. It is thus assumed that the higher the score on IPLC representation through sound organization and legitimate leaders the greater the influence on rural development decisions related to land and forest management.
DGM stakeholders with increased role in REDD+ processes at the local and national levels	The indicator, through external evaluation and surveys, measures the capacity of the DGM stakeholders to participate in REDD+ processes in general. It is a direct measurement of capacity.	This is a core DGM indicator and building capacity of stakeholders is relevant to the DGM program as a whole and for individual projects.
Aggregated score on community-based land and forest governance in four pilot sites	The indicator measures the stage toward securing land and tenure rights to forest areas (without necessarily reaching full security of rights) using a score between 0 and 25. Each of the four sites will be scored individually and the scores will be aggregated (maximum score is thus 100). The scoring guidelines are as listed: <ul style="list-style-type: none"> - The official process has been clearly stated (2 points). - FPIC (Free, Prior and Informed Consent) process with the community is completed (5 points). - The precise area has been delimited (1 point) through a participatory mapping exercise (plus 1 point). - Receive governorate and local administration support (2 points). - The governance arrangements are established with the communities (3 points), with a possibility to change the leaders on a regular basis (plus 1 point) and a fair representation of women (plus 3 points). 	The indicator measures the capacity to ensure rights of the IPLC and is thus a key REDD+ outcome. Project interventions aim to pilot and learn from community-managed areas. The four pilot initiatives are great opportunities for ‘learning-by-doing’, regarding the feasibility of the process. The score will measure the milestones reached for each site, with each milestone bringing valuable lessons for the beneficiaries.

Indicator	Description	Use of Information
	<ul style="list-style-type: none"> - The relevant studies have been completed (2 points) and the results have been shared with the communities (2 points). - Official documents have been drafted (3 points). 	
Targeted beneficiaries satisfied with project interventions	The indicator measures the overall satisfaction of project interventions through a perception-based survey and is different from the first indicator.	The indicator captures demand-side accountability, ownership, and buy-in of project interventions, especially the micro-projects, and the capacity building associated herewith.
Direct project beneficiaries	Core indicator	-

III. PROJECT DESCRIPTION

A. Project Components

64. The proposed project will implement activities that are a reflection in DRC of the Thematic Areas and Potential Activities for Subcomponents 1 and 2 from the DGM Framework Operational Guidelines.¹⁸ They will be geared toward strengthening community capacity to engage in policy discussions; participate in land use planning, production practices, and organization; and develop as entrepreneurs and businesses. The FDCS Project will also finance demand-driven local investments by community organizations. This approach complements the government's efforts to engage non-state actors, in particular LCs, in sustainable natural resource management.

65. The FDCS Project will be governed by the following principles: (a) ownership and joint decision making by the IPs and LCs; (b) transparency and accountability in the selection of implementing partners, members of governing bodies, and beneficiaries; (c) flexibility, efficiency, and administrative simplicity to enable easy and streamlined access to grants by the IPs and LCs; and (d) social inclusion and equity by reaching out and ensuring the participation and protection of women, children, elders, and other vulnerable elements of society. Particular attention will be given to activities addressing gender-specific livelihood, health, and cultural issues and to activities promoting the engagement of youth. This may include communication efforts targeted at women and youth, designing grant windows focused on women and youth-friendly activities, among others.

66. **Component 1: Reinforce the participation of IPLC in forest and land management processes related to REDD+ (US\$1.5 million).** This component will provide tailored support, including on administrative and financial management (FM) issues, and improve dissemination of information about REDD+ and its impact on the IPs and LCs. There are two subcomponents; one for national activities (1a) and the other dedicated to local support (1b).

67. **Subcomponent 1a: Building capacities at the national level for strengthening IPLC voices on land and forest policies (US\$0.5 million).** Subcomponent 1a is designed to supplement national advocacy toward stronger recognition and promotion of the IPs' rights. For that purpose, this subcomponent will primarily focus on three outcomes related to REDD+: (a) aim at improving how the IPs and traditional communities are taken into account in the forest sector; (b) support the participation of legitimate IPLC leaders in the land tenure policy reform process; and (c) provide support to explore ways to operationalize formal recognition of traditional rights of the IPLC using, among others, international experiences such as the Indigenous Peoples and Community Conserved Areas and Territories (ICCA).

68. Regarding IPLC advocacy work in the land tenure reform, the project will both facilitate the inclusion of IPLC leaders and representatives in the working groups (such as the CONAREF) and allow IPLC to take initiative by promoting their ideas through workshops, meetings, and events.

¹⁸ <https://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/13-09-12DGMGuidelines-Final.pdf>.

69. Regarding the formal recognition of IPLC forest management rights, the project will support the technical work on the operational procedures to be applied in Component 2b (creation of community-managed areas like the ICCA or community-managed protected areas).

70. All these topics are closely related to the recognition (and the transmission) of IPLC culture, which is deeply linked with specific sites but also with the use of the natural resources. Therefore, the project will explore different options to support initiatives that promote IPLC culture.

71. **Expected deliverables.** This subcomponent will (a) help produce the operational documents to formally set up community-managed areas (in connection with Subcomponent 2b) and (b) support IPLC advocacy to influence REDD+ policies (including some FIP activities) and the land tenure reform. This advocacy work may be implemented using (a) large audience trainings, workshops, and seminars for communities, IP networks, and public administration representatives; (b) national-level events to sensitize decision makers to better capture the specificities of these traditional populations in the national programs and policies; (c) on-site visits and study tours; (d) operational expenses (paper, phone credit provided by the NEA); and (e) large-scale information sharing through the dissemination of international and national laws. In addition, the subcomponent will have set aside budget for national-level cultural activities to encourage knowledge transfer among the generations and promote the forest dweller culture such as the creation of resource centers.

72. The above activities will be implemented through small contracts with experts or specialized firms based on an annual work plan approved by the NSC. Operational expenses will be provided by the NEA in kind or as reimbursement of expenditures.

73. **Subcomponent 1b: Strengthening the capacities of the IPLCs to participate in forest and land management activities (US\$1 million).** This subcomponent will deploy enabling activities to reinforce the IPLC representation at the local level (territory) and increase the capacity of the IPLC organizations, especially their knowledge about forests and land tenure. The trainings provided by the subcomponent will also indirectly facilitate the implementation of micro-projects (Component 2) as it will reinforce the capacity of the local IPLC organizations from which the micro-projects will originate.

74. **Expected deliverables.** The subcomponent will essentially support existing or new local initiatives aiming to put together the IPLC concerns regarding forest management and land planning to bundle IPLC interests and therefore increase participation in local land governance. It is expected that, by the end of the project, the IPLC communities will participate (through legitimate and representative networks or independent organizations) in the local forest governance and institutions (for example, the CARG) in most of the 16 territories (see annex 1). In addition, the subcomponent will complement the initiatives (micro-projects and user rights securing) financed by Component 2 by providing tailored trainings and capacity support based on observed needs.

75. This subcomponent may finance activities that will directly support local population groups and villages: (a) basic education and literacy courses for communities; (b) on-site visits and field visits to other pilot villages; (c) training modules for newly created NGOs (or other

kinds of organizations); (d) sensitization meetings and forums with the local administration (synergies could be developed with forest provincial consultation councils)¹⁹ and (e) dissemination of the Forest Code and other regulations through culturally adapted means.

76. The NEA will primarily contract local NGOs (or local members of the national network) for the various capacity-building activities (bookkeeping, literacy, and training to manage an association). While this solution will increase the number of transactions (high number of contracts), it is expected to limit the travel cost (and other inefficiencies such as language and cultural issues) and allow better alignment with the needs of the beneficiaries.

77. **Component 2: Support community-based sustainable forest and land management (US\$2.6 million).** This component will help empower IPLCs by (a) supporting initiatives exploring how to attain formal recognition of their traditional user rights and (b) financing natural resource management activities that enhance climate change adaptation and the sustainable management of forest landscapes to improve rural livelihoods. The social impact of those investments will be mitigated through a dedicated window financing activities promoting the IPLC culture and attachment to traditional values. Subcomponent 2a will provide micro-grants to diversify socioeconomic activities (and for cultural activities) and Subcomponent 2b will support pilot community-managed forests.

78. In the areas where the project supports the local efforts for formal community-based land governance, the micro-projects (for investment and culture) are expected to directly contribute to the sustainability of the forest governance arrangements.

79. **Subcomponent 2a: Promoting sustainable forest and land management through alternative livelihood activities and promotion of the IPLC culture (US\$2.1 million).** This subcomponent will provide grants to communities to engage in alternative livelihoods or in making their current livelihood more sustainable. This subcomponent is executed with a special focus on capacity building, with a learning by doing approach. Its objective is to build and demonstrate the capacity of the IPLCs to implement micro-projects and thus to benefit from the REDD+ and FIP projects over the longer term.

80. **Expected deliverables.** The subcomponent is expected to finance at least 40 micro-projects. The procedure to identify and select the micro-projects is presented in annex 3 and will be detailed in the Project Implementation Manual (PIM).

81. Activities to be financed could include (a) community-led sustainable management, natural regeneration, and restoration of forest landscapes; (b) traditional farming and cultivation practices that enhance local agro-biodiversity, including medicinal and aromatic; (c) agro-forestry production systems, agro-ecology tillage practices, reforestation, and plantations; (d) collection and processing of non-timber products (medicinal plants and essential oils); (e) indigenous/traditional landscape management practices including water and soil conservation; (f) energy-saving practices, including wood energy plantations, sustainable charcoal/briquette production, biogas/other renewable energy supply projects—in all cases adapted to the local

¹⁹ Those consultative forums were supported by the PFCN (P100620) in the three provinces of Bandundu, Équateur, and Province Orientale.

level and operating at community and family levels; (g) women's economic empowerment activities; and (h) health and education activities related to natural resource management.

82. In addition, micro-projects aimed at improving the knowledge and the sharing of the IPLC culture will be implemented following the same approval procedure. Such micro-projects coming from the IPLC could aim, for example, at arranging ritual sites, gathering and promoting existing scattered documentation on IPLC culture and livelihood, creating additional knowledge on the IPs, or valuating the cultural heritage as potential responses to the social impacts related to sedentarization and acculturation.

83. The communities will submit micro-projects in partnership with a local development NGO (or another type of legal entity) that will have the ability to sign contracts and channel, manage, and report on the funds that will be released to them after the micro-project is approved by the steering committee. The PIM will detail the conditions that those NGOs should meet to be eligible. The NEA will assess the capacity and conduct a due diligence process before any contractual arrangement is defined for the implementation.

84. In some territories (mostly in Bandundu and Province Orientale), earlier projects (such as the Forest and Nature Conservation Project [PFCN]) have supported Investment Plans for the development of the IP communities. Whenever such plans already exist, those ideas will be given priority after endorsement from the community representatives. Otherwise, the PIM will propose a non-comprehensive list of activities focusing on directly or indirectly reducing deforestation (including cultural activities aimed at increasing the recognition and transmission of the IP culture) or strengthening the communities to support IPLC participation in local governance (including civil status or the delimitation/recognition of administrative clusters [*groupements*]). The PIM will also include a list of criteria and/or activities which will not be financed under the micro-projects (red list).

85. The project may involve the commercial development of natural resources (especially non timber products) on lands or territories that Indigenous Peoples traditionally own, or customarily use or occupy, or, it may involve the commercial development of Indigenous Peoples' cultural resources and knowledge (for example, pharmacological or artistic). To this end, the project will ensure, as part of the free, prior, and informed consultation process the affected communities are informed of (a) their rights to such resources under statutory and customary law; (b) the scope and nature of the proposed commercial development and the parties interested or involved in such development; and (c) the potential effects of such development on the Indigenous Peoples' livelihoods, environments, and use of such resources. The project will include arrangements to enable the Indigenous Peoples to share equitably in the benefits to be derived from such commercial development. For the commercial development of natural resources, the project will ensure that the Indigenous Peoples receive, in a culturally appropriate manner, benefits, compensation, and rights to due process at least equivalent to that to which any landowner with full legal title to the land would be entitled in the case of commercial development on their land. Commercial development of the cultural resources and knowledge of Indigenous Peoples is conditional upon their prior agreement to such development. The project will reflect the nature and content of such agreements and include arrangements to enable them to receive benefits in a culturally appropriate way and share equitably in the benefits to be derived from such commercial development.

86. **Subcomponent 2b: Empowering the IPLC for the formal recognition of their user rights (US\$0.5 million).** The objective is to explore and test innovative ways to secure IPLC forest management activities and/or recognize IPLC traditional governance systems.

87. Once the areas have been agreed, the project will support work on both the legal status of the land (protected areas and community forest concession) and on the governance system that will be established for managing users rights (ICCA or similar). While those two processes are distinct, they are mutually reinforcing and both are needed to set up community-managed areas that are legally binding and enforceable to third parties.

88. **Expected deliverables.** The component is expected to initiate the process for the official recognition of land use rights and traditional governance in four areas. The identification of the exact sites has already started but will be finalized during project implementation. While the official process may be longer than the project lifetime, the project will initiate the procedure and assess the learning from the process at the end of the project. Considering the innovative approach that is explored, both success and failure will bring valuable information that will feed into further efforts toward securing land rights.

89. This subcomponent will be implemented using the step-by-step methodology defined in Component 1a. It will include an initial information campaign, operational costs for the communities to carry out the field work as needed and consultations, and capacity-building activities linked with the establishment of a management committee for each site. The project will therefore finance, among others, (a) multiple meetings with the communities to help them express and define their vision, set up the governance framework, and validate the management plans; (b) participatory mapping aimed at defining precisely the limits; and (c) feasibility studies necessary to design the management plans.

90. **Component 3: Increase the capacity to implement development activities for IPLC and consolidate feedback (US\$1.9 million).** This component aims at ensuring the smooth implementation of the project in compliance with Bank procedures but with enough flexibility to match the capacity of the communities.

91. **Subcomponent 3a: Project coordination (US\$1.08 million).** This subcomponent will finance the costs of the NEA.²⁰

92. The NEA will be in charge of project implementation and fiduciary management, with a special focus on procurement (selection, contracting, and contract management) and FM (micro-projects disbursement, cash management, accounting, and documentation). It will develop review and risk assessment criteria, ensure the appropriate use of FDCS Project funds, maintain project and micro-projects documentation, and report to the Bank on the use of funds. It will also be responsible for safeguards monitoring and management. The role of the NEA is further detailed in the Implementation Agency Assessment section of this PAD and the terms of reference (ToRs) are in annex 8.

²⁰ The NEA's mandate is further described in paragraph 5 of annex 3.

93. The NEA has been selected through a competitive process in compliance with the FIP and DGM guidelines. The NEA will sign the grant agreement on behalf of the participating communities.

94. **Subcomponent 3b: Strengthening feedback channels at the local and national levels (US\$0.82 million).** This subcomponent aims at fostering the creation of an inclusive national network of IPLC representatives that maintain direct connections with leaders and organizations on the field. As for the rest of the project, a ‘learning-by-doing’ approach has been chosen—the capacity as well as the recognition of the network impact will be developed through the monitoring of micro-project implementation in the field, the measure of community satisfaction, and reporting to the NSC. This control and satisfaction measurement by the IPLC representatives’ network is meant to ensure that communities are actually benefiting from the project and that possible complaints are adequately addressed by the IPLC. This will be under the responsibility of the NEA, which will hire the national network REPALEF and its Provincial Focal Points to maintain close contact with the communities and monitor micro-project progress on the ground by paying regular visits to the selected sites.

95. **Expected deliverables.** The NEA will hire REPALEF to establish and maintain a Feedback, Grievance and Redress Mechanism (FGRM)²¹. This FGRM is expected to serve beyond the project scope and become the reference tool for consulting and getting comments from the IPLC communities on the REDD+ in general. Thus, it will not be attached to the project but is expected to become a sustainable system on its own as result of the project.

96. The component will cover (a) general and operating expenses for the NSC; (b) the recruitment of an independent auditor in charge of evaluating the social aspects of the project at midterm review and at closing; and (c) the recruitment of the REPALEF to set up and implement the FGRM. In addition, this subcomponent will finance the general communication of the project (using appropriate methods and channels).

B. Project Financing

97. The lending instrument will be Investment Project Financing (US\$6 million) with grant resources from the SCF. Part of the grant will be dedicated to funding the recruitment of the NEA and associated positions to implement the project over the five-year period. There is no counterpart funding.

²¹ Other arrangements may be established during project implementation depending on REPALEF evolution.

Table 3: Project Components and Total Financing Required

Project Components	Project Cost (US\$, millions)	SCF Trust Fund (US\$, millions)	% Financing
1. Reinforce the participation of IPLC in forest and land management processes related to REDD+	1.5	1.5	100
2. Support community-based sustainable forest and land management	2.6	2.6	100
3. Increase the capacity to implement IPLC development activities and consolidate feedback	1.9	1.9	100
Total Financing Required	6.0	6.0	

C. Lessons Learned and Reflected in the Project Design

98. The proposed operation takes into account lessons learned from operations in the DRC, namely similar operations with indigenous and local populations. Some of those operations are further detailed in annex 7. The following lessons learned have been identified as the most important.

(a) **Avoiding intermediaries.** Ensuring that targeted LCs are placed at the center of the project, with direct benefits from activities and a sound community-led decision-making process. That is why consultation, information, training, communication, education, and participation are critical to allow local population groups to express their needs, discuss the best and most suitable options, and take ownership of the activities in the long run. This has been reflected both in the creation of the Steering Committee, with direct representation of the remote beneficiaries, and in the design of the institutional arrangements, since the project will directly work with local NGOs and not with large national or international technical operators.

(b) **Importance of due diligence when selecting the partners.** The selection of local associations accompanying the communities is critical. Many projects have been hindered by dysfunctional so-called CSOs that proved to be single-member structures without effective representation. Some of those CSOs even embezzled project funding and vanished. It is then very difficult to recover those funds. Therefore a prior screening of these local associations will be completed by the NSC and LCs and applied at the time of micro-project implementation. If micro-projects take place in sites that have already benefited from other development projects, then the NEA will ask guidance from the former project manager about the quality and professionalism of the local CSOs. For example, the Small Grant Program (Global Environment Facility [GEF] funding executed by the United Nations Development Programme [UNDP]) has worked with several associations in the Bandundu Province, one of the FDCS's intervention zones. Similarly, the Bank-funded PFCN has been operating in both Bandundu and Province Orientale, dealing with local and indigenous communities; its delegated contractors (*Mise en Oeuvre Délégée* - MOD) have thus established lists of trustworthy organizations. Those projects will be contacted by the NEA to prepare the screening.

(c) **Importance of close monitoring.** When left alone, some associations have used the funds for other purposes. It is thus essential to train them to manage projects and also involve community members to learn how to monitor disbursements, keep the books, and observe the progress on objectives over time. That can be achieved by using simple and realistic results indicators that can be monitored using existing information systems and local organizations' capabilities and methods. A participatory and inclusive approach needs to be adopted from the beginning to avoid future conflicts between different groups. Those lessons have been helpful for designing the feedback and grievance mechanism, which will help alleviate those risks.

(d) **Promoting complementarity, synergy, and cooperation with other development partners and other similar operations.** The proposed project builds on and has been developed in cooperation with prior and ongoing forest and REDD+-related initiatives supported by the Bank and other development partners, including the UNDP, UN-REDD, Norway, WWF, and FPP. Annex 7 briefly explores potential synergies with some of those existing or planned initiatives. As part of project preparation, the Bank initiated a very close coordination with the German Cooperation Agency (GIZ) and the FPP that facilitates the exchange of experiences, especially since those organizations are developing similar projects.

(e) **Importance of legitimacy.** Dealing with civil society emphasizes the difficulty in identifying legitimate leaders. Because the relationship between actors is always in flux and the leading organizations are quickly changing, the institutional arrangements should be both rigorous (to give legitimacy and avoid constant contestation of representativeness) and flexible enough to adapt to new actors or changes in the leadership. This lesson has influenced significantly the project, since increasing legitimacy of IPLC representatives is one of the core result. It has also influenced the implementation arrangements and the NSC's operating rules.

(f) **Acting as the driver of their own development.** IPLC organizations that have been consulted often on various other projects at the same time feel their concerns are hardly taken into account. Previous experience showed that an inclusive consultation process is not enough and that both the preparation and implementation processes had to provide a way for the IPLC organization to decide and lead the actions. This has influenced the design of the institutional arrangements and the definition of the NSC. Multiple organizations showed interest to support the IP and LCs in raising their capacity and implementing small projects. However, the project has been designed in such a way that the beneficiaries will remain in the driver's seat while the technical partners would only have a consultative role.

IV. IMPLEMENTATION

A. Institutional and Implementation Arrangements

99. In accordance with the Global DGM Guidelines, DRC DGM has developed a governance and management arrangement with capacity for coordination, partnership, and synergies. A National Steering Committee has been created and the NEA has been selected by the NSC.

100. The NSC will work as a deliberative and social control council. Its principal roles and responsibilities are to (a) decide on the annual work plans and the eligibility criteria for funding in accordance with the criteria established by the Global DGM Guidelines for Operations; (b)

review and make funding decisions on eligible community proposals; (c) provide oversight of the project's implementation and keep the functioning of the NEA under review; (d) review the progress of activities with regard to PDOs against indicators and promote learning from the results among stakeholders; (e) report to the GSC on national activities on a semiannual basis; and (f) mediate any conflicts related to the DGM funding proposals that may arise during the course of project implementation.

101. In compliance with the Global DGM Guidelines, the NSC is constituted exclusively of beneficiaries (16 delegates from the 16 territories in addition to 8 from the national networks, in particular the REPALÉF, and observers). Observers include representatives from the *Ministère de l'Environnement, de la Conservation de la Nature et du Développement Durable* (Ministry of Environment, Nature Conservation and Sustainable Development [MECNDD]) and the Bank. One or two of the NSC representatives — selected by their peers — participate as members in the GSC.²² Members of the FIP Coordination Unit (part of the MECNDD) will provide inputs on technical soundness, operational feasibility, and alignment of proposals with national policies. They may be asked to provide advice and resources but will not take part in the selection of community proposals for funding nor the annual activity plan. If needed, the Bank may provide guidance on the technical soundness and feasibility of the proposals and their alignment with fiduciary, procurement, and safeguard policies but will not take part in any NSC decision-making process. Appropriate principles of transparency and accountability will be built into the NSC's decision-making processes. Its functions and membership will be further detailed in the PIM.

102. The NEA has been selected through an open process before project appraisal, as detailed in annex 8. The selection was carried out by the NSC Executive Office with the assistance of the REPALÉF.²³ The NEA is a nonprofit and nongovernmental organization that meets the Bank's program-related, fiduciary, and safeguard requirements.

103. A grant agreement will be signed by the NEA and the Bank to administer the grant scheme and the NEA will begin operations after project effectiveness and execute the project as outlined in annex 3. For the micro-projects, subsequent grant agreements will be signed by the NEA and the subgrantees.

104. The NEA with the support of the NSC Executive Office will be responsible for the timely implementation of all project activities; monitor project activities and related indicators; maintain documentation on the DGM projects and prepare progress and financial reports; ensure that the Bank's safeguard policies triggered under the project are observed and complied with; and coordinate and provide information for the GEA. Technical assistance, safeguard field controls, and the recurrent work with communities for communication and feedback will be subcontracted under the supervision and responsibility of the NEA.²⁴ In addition to the responsibility for the whole project as a counterpart in the grant agreement, the NEA's main responsibilities include

²² The preliminary selection of IPLC representatives in the NSC was balanced by geographic area, ethnic diversity, and gender and complied with the criteria established in the DGM Framework Operational Guidelines (paragraphs 26 and 27), the FIP Design Document (paragraphs 16.d and 20.b), and its annex III (Guidelines for Consultation).

²³ This selection is underway and is being carried out in accordance with the special procedures set in the Internal Guidance Note for task teams regarding selection of the country NEA, available in the project files.

²⁴ The NEA is the primary authority responsible for the project as it has signed the grant agreement with the Bank.

maintaining the following roles: (a) procurement agent (ensuring that the selection processes and contracts are managed in accordance with the Bank's rules and procedures); (b) financial manager (ensuring that the DGM funds are used appropriately and that financial reports, financial planning, and accounting are carried out in accordance with the Bank's procedures); and (c) treasury agent (controlling the money flows to allow remote activities to be financed while mitigating the risks).

105. To complement the NEA, the REPALEF will be contracted by the NEA for maintaining communications and technical dialogue with stakeholders; managing redress processes for grievances, complaints, and feedback; and creating a sustainable mechanism for information flows from Kinshasa to the villages and back that will allow the communities to report their level of satisfaction on a regular basis. Since the REPALEF is already the most important national network echoing the IPs' concerns, it was indeed decided during preparation to strengthen it and rely on its existing network rather than to create a duplicate network that would be project specific.

106. **The FGRM and complaints procedures.** A GRM will be established and further detailed in the PIM. These mechanisms and procedures will ensure that all complaints received from the IPLC and other interested stakeholders related to a grant award decision, representation in the NSC or GSC, or the governance of the program will (a) have a properly written record; (b) receive timely resolution of issues; and (c) be publicly reported. Regardless of the nature of the grievance, the DGM will ensure that a transparent, timely, and fair process is adopted to address each complaint.

107. Three channels will be used for feedback: (a) a website will offer the possibility to leave comments (informal) as well as formal emails that will be recorded; (b) letters will be accepted at a special post office box dedicated to receiving grievances; and (c) regular and direct discussions with the various actors of the project chain of feedback will lead to documented reports. The first two channels will be maintained by the REPALEF at the national level. The former channel will be built on various layers and will involve traditional leaders as well as elected key stakeholders from the Local Monitoring Committee. The delegate to the NSC may also be the initial point of contact for all grievances from his particular 'territory'.

108. **Implementation period and administrative costs.** The proposed project will be implemented over a period of five years. The Bank's administrative costs for project preparation and implementation support have been financed under the FIP in accordance with CIF benchmarks for project preparation and implementation support.

B. Results Monitoring and Evaluation

109. The progress and success of the project will be measured against the indicators shown in the results framework in annex 1.

110. The major innovation of this project is to include a built-in system to balance the monitoring and evaluation (M&E) reporting from the NEA by using the IPLC networks to collect and report directly to the NSC on beneficiary satisfaction with the activities. According to this arrangement, the NSC will complement the activity reports from the NEA (especially

completion reports) with the qualitative M&E reports from the REPALF that will focus on beneficiary satisfaction. This continuous feedback on the project activities will help the NEA, the NSC, and other stakeholders identify areas where corrections/readjustments may be necessary and more broadly serve as a demand-side accountability loop.

111. In addition, giving a mandate to the beneficiary organizations to report on the project will both support (a) the capacity building and political representativeness and (b) the ownership of the intervention, leading to higher accountability and willingness to contribute to information gathering and results dissemination. Since one of the objectives of the project is to support the channeling of IPLC concerns from the field to Kinshasa, this arrangement will directly contribute to the project objective.

112. Continuous feedback will be provided through two channels.

(a) A sample group of key IPLC actors will be defined at the beginning of the project. It will include (i) the members of the Local Monitoring Committee in each territory, the delegates to the NSC, and their alternates (that is, a total of about 80 people from the provinces) and (ii) about 30 key IPLC leaders at the national level or from other areas. This group of key opinion leaders will be referred as the ‘DGM stakeholders’.

(b) REPALF will set-up regular and scheduled visit in each territory every three months to monitor satisfaction and progress toward the achievement of intermediate and long-term results with the support of local focal point. They will monitor the impact of micro-projects up to nine months after their technical completion.

113. The REPALF will detail the M&E staffing arrangements in their contract. Data collection will be part of the recurrent work of the local REPALF focal point with community leaders. Reporting tools and indicators have been deliberately simplified and broken down into a small amount of values to collect, so as to be adapted to the current capacity at the provincial level.

114. An independent expert will be hired at the project midterm review and closing to evaluate any part of the project to assess the progress, check if the individual components have reached their goals, and propose improvements based on lessons learned. The expert’s final evaluation will assess, among other issues, the achievement of outcomes and the sustainability of results.

115. Annual M&E results will be shared among beneficiaries. During this time, it is expected that the grievance mechanisms will be triggered to include the concerns and opinions of beneficiaries throughout project implementation.

C. Sustainability

116. Project sustainability has been considered following two axis: the sustainability of the local investments (Component 2) and the sustainability of the representativeness scheme (Subcomponent 1b and Component 3). The latter is the most intangible activity of the project but at the same time the processes set-up by the project for representativeness may also be its most sustainable result. During the duration of the project, new IPLC leaders will be identified and supported. The objective of the project is to set good governance standards such as promoted participation, inclusive and effective conflict resolution to strengthen community ownership of

natural resource management, citizen management, and social accountability for the years following the project.

Sustainability of the Representativeness Arrangements

117. The long-term objective of the project is to support the creation of a representativeness arrangement that will strengthen the connection between the LCs and the national networks that are actively promoting the IPLC agenda. To be sustainable, such a system should be mostly self-sufficient, which means (in order of importance) that it should have minimal costs, have those minimal costs mostly covered by members' subscriptions, and identify external sources of funding for any remaining gap.

(a) **Reduced cost.** The current scheme has been conceived as a decentralized network that should be able to work based on the existing subnetworks at the provincial level. While the capacity at the provincial (and territorial) levels is still low in the beginning, the project activities will increase the autonomy of the local leaders to create trustworthy and experienced leaders in the rural areas that can function without the need for costly missions from Kinshasa. The second initiative in this project was to drastically reduce per diem and mission allowances to align with the real cost of living in rural areas. To promote a culture of volunteering within civil society and avoid creating 'quasi-salary' expectations, mission allowances have been reduced by between 50 and 90 percent compared with similar projects implemented by the government. Such a reform also changes the dynamics as the counterparts (NSC members) are more demanding on quality as their personal financial benefit is lower.

(b) **Work on membership subscription.** The simultaneous development of revenue-generating activities and IPLC local organizations (Subcomponents 1b and 2a) could lead to a small share of the revenue being allocated to the local representativeness and by extension to the national representativeness. The integration of the revenue-generating activities with those of the CSOs mandated to represent the IPLC at the territorial level (and how those investments can support the local CSO network to protect the IPLC) will also be one of the points checked when assessing the quality of the subprojects since those subprojects are a way to support the sustainability of the IPLC representativeness system.

(c) **Identify new sources of funding.** Depending on the project area, initiatives supporting natural resource management and rural development may be solicited. The Forest Carbon Partnership Facility (FCPF) Carbon Fund Emission Reduction Program in Bandundu as well as the European Union (through their project with the FPP) are two of the potential partnerships that can be built. Those potential sources of funding should be taken with precaution as they would postpone achieving sustainability; however, they are a potential temporary solution.

Sustainability of the Local Investments

118. Local investments under Subcomponent 2a will be screened by the NEA and sustainability is one of the criteria for recommending the investment to the NSC. Sustainability

will depend on many factors, including (a) community engagement and ownership of the idea; (b) quality of local investments; (c) strengthened capacity of local actors; (d) effective participation of women in the process and implementation; and (e) social cohesion and effective resolution of local conflicts. To ensure that activities are continued and benefits are sustained beyond the time frame of this project, one of its innovative aspects is the full involvement of key stakeholders and main beneficiaries in its highly participatory preparation process and in its governance arrangements.

119. In addition, the purpose of Subcomponent 2b (formal recognition of user rights) is the legal recognition of IPLC rights and making them enforceable by the justice courts.

V. KEY RISKS AND MITIGATION MEASURES

A. Risk Ratings Summary Table

Table 4: Risk Ratings Summary

Risk Category	Rating
Stakeholder Risk	High
Implementing Agency Risk	
- Capacity	Moderate
- Governance	High
Project Risk	
- Design	Moderate
- Social and Environmental	Moderate
- Program and Donor	Moderate
- Delivery Monitoring and Sustainability	Substantial
Overall Implementation Risk	High

B. Overall Risk Rating Explanation

120. The overall risk of the project is described in the ORAF and in Annex 4. The implementation risk is proposed to be rated High for the following reasons:

121. **Potential stakeholder disputes.** Disputes arising from competition between the key stakeholders can lead to instability of the stakeholders' organizations. **Possible mitigation:** Some mitigation measures include a clear communication strategy based on transparency, inclusion, and dialog and an unequivocal definition of the project beneficiaries (eligibility criteria) and the project areas (territory level). The definition of 'LCs' has already been clarified and should help prevent interference from any CSOs.

122. **Number, diversity, and geographic dispersion of the IPLC.** Accounting for these factors has been a challenge since the beginning of project preparation. Dispersion is clearly a challenge in convening the IPLC and carrying out consultations that the IPLC could evaluate as broadly representative of themselves. In addition, the beneficiaries constitute a very diverse community, with a broad range of expectations and tremendous difficulties, to be unified under a single organization for political and cultural reasons. **Possible mitigation.** The project will focus on the needs in the remote areas while the most vocal and organized beneficiaries are in the main cities and are not the primary targets of the project. Although the transaction cost may be high, the steering committee will be mostly composed of IPs from the regions. The steering committee may not meet in Kinshasa but will meet alternatively in the three basin areas.

123. **Difficult access.** Dispersion and difficult access may pose challenges to IPLC participation due to lack of information and limited access to project activities that need to be supervised by the implementing agency, leading to delays in disbursements. **Possible mitigation.** The project will rely on the existing networks to disseminate information and receive feedback. During implementation, the priority will be to hire firms and NGOs already based in the field to avoid long-distance missions and to focus on local context knowledge.

124. **Environmental risks.** It is often acknowledged that the lifestyle of the nomad Pygmies does not constitute a threat for forests. However, by improving their livelihood and promoting development activities, the project may increase IP footprint in the most remote forest areas. **Possible mitigation.** The safeguard instrument (Environmental and Social Management Framework [ESMF]) should place extra attention on the long-term consequences and the cumulative effects than on the direct impact.

125. **Social risks.** There is a risk of influencing the IPs' lifestyles and shifting to established models. **Possible mitigation.** The support of a resident sociologist will be sought and the impact on lifestyle will be assessed for each micro-project. In addition, cultural activities as well as forest-protection activities will both be eligible. Finally, the purpose of securing land use rights is precisely to offer the possibility to the IP groups to follow their own development path, even if the general trend of sedentarization is outside the project scope.

126. **Reputational risk.** Issues related with the IPs, especially in DRC, have proven to be highly visible. Any alleged issue could potentially be echoed to a global audience. **Possible mitigation.** The project will continue its current efforts for transparency and will hold meetings with the major national and international NGOs whenever possible.

127. The Implementing Agency is selected through a competitive process based on its capacity to implement the activities in compliance with the Bank procedures related to procurement and FM. This selection process ensures that the Implementing Agency is effective from the start of the project and that the level of risks related with the capacities of the agency remains low.

VI. APPRAISAL SUMMARY

A. Economic and Financial Analysis

128. The economic analysis has assessed the project impact by (i) estimating the benefits of the project by comparing the "with" and "without" project scenarios based on explicit

assumptions on the livelihood improvements expected from the project and (ii) proposing a tool to ensure the project cost-effectiveness based on a linear combination of three parameters (e.g., benefit-cost ratio, natural capital index, and well-being index). Annex 13 includes more details on both approaches.

129. *Economic Analysis:* This analysis focused on the economic feasibility of component 2, which aims to support investments in at least 40 micro-projects. Some of the direct, tangible benefits anticipated from this project's investment include income diversification, agricultural and forest productivity, and increased revenue collection from non-timber forest products. All of these benefits translate into improved livelihoods for the IP communities.

130. The anticipated incremental livelihood benefits have been considered under two scenarios²⁵, with a conservative approach as secondary effects triggered by increased incomes were not considered, such as better access to health services, improved education, or overall positive impacts on the local economy as a whole. Considering that a significant portion of the project investment will go directly towards local wages, and that expenditures of congolese households are mostly for food and in their immediate areas, secondary effects would add to the project's benefits.

131. This conservative economic analysis (detailed in annex 13) concluded that the overall project results will be economically feasible, especially when considering all the unaccounted benefits.

132. *Cost-effectiveness approach:* In order to capture the cost-effectiveness of the interventions, an overall FIP Index has been proposed. This index is the result of a linear combination of the three parameters of significance from the point of view of the project objectives; the benefit ratio (beneficiaries/cost), extent of improved management of natural capital (as measured on a 0-10 scale), and measure of social well-being (as measured on a 0-10 scale).

133. Such an approach is directly inspired from Bolivia's experience in designing and monitoring indicators that measure social well-being from various perspectives—both monetary and non-monetary. This approach demonstrates how different activities can be compared to each other and ensure that priority will be given to the most cost-efficient contribution to the project objectives.

134. *Other benefits:* While component 2 of the FDSC Project will create direct and tangible economic benefits, most of the proposed investments are expected to generate indirect, intangible benefits. Promoting the sustainable use and management of natural resources and community empowerment will create benefits related to food security, livelihoods, and quality of life improvements for Indigenous Peoples and traditionally forest-dependent communities that are difficult to measure either because the data do not readily exist or because most of the benefits will not be turned into cash revenues. Intangible and indirect benefits may also include an

²⁵ The anticipated incremental livelihood benefits have been considered under two scenarios: an assumed income increase of 3 percent and an increase of 5 percent. On both scenario, conservative assumptions have been used, such as the absence of secondary effect, even though field observations conclude that most of the incremental economic benefits are used locally, creating indirect benefits for a larger community.

increase in biodiversity conservation, strengthened community self-governance, and an improved participation in the forest product value chain. Additionally, the economic analysis assumed the environmental and livelihood situation in the project areas is likely to deteriorate without project support under the current condition, as the communities lack the capacity to engage in most of the current forest programs and may be at risk due to the accelerated rate of biodiversity depletion in the biome. Therefore, environmental and social intangible benefits are expected from the securing of the current rights and allowing the communities to preserve their livelihood and their cultural.

135. *Project's development impact:* this limited economic analysis, in addition to the other project benefits of secondary economic impacts, strengthened community self-governance, promotion of IP culture and user rights, and reduction in deforestation, forest degradation, and soil erosion, demonstrates the project positive impact on development. Additionally, given the prevalence and depth of poverty in these project areas, those benefits can have a large positive transformation in the lives of the poorest population groups.

136. *Public financing* is justified for this project as it aims to improve environment, land and forest management, living conditions and reduce greenhouse gas emissions from land use change and deforestation. In addition, the project will help the IPLC communities clarify the land use rights and will improve land governance. These results are mainly global public goods with substantial benefits accruing to the local communities.

137. *The World Bank's value added for the Project* stems from the Bank's constant support to indigenous communities in their development choices since the disclosure of the "Strategic Framework for the Preparation of a Pygmy Development Program". In addition, as a key player in REDD+ through the FIP and FCPF, the Bank is in a favorable position to convene key stakeholders (governments, communities and other development partners) and facilitate constructive engagement on critical issues on land use planning, land tenure and recognition of IPLC rights on land governance.

B. Technical

138. The project is deemed technically sound because it draws on lessons learned from previous and ongoing successful operations and analytical work both in DRC and worldwide, as well as on the traditional knowledge of the IPLC that have actively taken part in the project design process. It also relies on a community-driven approach (CDD) that has been proven worldwide to (a) make strong economic sense, even in a volatile and evolving environmental context, for livelihood adaptation and diversification and (b) be able to promote synergies among ethno-development, forest and land use management, and adaptation through no-regrets interventions that always fare better in improving the livelihoods of socioeconomically disadvantaged groups and increasing their social resilience. The project combines multiple factors that are considered critical for making CDD approaches successful: (a) community proposals will be screened for their economic, environmental, and social feasibility as well as on the basis of assessments of local vulnerabilities and adaptive capacity; (b) culturally adequate technical assistance will be provided to design, develop, and implement community initiatives; and (c) the decentralized aspect of the project will strengthen indigenous and local organizations. In addition, to the extent possible, the project will rely on local structures both to build capacity

and to provide the most efficient and culturally appropriate activities. The project is based on a strong sense of ownership and social accountability among the grant beneficiaries and key stakeholders convened in the NSC, and thus contributes toward increasing their representation in relevant decision-making arenas.

C. Financial Management

139. In accordance with the Financial Management Manual issued in November 2005 as revised in March 2010, the financial management arrangements of the National Executing Agency (NEA) of the Forest Dependent Communities Support Project (CARITAS Congo asbl) has been assessed to determine whether it is acceptable to the Bank with consideration for the country's post conflict situation. To this end, CARITAS must meet the following requirements: (i) assuring correctly and completely the recording of all transactions related to the project; (ii) facilitating the preparation of regular, timely, and reliable financial statements; (iii) safeguarding the project's assets; and (iv) facilitating the implementation of external auditing diligences as required by the Bank. The arrangement also aims to facilitate the disbursements of the project's resources and to ensure their effective use while, to the extent possible, using the country's own financial management systems. The overall FM risk is considered Substantial. The proposed financial management arrangements including the mitigation measures for this project are considered adequate to meet the Bank's minimum fiduciary requirements under OP/BP10.00.

140. The assessment revealed some strengths and weaknesses. The following major strengths were identified: (i) the existence of a manual of procedures with adequate internal control measures related to transactions preparation and approval and appropriate segregation of duties, (ii) the existence of accounting software namely TOM2PRO which is functioning well with a fiduciary staff trained in its use (iii) the existence of experienced and qualified financial management staff composed of an experienced and qualified financial management chief (*Chef Cellule Finances*) supported by (a) an financial assistant, (b) four senior accountants, (c) twelve dedicated project accountants, (d) five accountants dedicated to operational accounts management, and (e) two cashiers; (iv) the existence of accounting arrangements, policies and procedures; and (v) the existence of an internal audit unit. Furthermore, CARITAS is familiar with donors' financial management requirements and is currently managing a Global Fund financed operation. The major weakness identified is related to the internal audit unit whose capacity needs to be reinforced and whose work-program has to include systematically the project's fund.

141. Going forward, the following actions will need to be implemented (i) prepare an annex to CARITAS's current manual of procedures to describe the new project specificities and strengthen the anti-corruption aspects; (ii) customize CARITAS's accounting software to account for the specificities of the new project to generate project financial reports; (iii) develop a strong capacity building for CARITAS's Internal Audit Unit (iv) extend the work-program of CARITAS's Internal Audit Unit to the new project activities; and (v) recruit an independent external auditor in compliance with acceptable Terms of Reference; (vi) roll out a training plan which will include, inter-alia, training on Bank disbursement procedures, and training on Bank financial reporting arrangements.

142. In addition to the main actions described above, the project will recruit, as needed, one experienced and qualified accountant at each involved province level to ensure the project financial management at the provincial level.

143. Based on this overall residual FM risk, the project will be supervised at least twice a year to ensure that project FM arrangements still operate well and funds are used for the intended purposes and in an efficient way. In addition, the project accounts will be audited annually and reports submitted to the Bank not later than six months after the end of each fiscal year. Furthermore, Bank's supervision will devote specific attention to the financial management arrangements in place to support the project's activities implementation.

144. FM arrangements are included under annex 3.

D. Procurement

145. The following is a brief summary of procurement arrangements with details provided in annex 3.

146. CARITAS, recruited through an open process, will be responsible for procuring goods, works, and services as well as for selecting consultants in accordance with the Bank's procurement policies. CARITAS will also be responsible for contract management in accordance with Bank policies and guidelines. In accordance with the requirements of OP/BP 11.00, a procurement assessment of the CARITAS's capacity to implement procurement actions has been carried out in November 2015.

147. Procurement for the proposed project will be carried out in accordance with the Bank's 'Guidelines: Procurement under IBRD Loans and IDA Credits' dated January 2011 (updated in July 2014); 'Guidelines: Selection and Employment of Consultants by World Bank Borrowers' dated January 2011 (updated in July 2014); "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 and revised in January 2011; and the provisions stipulated in the Legal Agreement.

148. Given: (i) the country context and associated risk; and (ii) the fact that the procurement activities will be carried out in the field by procurement teams who do not have the required qualification and experience but will benefit from assistance and support from the procurement unit based in Kinshasa the procurement risk is rated Substantial.

E. Social (including Safeguards)

149. **Social Benefits: Poverty, Equity, Gender.** The socioeconomic impacts of the proposed project are expected to be largely beneficial, both in immediately enhancing sources of livelihoods for the IPs and securing land as a means of production, housing, and social cohesion for the current and future generations. Funding livelihood-sustaining community projects for the IPs will provide income-generating opportunities in the short term. In the long term, the implementation of the planned activities will contribute to the improvement of food security, strengthening of social organization and networks, and promotion of social cohesion and will support the aspirations of the IPs. Supporting local land governance could also have a real

transformational impact as it would help the IPLC move away from discrimination to having better control over their own choices for development.

150. The project will benefit all groups within the community by responding to their local livelihood needs. A sample of expected social and poverty outcomes of the proposed project will include but not be limited to the following: (a) income-generating opportunities; (b) enhanced agriculture production, (c) less discrimination and conflict; and (d) social cohesion. The project's bottom-up approach will ensure that the micro-projects are initiated by the IPLC for their own collective benefit and that they are culturally appropriate. More details on the social and cultural aspects are provided in annex 10.

151. Special attention will be given to women, both in their capacity as micro-projects beneficiaries and to ensure their representation in the various governance processes that will be designed and set up by the project. Annex 12 presents in more detail the recommendations that will be transposed in the PIM to ensure attention to gender issues.

152. **Consultations.** The proposed project was prepared as a joint partnership with key stakeholders, that is, the GTT which gathered the head of the main networks promoting the IPLC. A week-long consultation process was organized in each of the 16 territories to choose the 16 representatives, their alternates, and a monitoring committee in charge of disseminating the results after each NSC meeting and that can remove the delegates if they are not performing according to expectations. In addition, a consultation workshop was organized in Kinshasa on October 9, 2014, and two Steering Committees were organized during project preparation: one in Kisangani (from October 30 to November 4, 2014 with both the delegates and their alternates) and the next one was planned in March 2015 using a decentralized session (that is, all the NSC members meet in their respective provinces on similar dates and decide on the same agenda—the members in Kinshasa receive the minutes of each meeting and do the integration).

153. These activities were carried out according to free, prior and informed consultations leading to broad community support. The consultations involved the broad participation of men and women. The main features of the proposed project design—the appropriateness of the proposed approach, the eligible activities and proponent organizations, the size of community grants, the composition of the NSC, the criteria for the selection of the NEA, and the arrangements for social control—were debated and approved by self-appointed representatives of the IPLC.

154. Due to the community-based approach, the project is not expected to have adverse effects on beneficiary communities. OP 4.10 on Indigenous Peoples was triggered for this operation. Because the IPs will be the overwhelming majority of direct project beneficiaries and because project preparation has been carried out in a broadly participatory manner, including an intensive process of consultation with them, no separate Indigenous Peoples Policy Framework or Indigenous Peoples Plan is required. Social Assessments have been prepared for each of the four zones in the project area (Bandundu, Province Orientale, Kasai Occidental, Kasai Oriental); the safeguard documents include recommendations for the micro-projects based on consultations. To ensure that the activities are culturally appropriate or mitigate any potential negative social impact, the project includes activities related to the valorization of the IPLC culture in Components 1 and 2, as recommended by the World Bank Strategy for IPs engagement.

155. OP 4.12 on Involuntary Resettlement is triggered to manage potential adverse impacts that may result from land acquisition induced by the restrictions of access and also because the project will create community-managed protected areas for the benefit of the IPLC. To avoid any impact that will not be compatible with a Category B (partial assessment) rating, the selection of the areas that will be turned into community-managed protected areas will make sure that the area does not (a) cover part of a national park or any other kind of registered land or (b) interfere with officially registered private property. Also, criteria used to select the eligible activities (micro-projects and community-managed forests) will ensure that no physical relocation takes place. The Process Framework prepared for the FIP has been adjusted for the FDCS and added in the PIM.

156. The PIM will clearly indicate the criteria and procedures to (a) ensure that financed community initiatives are proposed by genuine grassroots/representative organizations of the IPLC and that these organizations have received free, prior, informed, and broad support from the proponent communities and (b) identify cases in which voluntary donations of land or usage rights for parcels of land are necessary for a community initiative and ensure that these donations are fully voluntary and that adequate and culturally appropriate mechanisms are in place to compensate affected parties in cases of loss of access or usage rights. Any commercial development of natural resources and/or cultural knowledge will be undertaken in accordance with the principles of OP 4.10.

157. The two social safeguards policies triggered under this project are OP/BP 4.12 - Involuntary Resettlement and OP/BP 4.10 - Indigenous Peoples.

F. Environment (including Safeguards)

158. From the environmental and social aspects, the FDCS Project is Category B (partial assessment). No significant negative environmental and social impacts are expected. While Components 1 and 3 will mostly finance capacity building, Component 2 (micro-projects) will have a direct impact on the ground—it will apply a community-driven approach and for that reason neither the precise locations nor the potential impacts were known at the time of the preparation. The environmental and social impacts of the activities supported through Component 2 will be limited, reversible, and small-scale. The project will promote sound natural resources and sustainable management in the 16 targeted territories.

159. A Programmatic Environmental and Social Management Framework (P-ESMF) has been prepared at the global level for the DGM as a whole and has been shared and reviewed by the IPLC leaders during the first NSC session (October 31 to November 3, 2014). In addition, an ESMF has been established and disclosed for the FIP-funded project for similar investments—covering the whole country. The project will refer to those documents and adapt them to the project. The revised ESMF will contain a chapter on forest and natural habitats as these policies are triggered but will not require specific documents to prepare.

160. The PIM will also include a negative list of activities that cannot be financed (red list) as well as examples of activities allowed (non-exhaustive green list). The procedure to create Protected Areas under Community Management will include the approval of a Forest Management Plan.

161. Most of the areas where the investment may take place are remote locations, with critical ecosystems that may additionally play a sacred/cultural role for the LCs and IPs, especially the areas for which the project proposes to secure IPLC rights.

162. Therefore, the environmental safeguards policies triggered under this project are OP 4.01 - Environmental Assessment, OP 4.36 - Forests, OP 4.04 - Natural Habitats, and OP 4.11 - Physical Cultural Resources.

163. **Consultation.** The preparation of the safeguards instruments was subject to a large consultation process, including national consultation (October 9, 2014 and at the first NSC meeting), and the participants expressed their overall support for the project and did not mention significant issues.

164. **Environmental monitoring.** The NEA, in coordination with the NSC, will be responsible for the implementation of the safeguards instruments, including the assurance that all subprojects are in compliance with the ESMF provisions. The NEA will also work closely with the FIP Coordination Unit (managing DRC Improved Forested Landscape Management Project [P128887] and AfDB projects) to benefit from the compliance monitoring process proposed under the mentioned projects. The NEA and the REPALF will facilitate the FIP Coordination Unit reporting each year by providing all relevant information related to the project implementation areas and the satisfaction and observations of the LCs.

165. The abovementioned safeguards instruments, acceptable to the Bank, have been disclosed in DRC through the website of the NEA and the Bank's public information facility, the InfoShop on December 17, 2015.

G. World Bank Grievance Redress

166. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit www.worldbank.org/grs. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org.

Annex 1: Results Framework and Monitoring

Democratic Republic of Congo: Forest Dependent Communities Support Project (P149049)

Results Framework

Project Development Objectives

PDO Statement

The project objective is to strengthen the capacity of targeted Indigenous Peoples and Local Communities (IPLC) in selected territories and at the national level to participate in REDD+ oriented land and forest management activities.

These results are at | Project Level

Project Development Objective Indicators

Indicator Name	Baseline	Cumulative Target Values				
		YR1	YR2	YR3	YR4	End Target
IPLC satisfaction rate regarding IPLC representativeness in the discussions on land and forest management held by the CN-REDD and CONAREF (Percentage)	0	50	50	60	60	70
Share of territories with a score of three or more on IPLC representation in land and forest management discussions at the local level (Percentage)	0	0	0	30	60	70
DGM stakeholders with increased role in REDD+ processes at the local and national levels (Percentage)	0	0	10	30	50	50
Aggregated score on community-based land and forest governance in four pilot sites (Number)	0	0	0	30	40	60
Targeted beneficiaries satisfied with project interventions (Percentage)	0	60	60	60	60	62
Direct project beneficiaries (Number) - (Core)	0	500	3,000	9,000	15,000	20,000
Female beneficiaries (Percentage - Subtype: Supplemental) - (Core)	0	20	20	25	25	30

Indicator Name	Baseline	Cumulative Target Values				
		YR1	YR2	YR3	YR4	End Target
IPLC representative organizations provided with capacity-building support aiming (directly or indirectly) at increasing their participation in land use management (Number)	0	0	5	10	30	50
People in forest and adjacent community with monetary/nonmonetary benefit from forest (Number) - (Core)	0	0	1,000	5,000	10,000	15,000
People in forest and adjacent community with benefits from forest -Female (Number - Subtype: Breakdown) - (Core)	0	0	20	30	30	30
People in forest and adjacent community with benefits from forest - Ethnic minority/indigenous (Number - Subtype: Breakdown) - (Core)	0	0	75	75	75	75
DGM stakeholders that perceive the DGM governance and processes as transparent and inclusive (Percentage)	0	50	50	60	60	80
Grievances registered related to delivery of project benefits addressed (Percentage) - (Core)	0	70	70	75	80	85.00
Grievances related to delivery of project benefits that are addressed (Number - Subtype: Supplemental) - (Core)	0	85	85	85	85	85.00
Subprojects that have been successfully completed and have achieved their objectives (consistent with the FIP objectives) (Percentage)	0	0	20	40	60	75.00

Indicator Description

Project Development Objective Indicators				
Indicator Name	Description (indicator definition)	Frequency	Data Source/Methodology	Responsibility for Data Collection
IPLC satisfaction rate regarding IPLC representativeness in the discussions on land and forest management held by the CN-REDD and CONAREF (Percentage)	This indicator indirectly leads to the creation of a process that ensures that the national representatives of the IPLC who are invited to the CN-REDD events and CONRAF discussions have been directly or indirectly endorsed by local organizations from the targeted territories. The DGM stakeholders are a group of 120 IPLC leaders defined at the beginning of the project. They gather the IPLC representatives at the Steering Committee (24), their alternates (16), the members of the Local Monitoring Committee established in each territory (about 50), and 30 recognized leaders from various national organizations.	Annually	Annual report from the REPALEF Methodology: DGM stakeholders' consultation completed at the time of the Steering Committee evaluating their satisfaction about the legitimacy of the IPLC representatives that have participated in the CN-REDD events and land tenure consultations held by the CONAREF	REPALEF (contracted by the NEA for the FGRM)
Share of territories with a score of three or more on IPLC representation in land and forest management discussions at the local level (Percentage)	This will be measured through a scorecard ranging from zero to five, established in each territory and reporting whether there is a specific IPLC representation (existence of the representative: 1 point); whether the representative is legitimate and recognized by the communities (designation [and replacement] through a participatory process: 3 points); and whether it is consulted for land use management (participation in the operational discussions regarding land use (CARG, governor, and administrator: 1 point). Forest and land management discussions at the local level are the CARG meetings and the events organized by the focal points from the CN-REDD and any other consultation from the administration (governorate) held during the period on the territory.	Annually	Annual report from the REPALEF Methodology: DGM stakeholders' consultation completed at the time of the Steering Committee evaluating IPLC satisfaction over their representativeness in the local discussions on land use change	REPALEF (contracted by the NEA for the FGRM)

DGM stakeholders with increased role in REDD+ processes at the local and national levels (Percentage)	DGM indicator	Midterm review and project closing	Third-party evaluation report	Independent evaluator
Aggregate score on community-based land and forest governance in four pilot sites (Number)	<p>This composite indicator is based on a scoring established for each of the four pilot sites to assess how advanced the official process has been. The scoring guidelines are listed:</p> <ul style="list-style-type: none"> • The official process has been clearly stated (2 points). • FPIC process with the community is completed (5 points). • The precise area has been delimited (1 point) through a participatory mapping exercise (plus 1 point). • Governorate and the local administration support the operation (2 points). • The governance arrangements are established with the communities (3 points)—with a possibility to change the leaders on a regular basis (plus 1 point) and a fair representation of women (plus 3 points). • The relevant studies have been completed (2 points) and the results have been approved with the communities (2 points). • Official documents have been drafted (3 points). 	Annually	NEA project and activity reports	NEA
Targeted beneficiaries satisfied with project interventions (Percentage)	This indicator will provide the satisfaction percentage obtained through two monitoring reports. This is a post review of the micro-projects to assess community satisfaction after at least six months.	Midterm review and project closing	<p>REPALEF reports</p> <p>Methodology: Surveys of the communities that implemented the micro-projects</p>	REPALEF (contracted by the NEA for the FGRM)
Direct project beneficiaries (Number) - (Core)	Direct beneficiaries are people or groups who directly derive benefits from an intervention (that is, children who benefit from an immunization program; families that have a new piped water connection). Please note that this indicator	Annually	NEA project and activity reports	NEA

	requires supplemental information. The supplemental value is the percentage of female beneficiaries. Based on the assessment and definition of direct project beneficiaries, the percentage of female direct project beneficiaries is obtained.			
Female beneficiaries (Percentage - Subtype: Supplemental) - (Core)	Based on the assessment and definition of direct project beneficiaries, the percentage of female beneficiaries needs to be provided.	No description provided.	No description provided.	No description provided.

Intermediate Results Indicators

Indicator Name	Description (indicator definition etc.)	Frequency	Data Source / Methodology	Responsibility for Data Collection
IPLC representative organizations provided with capacity-building support aimed (directly or indirectly) at increasing their participation in land use management	Number of organizations benefiting from the capacity-building activities/training	Annually	NEA project and activity reports	NEA
People in forest and adjacent community with monetary/nonmonetary benefits from forest	This indicator measures the extent to which local people have seen improved livelihood as a result of the intervention. This may cover both monetary income and nonmonetary benefits like improved and easier access to fuelwood as well as cultural and spiritual services. The baseline value is expected to be zero.	At the end of project	REPALEF reports	REPALEF (contracted by the NEA for the FGRM)
People in forest and adjacent community with benefits from forest - Female	No description provided	No description provided	No description provided	No description provided
People in forest and adjacent community with benefits from forest - Ethnic minority/indigenous	No description provided	No description provided	No description provided	No description provided
DGM stakeholders that perceive the DGM governance	See definition of the DGM stakeholders above.	Annually	REPALEF activity report	REPALEF (in charge of FGRM)

and processes as transparent and inclusive			Methodology: DGM stakeholders' consultation realized at the time of the Steering Committee	
Grievances registered related to delivery of project benefits addressed (Percentage)	This indicator measures the transparency and accountability mechanisms established by the project so that the target beneficiaries have trust in the process, are willing to participate, and feel that their grievances are attended to promptly. It is understood that local sensitivities and tensions will not allow grievance or redress mechanisms to be established in all projects.	Annually	REPALEF activity report	REPALEF (contracted by the NEA for the FGRM)
Grievances related to delivery of project benefits that are addressed (Number)	No description provided	No description provided	No description provided	No description provided
Subprojects that have been successfully completed and have achieved their objectives (consistent with FIP objectives)	DGM indicator	Annually	Activity reports - micro-project completion note	NEA

Annex 2: Detailed Project Description

1. The proposed project is part of a global program, the DGM for the IPLC. The DGM was created and developed as a special window under the FIP. The project aims to strengthen the role of IPLC in other REDD+ programs at local, national, and global levels by supporting:

(a) The capacity building of IPLC organizations to help them better voice their interests (both locally and nationally) in decision-making processes related to climate change and to benefit from the FIP and other REDD+ programs.

(b) The implementation of on-the-ground, ‘no-regrets’ community-based natural resources management activities of the IPLC’s choice that will promote economic activities, livelihood diversification, and sustainable forest/land use management systems. Those activities will contribute to reducing the IPLC’s vulnerability to the pressures imposed on their forest landscapes in the short term and promoting adaptive coping strategies in the medium and long term.

2. The project will have three components:

(a) Component 1 - Reinforce the participation of IPLC in forest and land management processes related to REDD+.

(b) Component 2 - Support community-based sustainable forest and land management

(c) Component 3 - Increase the capacity to implement development activities for IPLC and consolidate feedback.

3. **Component 1: Reinforce the participation of IPLC in forest and land management processes related to REDD+ (US\$1.5 million).** This component will provide tailored support, including on administrative and FM issues and improve dissemination of information about REDD+ and its impact on the IPs and LCs. There are two subcomponents; one for the national activities (1a) and the other one dedicated to local support (1b).

4. It will be important for the IPLC or their representing structures to have direct interaction with provincial and national-level liaison people. The NSC will make sure that this multilevel connection is well established to maximize synergies between Subcomponents 1a and 1b. The REPALF local focal points will be key to the smooth communication exchanges between these different layers.

5. **Subcomponent 1a: Building capacities at the national level for strengthening IPLC voices on land and forest policies (US\$0.5 million).** Subcomponent 1a is designed to supplement national advocacy and lobbying efforts toward a stronger recognition and promotion of the IPs’ rights. It will support the participation of the IPLC in the current initiatives to improve the legal framework, notably regarding land and forest management (Forest Code, Land Tenure Code, and Agriculture Law), including protected areas (Nature Conservation Law). More generally, it will aim at improving how the IPs and traditional communities are taken into account in the forest sector; support the participation of legitimate IPLC leaders in the land tenure policy reform process; and provide support to foster formal recognition of traditional rights of the IPLC for specific forested areas either by using the existing legal framework (community forestry, community-managed protected areas) or supporting the development in

DRC of innovative initiatives tested in other countries for community-based natural resources management (such as the ICCA).

6. During preparation, it appeared that various options could be explored to secure land rights. The objective of this subcomponent is to provide the communities and the authorities with the details of each option and the rationale for each status. Those options include (a) the community forestry ‘law’ and more precisely the new ‘decree’ related to community forestry; (b) the creation of community-managed protected areas (such as hunting reserves); or (c) the creation of a new set of protected areas like the ICCAs. In addition, the project will support the revision of the forest law application decrees as imprecisions that can lead to issues for the IPLC have been identified during preparation.

7. This component will support the edition and dissemination of guidelines that could serve as the basis for LCs’ subprojects (Subcomponent 2b) to create and promote participatory community protected areas. The project will work with the government and especially the *Institut Congolais pour la Conservation de la Nature* (ICCN, Congo’s Nature Preservation Institute) to design a simplified and illustrated national document in the local language based on the National Participatory Community Conservation Strategy explaining the options for local populations to protect special sites and providing practical guidance.

8. It will also supplement the current lobbying and sensitization efforts carried by the IP representatives especially for the work on the land tenure reform. The project will focus on promoting the IPLC agenda within the CONAREF for the land tenure reform and will both facilitate the inclusion of IPLC leaders and representatives in the working groups and allow IPLC to take the initiative of promoting their ideas through workshops, meetings, and events.

9. All those topics are closely related to the recognition (and the transmission) of IPLC culture, which is deeply linked with specific sites but also to the use of the natural resources. Therefore, the project will explore different options to support initiatives that promote IPLC culture to initiate a change in the public opinion about the IPs following the submission to the Parliament of a national draft law regarding IP rights in July 2014.

10. **Expected deliverables.** This subcomponent will (a) help produce the operational documents to formally set up community-managed areas (in connection with Component 2b) and (b) support IPLC advocacy to influence REDD+ policies (including some FIP activities) and the land tenure reform. This advocacy work may be implemented using (a) large audience trainings, workshops, and seminars for communities, IP networks and public administration representatives; (b) national-level events to sensitize decision makers to better capture the specificities of these traditional populations in the national programs and policies; (c) on-site visits and study tours; (d) operational expenses (paper, phone credit provided by the NEA); and (e) large-scale information sharing through the dissemination of international and national laws. In addition, the subcomponent will have set aside budget for national-level cultural activities to encourage knowledge transfer among the generations and promote the forest dweller culture such as the creation of resource centers.

11. The above activities will be implemented through small contracts with experts or specialized firms based on an annual work plan approved by the NSC. Operational expenses

would be provided by the NEA in kind or as reimbursement of expenditures. Following the orientations of the NSC, the NEA will prepare the description of the activities planned during the upcoming year and submit to the NSC for approval.

12. **Subcomponent 1b: Strengthening the capacity of the IPLCs to participate in forest and land management activities (US\$1 million).** This subcomponent will deploy enabling activities to reinforce IPLC representation at the local level (territory) and increase the capacity of the IPLC organizations, especially their knowledge about forests and land tenure. This subcomponent will also indirectly facilitate the implementation of micro-projects (Component 2) as the training provided will reinforce the capacity of the local IPLC organizations from which the micro-projects will originate.

13. **Expected deliverables.** The subcomponent will essentially support existing or new local initiatives aiming at federating the IPLC concerns regarding forest management and land planning to bundle IPLC interests and therefore increase participation in local land governance. It is expected that, by the end of the project, the IPLC communities would participate (through legitimate and representative networks or independent organizations) in the local forest governance and institutions (for example, the CARG) in most of the 16 territories (see annex 1). In addition, the subcomponent will complement the initiatives (micro-projects and user rights securing) financed by Component 2 by providing tailored trainings and capacity support based on observed needs.

14. This subcomponent may finance activities that will directly support local populations and villages: (a) basic education and literacy courses for communities; (b) on-site visits and field visits to other pilot villages; (c) training modules for newly created NGOs (or other kind of organizations); (d) sensitization meetings and forums with the local administration (synergies could be developed with forest provincial consultation councils),²⁶ and dissemination of the Forest Code and other regulations through culturally adapted means.

15. The NEA will, on priority, contract local NGOs (or members of a national network) to reinforce capacities (book keeping, literacy, and trainings to manage NGOs). While this solution will increase the number of transactions (high number of contracts), it decreases cost and allows better connection with beneficiary needs.

16. **Component 2: Support community-based sustainable forest and land management (US\$2.6 million).** This component will empower IPLCs by (a) supporting the formal recognition of their traditional user rights and (b) financing natural resource management activities that enhance climate change adaptation and the sustainable management of forest landscapes to improve rural livelihoods. The social impact of those investments will be mitigated through a dedicated window financing activities promoting the IPLC culture and attachment to traditional values. Subcomponent 2a will provide micro-grants to diversify socioeconomic activities (and for cultural activities) and Subcomponent 2b will support pilot community-managed forests.

²⁶ Those consultative forums were supported by the PFCN (P100620) in the three provinces of Bandundu, Equateur, and Province Orientale.

17. **Subcomponent 2a: Promoting sustainable forest and land management through alternative livelihood activities and promotion of the IPLC culture (US\$2.1 million).** This subcomponent will provide grants to communities to engage in alternative livelihoods or in making their current livelihood more sustainable. At the project level, the objective is to demonstrate the capacity of the LCs to implement such projects and thus to benefit from the REDD+ and FIP projects. On a longer term, those grants are expected to generate supplementary income and thus improve the livelihoods of communities. It will help promote local economic value chains, around one or several products, which would generate incomes for the IPLC and improve their livelihoods and access to other social services. It could leverage on indigenous innovations.

18. The project may involve the commercial development of natural resources (such as community forests) on lands or territories that Indigenous Peoples traditionally own, or customarily use or occupy. Or, it may involve the commercial development of Indigenous Peoples' cultural resources and knowledge (for example, pharmacological or artistic). To this end, the project will ensure, as part of the free, prior, and informed consultation process the affected communities are informed of (a) their rights to such resources under statutory and customary law; (b) the scope and nature of the proposed commercial development and the parties interested or involved in such development; and (c) the potential effects of such development on the Indigenous Peoples' livelihoods, environments, and use of such resources. The project will include arrangements to enable the Indigenous Peoples to share equitably in the benefits to be derived from such commercial development. For the commercial development of natural resources, at a minimum, the project must ensure that the Indigenous Peoples receive, in a culturally appropriate manner, benefits, compensation, and rights to due process at least equivalent to that to which any landowner with full legal title to the land would be entitled in the case of commercial development on their land. Commercial development of the cultural resources and knowledge of Indigenous Peoples is conditional upon their prior agreement to such development. The project will reflect the nature and content of such agreements and include arrangements to enable them to receive benefits in a culturally appropriate way and share equitably in the benefits to be derived from such commercial development.

19. **Expected deliverables.** This subcomponent is expected to finance at least 40 micro-projects. The associated budget is calculated based on an average cost per project of US\$30,000 and 5 projects per territory. The procedure to identify and select the micro-project is presented in annex 3 and will be detailed in the Implementation Manual. While it is important that the most active communities may receive additional money as an incentive, some communities have much lower capacities and the project should secure resources for those most challenging territories. Therefore, a hybrid solution is expected with a pre-affected envelop per territory and a pool of money that will be accessed on a first come, first served approach.

20. It will finance activities such as (a) community-led sustainable management, natural regeneration, and restoration of forest landscapes; (b) traditional farming and cultivation practices that enhance local agro-biodiversity, including medicinal and aromatic; (c) agro-forestry production systems, agro-ecology tillage practices, reforestation, and plantations; (d) collection and processing of non-timber products (medicinal plants and essential oils); (e) indigenous/traditional landscape management practices including water and soil conservation; (f) energy-saving practices including wood energy plantations, sustainable charcoal/briquette

production, biogas/other renewable energy supply projects—in every case in a locally adapted form operating at community and family levels; (g) women’s economic empowerment activities; and (h) health and education activities related to natural resource management.

21. In addition, following the same procedure for approval, micro-projects aimed at improving the knowledge and the sharing of the IPLC culture would be implemented. Such micro-projects coming from the IPLC could aim, for example, at arranging ritual sites, gathering and promoting existing scattered documentation on IPLC culture and livelihood, creating additional knowledge on the IPs, or valuating the cultural heritage. Those activities are expected to mitigate any potential negative social impact related to sedentarization and acculturation.

22. This will be implemented through contracts using a reinforced network of local development organizations representing the targeted LCs’ interests. Those projects will be proposed by the communities to the NSC that will assess them (with the support of the NEA) and decide on the financing (see the details in annex 3). The NEA may also provide technical support to selected IPLC for preparing the projects. Local NGOs will implement in close coordination with the communities. The REPALEF, which is in charge of the feedback, will ensure that the investments are implemented in line with the expectations of the communities and that they are fully satisfied (or will present a complaint report to the NSC).

23. In some territories (all the ones in Bandundu), former projects (such as the PFCN) have created Investment Plans for the development of the IP communities. Whenever such plans already exist, those ideas will be given priority after confirmation from the community representatives that they endorse the existing plan. Otherwise, the PIM will propose a non-comprehensive list of activities focusing on directly or indirectly reducing the deforestation (including cultural activities aimed at increasing the recognition and transmission of the IP culture) or strengthening the communities to support IPLC participation in the local governance (including civil status or the delimitation/recognition of administrative clusters [*groupements*]). The PIM will also include a list of criteria that would prevent the micro-project to be financed (red list).

24. **Subcomponent 2b: Empowering IPLC for the formal recognition of their user rights (US\$0.5 million).** The objective is to explore and test innovative ways to secure IPLC forest management activities and/or formally recognize their traditional governance systems. Beyond this project, the final objective is to secure the users’ rights on some portions of through the recognition of an official status which will give forest-dwelling communities an opportunity to fully benefit from their local resources.

25. Once the areas have been agreed, the project will both work on the legal status of the land (protected areas and community forest concession) and on the governance system that will be established for managing the users’ rights (ICCA or similar). While those two process are distinct, they are reinforcing each other and both are needed to set up community-managed areas that are legally binding and enforceable to third parties.

26. Three different options to secure lands have been identified during preparation: (a) to use the newly approved ‘decree’ on community forestry; (b) to create a protected area, such as a hunting domain or natural monument, under community management and participative

governance (in accordance with the Nature Conservation Law 14/003 of February 11, 2014; or (c) to create a new kind of community-managed areas by using and adapting the concept of the ICCA developed by the ICCA Consortium (see annex 9). Discussions are ongoing with the national institution in charge of protected areas (the ICCN) to assess the feasibility and applicability of those approaches in conformity with the existing law.

27. The sites will be selected by the community representative. A long list was elaborated during project preparation. From that long list, it is expected that a short list of 10 sites will be identified by project effectiveness based on criteria such as the absence of potential conflict, the local support, the community capacity and support, and similar concerns defined by the NSC.

28. Local populations will first need to delimit and justify the identified sites. Then they will ask the ICCN to validate and register the site with a protected status and a dedicated management committee.

29. Through one of those options it is envisaged to launch the creation of four such community protected areas, the locations of which will be approved by the NSC based on the potential of the area, the absence of existing (or upcoming) conflicts, and the willingness of the population around. The identification of precise sites has started during project preparation. However, a short list should still be defined with the support of the communities.

30. This activity will draw on the expertise from legal specialists and build a network of pioneer initiatives to come up with the most pragmatic solutions. Major IP national organizations are already familiar with the ICCA as a result of a GEF project and a GIZ project and will be able to supervise communities to that regard.

31. **Expected deliverables.** The project is expected to reach significant milestones toward the official recognition of rights in at least four areas.

32. This subcomponent will be implemented through the use of the step-by-step methodology defined in Component 1a. It will include an initial information campaign, the support of the communities to register and secure the identified area, and the establishment of a management committee for each site. The project may hire experts in community conservation to accompany the IPLC and the ICCN to test this approach in some pilot sites. The project will therefore finance, among others, (a) multiple meetings with the communities to help them express and define their vision, set up the governance framework, and validate the management plans; (b) participatory mapping aimed at defining precisely the limits; and (c) feasibility studies necessary to design the management plans.

33. **Component 3: Increase the capacity to implement development activities for IPLC and consolidate feedback. (US\$1.9 million).** This component aims at ensuring the smooth implementation of the project in compliance with Bank procedures but with enough flexibility to match the capacity of the communities. It includes the project's effective governance and efficient management, dissemination, and M&E.

34. **Subcomponent 3a: Project coordination (US\$1.08 million).** This subcomponent will finance the incremental operational costs of the NEA²⁷ which will implement the project.

35. The NEA will be in charge of the project's execution and fiduciary management, with a special focus on procurement (selection, contracting, and contract management) and FM (disbursing for the micro-projects, cash management, accounting, and documentation). It will develop review and risk assessment criteria, ensure the appropriate use of FDCS funds, maintain project and micro-projects' documentation, and report to the Bank on the use of FDCS funds. Also, it will be responsible for the respect of the safeguard. Its role is presented in the Implementation Agency Assessment section and the specific ToR are in annex 8.

36. **Expected deliverables.** The project is executed in compliance with Bank procedures—FM, procurement, and safeguards.

37. The NEA has been selected through a competitive process in compliance with the FIP and DGM guidelines. The NEA will sign the grant agreement on behalf of the communities. The estimated budget is US\$1,000,000, with fixed fees of US\$500,000 for the fiduciary agency and US\$400,000 for the technical experts (micro-project management), the safeguard experts, and the variable costs totaling US\$900,000. Contingencies are estimated at US\$50,000 and auditing costs at US\$50,000.

38. **Subcomponent 3b: Strengthening feedback channels at the local and national levels (US\$0.82 million).** This subcomponent aims at fostering the creation of an inclusive national network of IPLC representatives that maintain direct connections with leaders and organizations on the field. For the rest of the project, a 'learning-by-doing' approach has been chosen. The capacity as well as the recognition of the network impact will be developed through the monitoring of micro-project implementation in the field, the measure of community satisfaction, and reporting to the NSC. This control and satisfaction measurement by the IPLC representatives' network is meant to ensure that communities are actually benefiting from the project and that possible complaints are adequately addressed by the IPLC. This will be managed by the establishment and support of the NSC and by hiring the national network REPALEF and its Provincial Focal Points (or other local focal point) to maintain close contact with the communities and monitor micro-project progress on the ground by paying regular visits to the selected sites.

39. **The FGRM and complaints procedures.** A GRM will be established and further detailed in the PIM. These mechanisms and procedures will ensure that all complaints received from the IPLC and other interested stakeholders related to a grant award decision, representation in the NSC or GSC, or the governance of the program will (a) have a properly written record; (b) receive timely resolution of issues; and (c) be publicly reported. Regardless of the nature of the grievance, the DGM will ensure that a transparent, timely, and fair process is adopted to address each complaint.

40. Three channels will be used for feedback: (a) a website will offer the possibility to leave comments (informal) as well as formal emails that will be recorded; (b) letters will be accepted at

²⁷ The NEA's mandate is further described in paragraph 5 of annex 3.

a special post office box dedicated to receiving grievances; and (c) regular and direct discussions with the various actors of the project chain of feedback will lead to documented reports. The first two channels will be maintained by the REPALF at the national level. The former channel will be built on various layers—traditional leaders will be informed of their role to report any complaint they hear and elected key stakeholders from the Local Monitoring Committee will also be well-identified entry points as they are the local contact for the project and have been chosen by the communities themselves as their trusted representatives. The delegate to the NSC may also be the initial point of contact for all grievances from his particular ‘territory’.

41. Provincial agents chosen by REPALF will visit large portions of each territory every three months with a predictable and public schedule and will ensure that the project is well implemented. They will collect feedback on the micro-projects (if any) up to nine months after the completion of the micro-project. Based on the complaints received by the various local players (traditional chiefs, Local Monitoring Committee members, or NSC delegate), they will record the grievances with their camera and give a receipt to the complainants with the date on it. The REPALF Provincial Focal Point (or other local focal points) will transfer the information to the national level when no local mediation is possible.

42. Once a feedback or grievance is received at the national level (by email, letter, or video), the REPALF will record all complaints received in a publicly accessible online system that will allow each case to be tracked and monitored. Complaints will be translated and published on the website within two months after collection with a response to the complainant, detailing the next steps to be taken, including transfer to a higher authority when appropriate.²⁸ The responses will be provided through a short video-recorded speech in the same language and in writing in French and both will be provided through the same channel within two additional months. The complainant will acknowledge receipt of the response.

43. Offering various channels for feedback provision (NSC delegates and REPALF Provincial Focal Point in addition to emails) will make sure that the complainant will have multiple alternatives if the complaint targets one of those actors.

44. The abovementioned FGRM is without prejudice to any additional mechanism established by the Bank²⁹ to address related issues of damages and/or jurisdiction of any other national authorities as the case may be. More details will be provided in the PIM.

45. **Expected deliverables.** The FGRM will be established and maintained by the REPALF after REPALF is contracted by the NEA. This FGRM could become the reference tool for consulting and getting comments from the IPLC communities on REDD+ in general; thus, it will not be attached to the project but is expected to become a sustainable system on its own.

²⁸ When the NEA cannot resolve the issue, the grievance will be elevated to the REPALF Provincial Focal Point (or other local focal point). It is expected that most of the issues will be resolved within the province. The next level is the national leaders from the REPALF, then the NSC, and ultimately the GSC and the Bank. In each instance, the written response to the complainant will indicate which entity (that is, the REPALF, NSC, or GSC) will handle the complaint.

²⁹ See part VI, section G of this PAD.

46. This component will cover (a) general and operating expenses for the NSC; (b) the recruitment of an independent auditor in charge of evaluating the social aspects of the project every two years; and (c) the recruitment of the REPALÉF to set up and implement the FGRM. In addition, this subcomponent will finance the general communication of the project (using appropriate methods and channels).

Table 1: Indicative budget per component

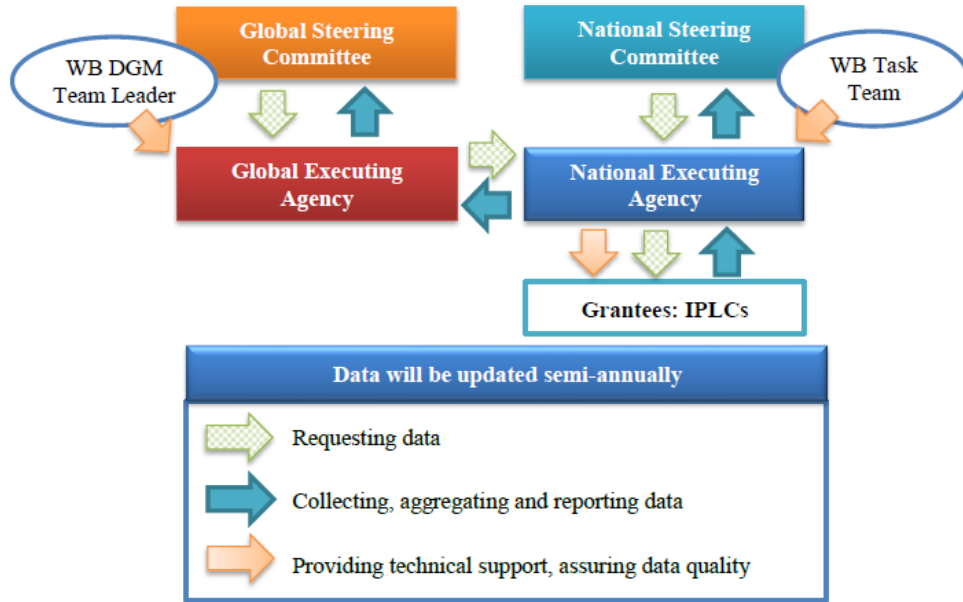
Activity	USD
Component 1 – Reinforce the participation of IPLCs in forest and land management processes related to REDD+	1,500,000
<i>1a - Building capacities at national level for strengthening IPLC voices on land and forest policies</i>	<i>500,000</i>
National workshops and trainings	150,000
Technical work group incremental cost (land tenure, REDD+, APAC)	30,000
Studies, analytical work	120,000
Dissemination, communication, translation, duplication	60,000
Study tours	40,000
Promoting IPLC culture - communication, information, visibility	100,000
<i>1.b - Strengthening the capacities of the local communities to participate in forest and land management activities</i>	<i>1,000,000</i>
Basic education and literacy courses for communities;	240,000
Onsite visits, field visits to other pilot villages	160,000
Training modules for NGOs (or other kinds of organizations)	240,000
Sensitization meetings and forums with local administration	160,000
Dissemination of the Forest Code and other regulations(through culturally-adapted means).	200,000
Component 2 – Support community-based sustainable forest and land management	2,600,000
<i>2a - Promoting sustainable forest and land management through alternative livelihood activities and promotion of the IPLC culture</i>	<i>2,100,000</i>
Micro-projects	1,800,000
Safeguard monitoring (travel and equipment)	196,000
Information on Environmental issues	64,000
Operation costs (transfer of funds)	40,000
<i>2.b – Empowering IPLC for the formal recognition of their user rights</i>	<i>500,000</i>
Participatory mapping	100,000
Local workshop and consultations	150,000
Studies - Management plans	150,000
Validation of Management plans and governance arrangements	50,000
Incremental cost for NEA monitoring and missions	50,000
Component 3 - Increase the capacity to implement development activities for IPLC and consolidate feedback.	1,900,000
<i>3a – Project coordination</i>	<i>1,075,000</i>
NEA operating cost for fiduciary management and project coordination	500,000
Safeguard Specialist	150,000
Operational cost - technical support for micro-projects and safeguard missions	150,000
General supervision by the NEA (missions and control)	200,000
Audit	75,000
<i>3.b – Strengthening feedback channels between the local and national levels</i>	<i>825,000</i>
REPALEF - Feedback and Grievance mechanism	350,000
Equipment (moto and bicycles)	25,000
Steering Committee meetings	375,000
Independent review at Mid-term and project completion	75,000
Total	6,000,000

Annex 3: Project Institutional and Implementation Arrangements

Program Oversight and Leadership

1. In accordance with the Global DGM Guidelines, DRC’s DGM has developed a governance and management arrangement for coordination, partnership, and synergies. An NSC oversees project implementation and an NEA has been selected. The institutional roles and responsibilities of these institutions are described below.

Figure 1: DGM Framework



2. **National Steering Committee.** The NSC will work as a deliberative and social control arena. Its key roles and responsibilities are listed as follows:

- (a) Decide on the annual working plans and the eligibility criteria for funding in accordance with the criteria established by the Global DGM Framework Guidelines for Operations.
- (b) Review and make funding decisions on eligible community proposals to award the subgrants envisaged under Component 2.
- (c) Provide oversight of project implementation and keep the NEA’s operations under review.
- (d) Review the progress of activities with regard to the PDOs against indicators and promote learning from the results among stakeholders.
- (e) Report to the GSC on national activities every semester.
- (f) Review the progress of subprojects as compared with results frameworks and discuss the lessons learned to apply them to the future subproject design and implementation.
- (g) Mediate conflicts related to the DGM funding proposals.

3. The NSC is also expected to (a) participate in meetings of other national REDD+ committees and FIP institutions, thus ensuring that the DGM lessons are transmitted to ongoing national processes; (b) seek feedback from the IPLC on the DGM, identify needs, and collect and send ideas to the GSC to be supported by the Global Component; and (c) raise funds through other programs and mechanisms. In that sense, the NSC is expected to pave the way toward creating an inclusive platform to represent the IPLC with representatives from the local level—other partners are interested in replicating this solution or using the delegates elected as part of the DGM process.

4. **Composition.** The NSC is composed of 25 people. It includes representatives from the 16 territories and 8 leaders coopted by the REPALÉF. The IPLC representatives have been chosen during the consultation process through a self-election process in accordance with procedures determined by them and their decision-making institutions. This preliminary selection was balanced by geographic area, ethnic diversity, and gender and it complied with the criteria set forth by the DGM Framework Operational Guidelines (paragraphs 26 and 27), the FIP Design Document (paragraphs 16.d and 20.b) and its annex III (Guidelines for Consultation). In each of the territories, a Monitoring Committee has been set up to control the work of the delegate and remove them in the case of issues. Another consultation is expected at midterm review to renew or confirm the mandate of the delegates. The eight members coopted by the REPALÉF have been selected to represent other areas of the country and other stakeholder groups. They are designated for one year.

5. In compliance with the DGM Guidelines, during the NSC meetings, government members will be observers to provide inputs on technical soundness, operational feasibility, and alignment of proposals with national policies. Civil society and partner representatives are also invited as observers. Observers will participate in the process merely for strategic NSC decision making but will not take part in the selection of community proposals for funding. Appropriate transparency and accountability principles will be built into the NSC's decision-making processes. Its functions and membership will be further detailed in the PIM.

6. The NSC has internally elected an Executive Office (*Bureau*) that will handle the operational decision and keep a close link with the NEA between the NSC meetings. It is composed of five people: president, vice president, secretary, vice secretary, and communication officer.

7. The NSC meets three times a year: once during a national meeting and twice during decentralized meetings (the delegates will only meet at the province capital and reach Kinshasa by phone).

8. The role of the NSC, the composition, the duration of the mandates, and the consultation process to select the delegates are described in the NSC Internal Rules and Regulation document that has been prepared by the NSC members.

9. **The National Executing Agency.** The NEA will be the primary beneficiary since it will sign the grant agreement with the Bank. It is responsible for implementing the project, reaching the objectives, and complying with Bank requirements and the legal framework, in particular for safeguards.

10. The NEA will technically be the secretariat to the NSC. An NEA representative will support the NSC meetings, prepare the agenda, and organize and finance the meetings.

11. The NEA will facilitate the NSC's work and provide the Bank with operational and financial reports, including progress toward achievement of the PDO. The NEA's principal responsibilities include the following:

(a) Serving as secretariat to the NSC and organizing its meetings.

(b) Ensuring timely implementation of all project activities and monitoring such activities and the project's related indicators (including preparation of the draft proposal for the annual plan of activities, issuance of the annual call for community proposals, signing of the sub-grant agreements with the selected IPTC representative organizations, and disbursement of funds to projects selected by the NSC).

(c) Preparing ToR for specific training and capacity-building activities (under Component 1), supervising procurement, and overseeing contracts to ensure satisfactory implementation.

(d) Ensuring appropriate use of the DGM funds, reporting to the Bank on the allocation and use of funds, and ensuring that procurement is carried out in accordance with Bank rules and procedures, including the preparation of procurement plans when applicable.

(e) Ensuring that each community activity has an appropriate results framework and collecting, updating, aggregating, and evaluating data based on these results frameworks.

(f) Maintaining documentation on the DGM projects and preparing progress, results, and financial reports (and other project-related documents as necessary), as agreed in the grant agreement.

(g) Ensuring that the Bank's Safeguard Policies triggered under the project and related ESMFs are observed and complied with.

(h) Hosting and facilitating the Bank's supervision missions and working with the Bank to optimize the operation's results and impact.

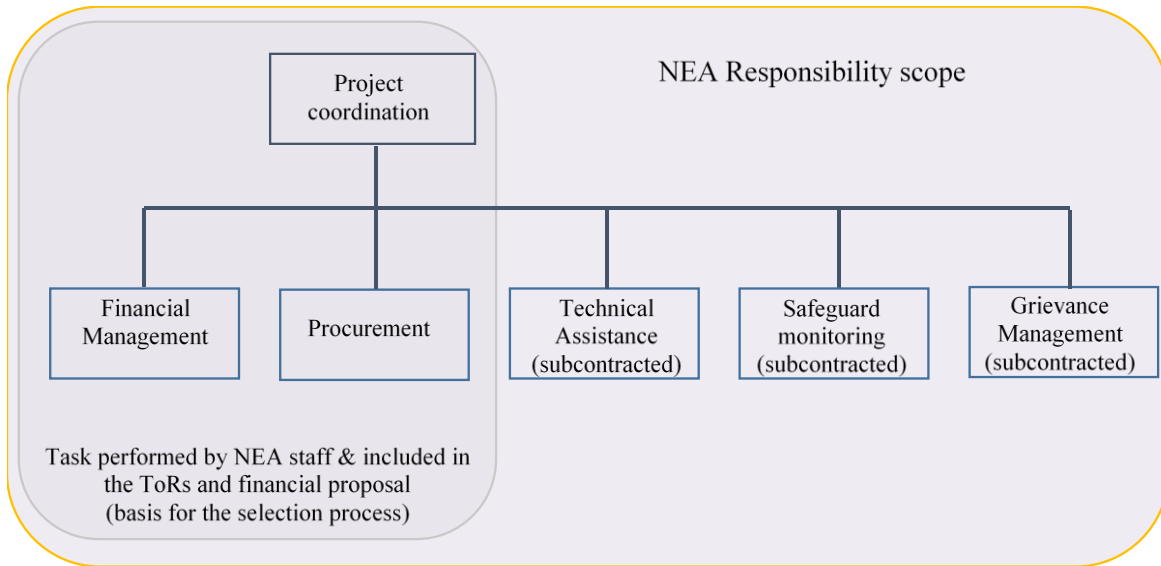
(i) Maintaining communications and technical dialogue with stakeholders and providing information and assistance to grantees.

(j) Managing grievance and complaints redress processes.

(k) Responding to queries and coordinating and providing information for the GEA.

12. **Selection of the NEA.** The NEA has been selected through a competitive process carried out by the NSC with the assistance of the REPALF and the Bank. The NEA is a nonprofit and nongovernmental organization that meets the Bank's program-related fiduciary and safeguard requirements. The NEA will begin operations following the approval of project effectiveness. A grant agreement will be signed by the NEA and the Bank to administer the grant scheme. Subsequent grant agreements will be signed by the NEA and the individual grantees. This operational arrangement is being proposed to reflect the need for a decentralized approach and to ensure that the IPLC will have easy access to the selected NEA during implementation.

Figure 2: NEA Mandate and Subcontracted Tasks



13. It was agreed that the NEA would be uniquely focused on fiduciary aspects and would subcontract the technical issues such as safeguards and management of the micro-projects (though the NEA will keep the responsibility of the overall project). This arrangement intends to (a) ensure that the NEA has high-quality internal control for FM and procurement (which have been identified as two of the main risks) and (b) give more authority to the NSC over the technical decisions (considering the capacity of the NSC at the start of the project, there is a high risk that an NEA that would be too technical would take too much lead in operational decisions). Therefore, while the NEA will have a large mandate, it is expected that a large part of it would be subcontracted and not performed internally by NEA staff.

14. The ToR for the NEA are proposed in annex 8. Though these ToR are part of the role of the Implementing Agency for the project that will be defined in the grant agreement signed with the Bank, the NEA will also in addition agree on the PIM with the NSC. The NSC will clearly establish the relationship between the NSC and the NEA stating that the NEA cannot engage the project financing without the NSC's prior approval.

15. **Feedback and Grievance Redress Mechanism.** In accordance with the DGM Framework Operational Guidelines, an FGRM will be established and further detailed in the PIM. The FGRM will be handled by the REPALEF which has an established network in each of the territories.

16. As a contractor for this service, the REPALEF will ensure the following:

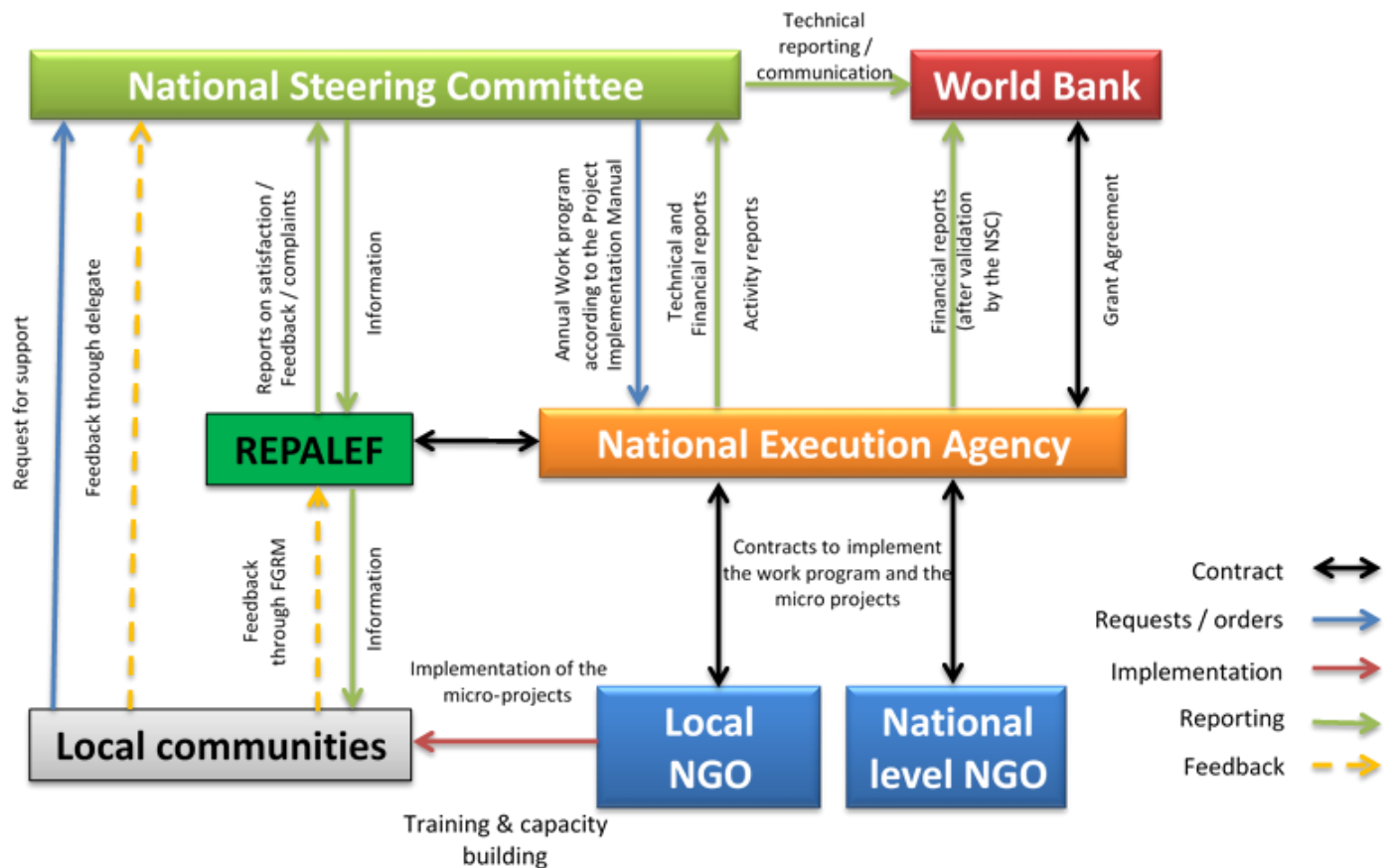
- (a) Each of the communities have a clear understanding of the process.
- (b) The micro-projects submitted to the NSC have been designed after a transparent set of consultations.
- (c) Those projects are representative of the best interest of the communities and in line with the communities' plans for their own development.

- (d) The execution is implemented according to the expectations of the communities.
- (e) The communities are satisfied with the result, including the long-term issues such as maintenance, asset management, and rules of use.
- (f) Any member of the area can fill a complaint and those complaints are addressed quickly by the relevant level of governance—mediation at the local level, local arbitration, transmission to the NSC, or transmission to the Bank. It is expected that the majority of grievances filed can and should be resolved on the spot by the NEA. When the NEA cannot resolve the issue, the grievance will be elevated to the NSC. If the NSC cannot resolve the issue, it will elevate it to the GSC.

17. This FGRM will ensure that all complaints received from the IPLC and other interested stakeholders related to a grant award decision, representation in the NSC or GSC, or the governance of the program will (a) have a properly written record; (b) receive timely resolution for issues; and (c) be publicly reported (with regard to complaints received and actions taken on each complaint). Regardless of the nature of the grievance, the DGM will ensure that a transparent, timely, and fair process is adopted to address each complaint.

18. Figure 3 details the institutional arrangements more clearly.

Figure 3: FDCS Project Institutional Arrangements



19. Table 1 summarizes the respective roles.

Table 1: Summary of Roles

Entity	Role	Precise description
Village	Traditional leaders: information/detection	Traditional leaders would be informed of their role to report any complaint they hear.
Territory	Local Monitoring Committee and delegate to the NSC: information/detection	Local Monitoring Committee and delegate to the NSC are the initial point of contact for all grievances from one particular 'territory'.
Province	REPALEF Provincial Focal Point (or other local focal point): collection, recording, formalization, mediation, and/or transfer	The REPALEF Provincial Focal Points (or other local focal point) will have a regular and scheduled visit in each territory every three months with a predictable and public schedule. Based on the complaints received by the various layers (traditional chiefs, Monitoring Committee members, or NSC delegate), they will record the grievances with their camera and give a receipt to the complainants with the date on it. The REPALEF focal point will then transfer the information to the national level.
National	REPALEF: collection, recording, formalization, publicity, resolution, or transfer.	(a) A website will offer the possibility to leave comments (informal) as well as formal emails that will be recorded; (b) letters will be accepted at a special post office box dedicated to receiving grievances; or (c) from the provincial level. Once a feedback or grievance is received at the national level (by email, letter, or video), the REPALEF will record all complaints received in a publicly accessible online system that will allow each case to be tracked and monitored. Complaints will be translated and published on the website within two months after collection with a response to the complainant, detailing the next steps to be taken, including transfer to a higher authority when appropriate. The responses will be provided through a short video recorded speech in the same language and in writing in French and both would be provided through the same channel within two additional months.
National	NSC	Final resolution or transfer to the Bank
Global	World Bank and Inspection Panel	Contact through the GRS website or by mail

Project Administration Mechanisms

20. The NEA will be a pure fiduciary player (fiduciary unit). It will be completed either internally or through subcontracts for technical supervision and safeguard monitoring.

21. For Component 1a, the NSC will define the annual work program and the NEA will facilitate the implementation (organizing workshops) or contract national networks, associations, or technical/lobbying groups for the implementation.

22. For Component 1b, the NEA will establish (for NSC approval) a program for each territory based on the existing capacities and the needs expressed by the communities. This annual work program will be implemented on priority through local NGOs rather than international or national firms.

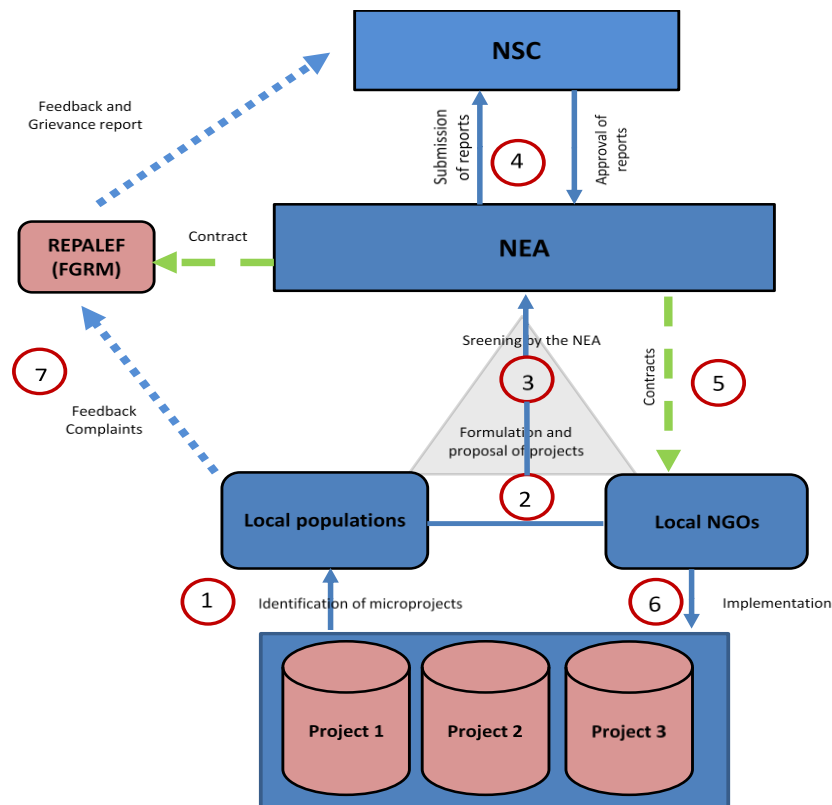
23. For Component 2a, the micro-projects will be submitted by the communities to the NSC through their delegate (and the Monitoring Committee) with the support of a local NGO. The projects will be screened first by the NEA and then submitted to the NSC for approval. After the NSC's approval, the micro-projects will be implemented by local NGOs contracted by the NEA. The REPALEF will ensure that the communities are satisfied with the result and report on the level of satisfaction.

24. While it is important that the most active communities may receive additional money as an incentive, some communities have much lower capacities and the project should secure resources for those most challenging territories. Therefore, a hybrid solution is expected with a similar envelop per community (pre-affected per territory) and a pool of money that will be accessed on a first-come-first-served approach.

25. Implementation of activities under Component 2b is similar to Component 2a. Communities will submit a proposal to secure a forest area and the NEA will contract local NGOs to help them go through the official recognition process. **Error! Reference source not found.** illustrates the overall micro-project cycle from identification to monitoring and feedback.

Implementation of the Micro-projects under Component 2a

Figure 4: FDCS Project Micro-project Cycle



26. Micro-projects are identified at the local level by the communities (1) which find a delivery partner (if possible a local NGO) that will help them with designing their project and implementing the activities (2). The proposal is submitted to the NEA (3) which will review and do a scoring (including for safeguard issues). Additional technical support might be provided by the NEA. Once the project proposal reaches the quality standards, it is proposed to the NSC for comments and approval, conditional approval, or rejection (4). If approved, the NSC asks the NEA to establish an agreement with the local NGO for implementation and sort out the FM issues (5). Once they have a contract (or agreement), the local NGO starts its work with the support of the communities. In addition to the physical completion that is controlled by the NEA, the satisfaction of the local population is assessed six months after the end of the micro-project by the feedback, grievance, and redress agent.

Financial Management, Disbursements, and Procurement

27. The overall fiduciary responsibility will remain with the NEA.

Financial Management

28. A Financial Management Assessment was carried out in accordance with Bank guidelines in November 2015. This section provides the recommended arrangements related to (a) budgeting and counterpart funding arrangements; (b) flow of funds; (c) accounting and maintenance of accounting records; (d) internal controls, including internal audit; (e) periodic financial reporting; and (f) arrangements for external audits to effectively execute the FM and monitoring of this project financed by the Bank.

29. **Staffing and Training:** The FM aspects of the new project will be handled by CARITAS's current FM team. This FM Unit is familiar with Global Fund's FM procedures and is composed of experienced fiduciary staff. Thus, the current FM staffing arrangement is acceptable to the Bank; no additional staff will be recruited. The team will have the overall FM responsibility over budgeting, accounting, reporting, disbursement, internal control, and auditing. The FM staff will have its capacity reinforced over the project implementation vis-à-vis the rolling out of the training plan that includes training on Bank disbursement procedures, and training on Bank financial reporting arrangements, among others.

30. **Budgeting:** The preparation and approval procedures of the annual work program and budget will follow the arrangements described in the FM manual of procedures. This annual work plan and budget will be prepared for implementing project activities taking into account the project's objectives. The work plan and budgets will identify the activities to be undertaken and the role of respective parties in implementation. Annual work plans and the budgets will be submitted to the steering committee for approval, and thereafter to the World Bank for no objection not later than November 30 of each year preceding the year the work plan should be implemented. CARITAS's FM team will have the responsibility to ensure that the plan and budget meet the project objectives.

31. **Accounting Policies and Procedures:** The multi-projects version of the current accounting software, namely TOMPRO, already used by CARITAS for managing Global Fund financed operation will be used to manage this new project. This accounting software parameters

will be revisited for taking into account the specificity of the new Project and will be customized to generate the project's financial reports.

32. **Financial Reporting and Monitoring:** Financial reports will be designed to provide quality and timely information on Project performance to Project management, and relevant stakeholders. Formats of the various periodic IFRs to be generated from the financial management system will be developed using the World Bank's Financial Management Practices in WB-financed Investment Operations. The quarterly IFR includes (i) the statements of sources and used funds, and utilization of funds per category, (ii) the updated of the procurement plan, (iii) the physical progress, (iv) expenditure types and implementing agent, showing comparisons with budgets; (iv) Designated Account activity statements and explanation notes to the IFR; (v) and the summary of missions of internal audit as well as implementation status of the recommendations of internal or external audit and supervision missions.

33. The IFR will be prepared and submitted to the Bank, 45 days after the end of each quarter. In compliance with International Accounting Standards and Bank requirements, the project will produce annual financial statements. These include: (i) a Balance Sheet that shows Assets and Liabilities; (ii) a Statement of Sources and Uses of Funds showing all the sources of project funds, expenditures analyzed by Project component and category expenditures (iii) a Designated Account Activity Statement; (iv) an Implementation Report containing a narrative summary of the implementation progress of the project; (v) a Summary of Withdrawals using SOE (transactions-based disbursement), listing individual withdrawal applications by reference number, date and amount; and (vi) Notes related to significant accounting policies and accounting standards adopted by management and underlying the preparation of financial statements. The financial statements will be submitted for audit at the end of each year or other periods to be stated.

34. **Internal Control and Internal Auditing:** CARITAS will ensure that staffing arrangements in place are sufficient to ensure adequate internal controls, preparation, approval and recording of transactions as well as segregation of duties. Internal control procedures will be detailed in the updated version of the manual of procedures. The work-program of the Internal Audit Unit will be revised to take into account the project activities and maintain a sound control environment as described in the manual of procedures. In line with the DRC Use of Country System (UCS) Report to fully rely on Inspection Générale des Finances (IGF) for project's internal audit, the project's internal control system could be strengthened by establishing a channel of collaboration between IGF and the project's internal audit unit to agree on project's risk mapping and work program.

35. **External Auditing:** The project's financial statements and internal control system will be subject to external annual audit by an independent external auditor which will be recruited on ToRs acceptable to IDA. The external auditor will give an opinion on the annual financial statements in accordance with auditing standards of IFAC. In addition to audit reports, external auditor will also produce a management letter on internal control to improve the accounting controls and compliance with financial covenants under the financing agreement. The project will be required to submit, not later than June 30 of each fiscal year, the annual audited financial statements of the previous year. In compliance with the DRC UCS Report, the DRC's Supreme Audit Institution (*Cour des Comptes*) could start being involved in the process of the external

auditors' selection and their reports reviewing. In line with the new access to information policy, the project will comply with the disclosure policy of the Bank of audit reports (for instance making available to the public without delay after receipt of all reports final financial audit, including audit reports qualified) and place the information on its official website within one month after acceptance of final report by the Bank.

36. **Implementation support Plan:** The Bank's FM implementation support missions will be consistent with a risk-based approach, and will involve a collaborative approach with the entire Task Team. Based on the current overall residual FM risk, the project will be supervised twice a year to ensure that project FM arrangements still operate well and funds are used for the intended purposes and in an efficient way. A first implementation support mission will be performed six months after project effectiveness. Afterwards, the missions will be scheduled using the risk based approach model and will include the following due diligence: (i) monitoring of the financial management arrangements during the supervision process at intervals determined by the risk rating assigned to the overall FM Assessment at entry and subsequently during Implementation (ISR); (ii) integrated fiduciary review on key contracts, (iii) review the IFRs; (iv) review the audit reports and management letters from the external auditors and follow-up on material accountability issues by engaging with the task team leader, Client, and/or Auditors; the quality of the audit (internal and external) also is to be monitored closely to ensure that it covers all relevant aspects and provide enough confidence on the appropriate use of funds by recipients; and, (v) physical supervision on the ground specially; and (vi) assistance to build or maintain appropriate financial management capacity; (v) The supervision mission will include transactions reviews of expenditures occurred.

37. **Governance and anticorruption considerations.** The country political situation has weakened the governance and corruption environment. In the context of the project, the following governance and anti-corruption measures will contribute to enhance transparency and accountability during the project implementation : (i) an effective implementation of the fiduciary mitigation measures should contribute to strengthen the control environment, (ii) the appropriate representation and oversight of the Steering Committee involving key actors, as well as the transparency in both operation implementation and dissemination to stakeholders and the public during project implementation, (iii) the TOR of both internal audit unit and external auditor will comprise a specific chapter on corruption auditing, (iv) the FM manual of procedures will include anti-corruption measures with a specific safety mechanism that will enable individual persons and NGOs to denounce abuses or irregularities, (v) measures to improve transparency such as providing information on the project status to the public and to encourage participation of civil society and other stakeholders will be strengthened during project implementation and (vi) finally, an Anti-corruption action plan will be prepared in addition to the robust FM arrangements designed to mitigate the fiduciary risks.

38. **Financial Management Action Plan to reinforce the control environment**

Issue	Remedial action recommended	Responsible entity	Completion	Effectiveness conditions
Information system accounting software	Revisit CARITAS accounting software parameters for taking into account the specificity of the new Project and	CARITAS	Three months after effectiveness	N

	customize it to generate the project's financial reports.			
Financial reporting: IFR	Format, content, and frequency of the IFR to be prepared and discussed during project negotiation.	CARITAS	Discussed and agreed during project negotiation	N
Administrative, Accounting and Financial Manual of procedures	Write an annex to CARITAS existing manual of procedure to describe the new project specificities and strengthen the anti-corruption aspects.	CARITAS	Three months after effectiveness	N
Internal auditing	Update CARITAS internal audit arrangement for covering the new project activities	CARITAS	Three months after effectiveness	N
External financial auditing	Recruitment of the external auditor acceptable to the Bank	CARITAS	Six months after effectiveness	N

39. The overall residual FM risk is considered Substantial. The proposed financial management arrangements for this project are considered adequate to meet the Bank's minimum fiduciary requirements under OP/BP10.00.

Funds Flow and Disbursement Arrangements

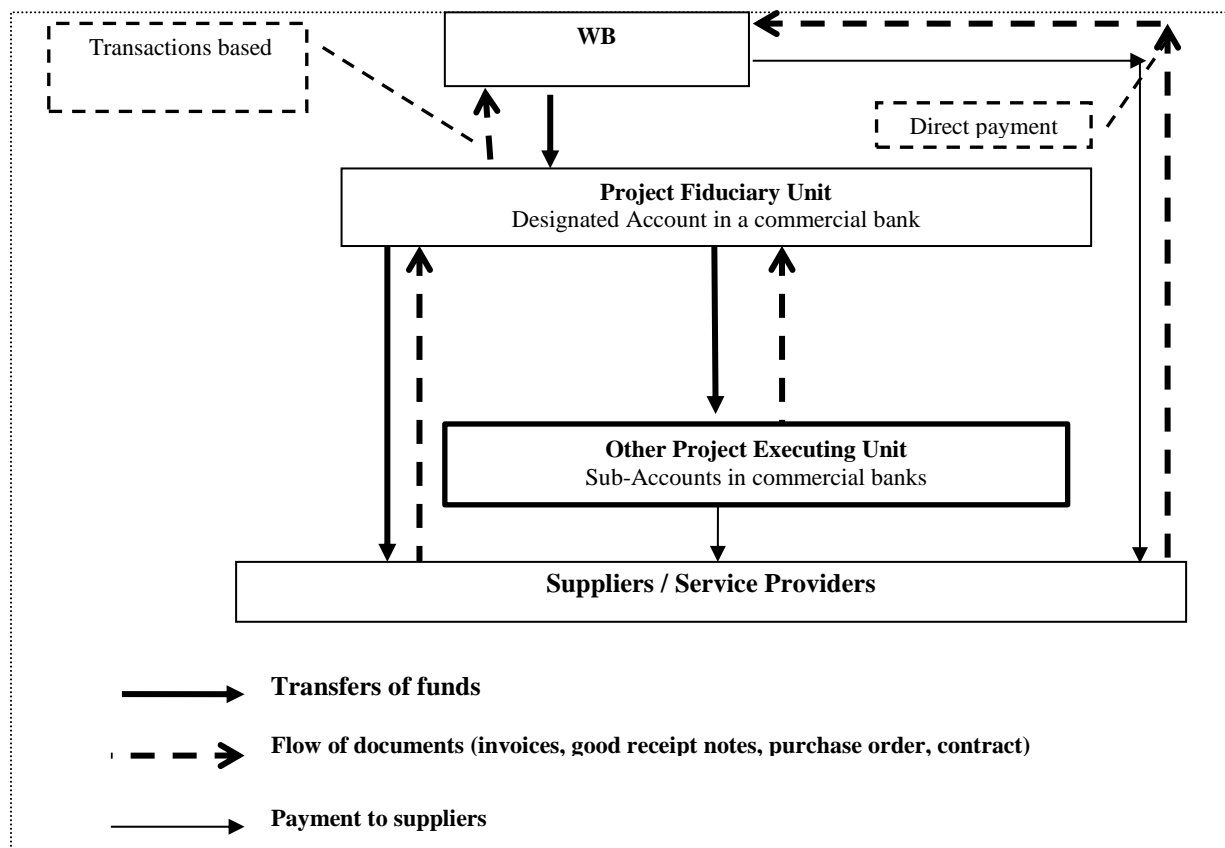
40. A Designated Account (DA) will be opened in a commercial bank on terms and conditions acceptable to IDA under the fiduciary responsibility of CARITAS. This DA will be managed according to the disbursement procedures described in the manual of procedures and the Disbursement Letter (DL) for the Project. The ceiling of the account will be specified in the DL estimated to be the equivalent of four months of project cash needs and takes into account the disbursement capacity of the various structures implementing the Project. This ceiling will be set at US\$ 500,000. This Designated Account will be used to finance all eligible project expenditures under the different components. Payments will be made in accordance with the provisions of the manual of procedures (i.e. two authorized signatures will be required for any payment). The Project Coordination unit should open sub accounts at the other involved actors level. These sub-accounts will be used to pay the suppliers and consultants selected through acceptable Bank procurement procedures. Replenishment of these accounts will be done at least once a month by the project upon submission of acceptable supporting documents. Payments from the sub-accounts will be subject to acceptable arrangements for the Bank. The Designated Account will be replenished against withdrawal applications supported by Statements of Expenditures (SOE) and other documents evidencing eligible expenditures as specified in the Disbursement Letter. All supporting documents should be retained at the project and readily accessible for review by periodic Bank implementation support missions and external auditors.

Disbursement arrangements:

41. ***Disbursement method:*** Upon Grant effectiveness, transaction-based disbursements will be used during the first year of the project implementation. Thereafter, the option to disburse against submission of quarterly unaudited Interim Financial Report (also known as the Report-based disbursements) could be considered subject to the quality and timeliness of the IFRs

submitted to the Bank and the overall financial management performance as assessed in due course. In the case of the use of the report-based disbursement, the DA ceiling will be equal to the cash forecast for two quarters as provided in the quarterly unaudited Interim Financial Report. The option of disbursing the funds through direct payments to suppliers/contractors for eligible expenditures will also be available for payments equivalent to twenty percent (20%) or more of the DA ceiling. Another acceptable method of withdrawing proceeds from the grant is the special commitment method whereby the Bank may pay amounts to a third party for eligible expenditures to be paid by the Recipient under an irrevocable Letter of Credit (LC). The funds' flows diagram for the DA are as follows:

42. **Disbursement of Funds to other Service Providers and Suppliers:** CARITAS will make disbursements to service providers and suppliers of goods and services in accordance with the payment modalities, as specified in the respective contracts/conventions as well as the procedures described in the project's Administrative, Accounting, and Financial Manual. In addition to these supporting documents, the Project will consider the findings of the internal audit unit while approving the payments. CARITAS, with the support of its internal audit unit, will reserve the right to verify the expenditures ex-post, and refunds might be requested for non-respect of contractual clauses. Misappropriated activities could result in the suspension of financing for a given entity.



43. **Disbursements by category:** The table below sets out the expenditure categories to be financed out of the Grant. This table takes into account the prevailing Country Financing

parameter in setting out the financing levels. In accordance with Bank standard procurement requirements, contracts will continue to be approved “all taxes included” for local expenditures.

Table 2: Categories of Eligible Expenditures

Category	Amount of the Grant Allocated (expressed in USD)	Percentage of Expenditures to be Financed (inclusive of Taxes)]
(1) Goods, works, non-consulting services, and consultants’ services required for Micro-projects under Component 2(a) of the Project	1,800,000	Up to 100% of the amount disbursed under a Micro-grant
(2) Management Fees	500,000	100%
(3) Goods, non-consulting services, consultant services, Training and Operating Costs required under the Project	3,700,000	100%
TOTAL AMOUNT	6,000,000	

44. For the purposes of this project:

(a) The term ‘operating costs’ means the operating costs incurred for purposes of the implementation of the project, including (i) operation and maintenance of vehicles, repairs, fuel, and spare parts; (ii) equipment and computer maintenance; (iii) shipment costs (whenever these costs are not included in the cost of goods); (iv) office supplies; (v) rental of office facilities; (vi) utilities; (vii) travel and per diem costs for technical staff carrying out supervisory and quality control activities; (viii) communication costs, including advertisement for procurement purposes; (ix) organization of NSC meetings; and (x) remuneration of the NEA team.

(b) The term ‘training activities’ means the costs associated with the preparation and conduct of training seminars and workshops, including travel, accommodation, and subsistence costs for participants; rental of facilities and equipment; communication costs associated with these activities; and preparation and reproduction of materials and other costs directly related to the preparation and implementation of the seminars, workshops, and NSC meetings.

(c) The term ‘management fees’ means the fees detailed in the technical proposal made by the NEA as included and explained in the Project Implementation Manual.

Procurement

General: Procurement rules to be applied

45. **Applicable guidelines:** Procurement for the proposed project will be carried out in accordance with the Bank's "Guidelines: Procurement under IBRD Loans and IDA Credits" dated January 2011 and revised July 2014; "Guidelines: Selection and Employment of Consultants by World Bank Borrowers" dated January 2011, and revised July 2014; "Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants" dated October 15, 2006 and revised in January 2011; and the provisions stipulated in the Legal Agreement. The various items under different expenditure categories are described in general below. For each contract to be financed by the Grant the different procurement methods or consultant selection methods, the need for pre-qualification, estimated costs, prior review requirements and time frame are agreed between the Borrower and the Bank in the Procurement Plan. The procurement plan would be updated at least annually or as required to reflect the actual project implementation needs and improvements in the procurement capacity of the NEA.

Implementation arrangements for procurement and capacity assessment

46. **Implementation arrangements:** The procurement activities of this project will be carried out by CARITAS which is a nonprofit and nongovernmental organization recruited through an open competitive process; it will be the NEA and thus will be responsible for procuring goods, works, and services as well as for selecting consultants in accordance with the Bank's procurement policies. CARITAS will also be responsible for proper contract management. In accordance with the requirements of OP 11.00 a procurement assessment of the CARITAS's capacity to implement procurement actions has been carried out in November 2015. The assessment has found that the procurement unit of CARITAS based in Kinshasa is comprised of one procurement specialist and one Supply Chain Manager. The procurement specialist has experience in procurement in World Bank funded project and other donor as Global Funds. On the other hand the Supply Chain Manager doesn't have any specific training in procurement. Taking into account that the procurement activities will be carried out in the field with the assistance and support from the procurement unit based in Kinshasa. The staffs in the field don't have the required qualification and experience. CARITAS has a specific procurement manual of procedures that is elaborated based on World Bank procurement guidelines. This manual states that the procurement thresholds and methods are revisable by the donor. The procurement thresholds currently used need to be updated to reflect those of the World Bank. The key procurement risks are: (i) Only one staff in the procurement unit based in Kinshasa has the required qualification and experience to manage these procurement activities; (ii) staffs on the field don't have the required qualification and experience;

47. The overall unmitigated risk for procurement is Substantial.

48. Proposed corrective measures which have been agreed to mitigate the risk are summarized in the following table.

Table 3: Action plan corrective measures

Ref	Tasks	Responsibility	Due date
1	Prepare an annex to CARITAS's current procurement manual for updating the procurement thresholds and methods.	CARITAS	By Effectiveness
2	Recruit a well-qualified procurement expert with experience in World Bank procurement procedures who will provide punctually a training to all CARITAS's staffs involved in procurement with focus on the Supply Chain Manager and the staffs in the field. The training should be based on the procurement methods to be used by the NEA.	CARITAS	Three months after effectiveness

The prevailing risk can be improved to moderate provided that the above corrective measures are implemented.

Procurement planning

49. **Procurement methods and review thresholds:** Procurement methods and Bank review requirements are summarized in the table below.

Table 4: Thresholds for Procurement Methods

Expenditure Category	Contract Value Threshold (US\$)	Procurement Method	Contracts Subject to Prior Review (US\$)
1. Works	<200,000	Shopping	None
	≥100,000	Direct contracting	All
2. Goods	<1,000,000	NCB	All contracts ≥500,000
	<100,000	Shopping	None
	≥100,000	Direct contracting	All
3. Services	≥200,000		All
	<200,000	CQ	None
	≥100,000	SSS	All
Individual Consultant	≥100,000	IC	All
	<100,000	IC	None
	≥100,000	SSS	All
All TORs and justifications for SSS/Direct contracting regardless of the value of the contract are subject to prior review by the World Bank.			

Note: (NCB: national competitive bidding; CQ: Consultants qualification; SSS: Single source selection; IC: individual consultant.

50. **Procurement Plan.** CARITAS has prepared a Procurement Plan for the first 12 months of the project implementation which provides the basis for the procurement methods. This plan has been agreed between CARITAS, the National Steering Committee (NSC), and the World Bank.

The Procurement Plan will be available in the project's database and on the World Bank external website. The Procurement Plan will be updated in agreement with the project team annually or as required to reflect the actual project implementation needs and improvements in institutional capacity.

Items to be procured

51. **Procurement of works:** Small works are expected under the project and their procurement should be carried out following shopping procedures as indicated in paragraph 3.5 of the Procurement Guidelines. Direct contracting would also be used when the conditions of paragraph 3.7 of the Procurement Guidelines are met.

52. **Procurement of goods** will follow national competitive bidding (NCB) (using Standard Bidding Documents agreed with the Bank) or shopping procedures. Bidding documents must include anticorruption and right-to-audit clauses to be considered acceptable to the Bank. The Legal Agreement would need to include a provision that the NCB bidding documents must be acceptable to the Bank. If the requirements of paragraph 3.7 are met, direct contracting may also be used for the procurement of goods.

53. **Procurement of non-consulting services** would be conducted using national standard bidding documents agreed with or satisfactory to the Bank for all NCBs. Bidding documents must include anticorruption and right-to-audit clauses to be considered acceptable to the Bank and the Legal Agreement must include a provision that the NCB bidding documents shall be acceptable to the Bank. Small-value contracts that do not exceed US\$100,000 will follow shopping procedures. Direct contracting would also be used when the conditions of paragraph 3.7 of the Guidelines are met.

54. **Selection of consultants.** Consulting services by firms and individuals required for the project would include a wide array of technical assistance and advisory services. Short lists of consultants for services estimated to cost less than US\$100,000 equivalent per contract for ordinary services and US\$200,000 for design and contract supervision may be composed entirely of national consultants in accordance with the provisions of paragraph 2.7 in the Consultant Guidelines. However, if foreign firms express interest, they will not be excluded from consideration.. Quality- and Cost-Based Selection (QCBS) will be the default method for the selection of firms, but Quality-Based Selection (QBS), Least-Cost Selection (LCS), Selection under a Fixed Budget (FBS), Selection Based on the Consultants' Qualifications (CQS), and Single Source Selection (SSS) may also be used if the requirements of the guidelines are met. Individual consultants should be selected in accordance with procedures of section V of the Bank's Consultant Guidelines.

55. **Training-related expenditures** will include contracts for event logistics, transportation, catering, material preparation, course enrollment fees, and per diems. Procurable items must follow the adequate procurement or selection process in accordance with the paragraphs above.

56. **Operational costs** include (a) operation and maintenance of vehicles; (b) incremental office equipment and supplies; (c) shipment costs (whenever these costs are not included in the cost of goods); (d) rental for office facilities; (e) utilities; (f) travel and per diem costs for

technical staff carrying out supervisory and quality-control activities; (g) communication costs including advertisement for procurement purposes; and (h) administrative and operational support staff. These contracts would be procured following the NEA's administrative procedures. The recommended thresholds for the use of procurement and consultant selection methods will be stipulated in the Procurement Plan.

Frequency of Procurement Supervision

57. Procurement supervision would be carried out through a prior review supplemented by supervision missions with a post review once a year. In addition to the prior procurement review carried out by the Bank, the procurement specialist recommends at least one mission every six months for the first years and one mission every year for the next years to provide support to the implementation of procurement activities. This support will include not only the organization and functioning of the procurement team of the different procurement units but also the implementation of procurement activities listed in the procurement plan. One post-review of procurement activities will be carried out every year. As agreed with CARITAS, contracts will be published on the web. Annual compliance verification monitoring will also be carried out by an independent consultant and would aim to: (a) verify that the procurement and contracting procedures and processes followed for the project were in accordance with the Financing Agreement; (b) verify technical compliance, physical completion and price competitiveness of each contract in the selected representative sample; (c) review and comment on contract administration and management issues as dealt with by the implementation entity; (d) review capacity of the implementation entity in handling procurement efficiently; and (e) identify improvements in the procurement process in the light of any identified deficiencies.

Environmental and Social (Including Safeguards)

58. At the national level, DRC has a legislative and regulatory framework which is conducive to good environmental management. In addition, the country has signed a number of international treaties and conventions. However, implementation capacity needs strengthening. Environmental policies and their compliance are governed by the MECNDD. The MECNDD has three departments in charge of environmental monitoring and management: (a) *Le Groupe d'Etudes Environnementales du Congo* (GEEC, Congo's Environmental Studies Group); (b) *Le Centre National d'Information sur l'Environnement* (CNIE, National Center of Information on Environment); and (c) *La Cellule Réglementation et Contentieux Environnementaux* (CRCE, Regulation and Environmental Litigation Cell). The GEEC is responsible for safeguards compliance of all projects in the country but with emphasis on environmental Category A projects. The unit is understaffed and has limited capacity. Despite several donor-funded capacity-building initiatives, the unit still largely relies on donor funds to carry out its field supervision duties.

59. The MECNDD, which will oversee implementation (but will not implement itself), has prior experience with the Bank's Safeguard Policies and a variety of safeguard instruments, including an ESMF that was finalized in 2013 for the REDD+ activities and for the FIP. A P-ESMF has been prepared at the global level for the DGM and has been used during preparation to be adapted to country-level specificities. In addition, an ESMF has been established for the two FIP projects for similar investments.

60. This proposed conservation project is expected to have a positive environmental impact because it seeks to promote sustainable development and livelihoods, forest and natural resources management, and climate change coping and adaptation strategies in indigenous lands and LCs whose livelihoods depend on the biome's natural resources. Project activities may also contribute toward reducing deforestation pressures on the remaining forests—on which the livelihoods of most IPLC rely—and protecting headwaters and riparian zones by reducing water and soil pollution.

61. The nature and scale of the envisioned community investments to be supported by Component 2 have been analyzed for their potential environmental impacts and will not have significant adverse impacts. The project is rated as Category B (partial assessment).

62. The DGM will ensure culturally appropriate, easy access to information on the program, grant-funded projects, status of project proposals under review, and contact points. This information will be provided on the GEA and NEA websites, in information-sharing meetings organized for this purpose, and through other culturally appropriate means of communication. The NEA and GEA will maintain open lines of communication and actively reach out to stakeholders. The NEA and GEA will regularly review feedback received, respond to questions and comments on the websites, and report to the NSC and GSC on actions taken.

63. The NEA will be in charge of ensuring the quality of the safeguard monitoring. For that purpose, they will maintain their own social expertise and their staff will closely coordinate with the FIP Coordination Unit which has a senior social expert. Adequate budget for field supervision will be set aside in the NEA budget.

Monitoring & Evaluation

64. Results M&E will be a key part of the DGM's activity to drive diverse stakeholders toward common development objectives while addressing major risks during program implementation. It is expected that beneficiaries will be involved in M&E through their own usual traditional organization by promoting (a) capacity building and continued technical assistance and (b) ownership of the intervention, leading to higher accountability and willingness to contribute to information gathering and results dissemination.

65. This approach thereby seeks to ensure both upward and downward accountability and enhance synergies across the program's components. The proposed project M&E will be conducted in accordance with the DGM M&E plan in the PIM and FIP rules and procedures.

66. Two evaluations will be undertaken. A midterm evaluation will measure the progress being made and identify strengths and weaknesses with the aim of reinforcing positive aspects and making adjustments as needed. The final evaluation will assess, among other issues, the achievement of outcomes and the sustainability of results and will identify lessons learned.

67. Baseline data has been collected during the preliminary assessment of beneficiary communities carried out during the project preparation. Throughout project implementation, information for monitoring purposes is expected to be gathered and systemized by the beneficiaries themselves and by the REPALEF. Considering the logistical constraints and the cost of external monitoring, the impact evaluation and satisfaction measurement will be based on

the feedback and survey of a sample group of about 120 key DGM stakeholders representing the various territories as well as the national networks. A contact book with a strategy to communicate with each of them (mail, email, and phone) will be largely shared within the project. Those key DGM stakeholders will be consulted before each Steering Committee and this data will be used for the satisfaction indicators. The more specific aspects of the project's M&E system will be included in the PIM.

68. The NEA will prepare progress reports on results and submit them to the Bank and the NSC twice a year. For the NEA to fulfill such critical roles with sufficient capacity and resources, the Bank task team will provide technical support and review the data for quality assurance.

69. The Bank task team will also carry out regular supervision of activities. An independent review of community satisfaction will also be carried out at the midterm review and at project completion. The NSC will provide opportunities to the DGM stakeholders to review the progress made toward achieving the PDO, compare it with indicators, and discuss lessons learned to apply them to future project design and implementation.

70. Annual results of interventions are expected to be disseminated to beneficiaries, thus allowing for interventions and provision of grievance mechanisms. The results of the yearly presentation of interventions under Components 1 and 2 will be written and made publicly available.

Annex 4: Operational Risk Assessment Framework (ORAF)

Democratic Republic of Congo: Forest Dependent Communities Support Project (P149049)

Risks						
Project Stakeholder Risks						
Stakeholder Risk	Rating	High				
<p>Risk Description:</p> <p>Stakeholder disputes arising from competition between key stakeholders, which could even lead to instability of the stakeholders' organizations. Indeed, conflicts between stakeholders, especially between 'IPs' and 'civil society' representatives have emerged in the past and may surface again.</p> <p>The FDCCS has been advertised broadly for a couple of years and therefore attracts much international and national attention at present. This is leading to increased expectations on the part of the government, civil society, and even the private sector.</p>	<p>Risk Management:</p> <p>Some mitigation measures include a clear communication strategy based on transparency, inclusion, and dialog and an unequivocal definition of the project beneficiaries (eligibility criteria) and the project areas (territory level). The definition of 'LCs' has already been clarified and should help prevent intrusion from any CSOs.</p> <p>The project team will manage expectations throughout project implementation, placing emphasis on the concrete benefits that the FDCCS activities are expected to deliver (that is, in terms of increased capacities, improved livelihoods, and better access to socioeconomic services) and not focus on future REDD+ payments. The project is geared directly toward communities and thus other stakeholders will only play a limited role such as observers or advisers.</p>					
	Resp: Both	Status: In Progress	Stage: Both	Recurrent: <input checked="" type="checkbox"/>	Due Date:	Frequency: Quarterly
	Resp: Both	Status: In Progress	Stage: Both	Recurrent:	Due Date:	Frequency:
Implementing Agency Risks (including Fiduciary Risks)						
Capacity	Rating	Moderate				
<p>Risk Description:</p> <p>There is a risk of slow implementation and delays because of fiduciary weaknesses (procurement and FM).</p>	<p>Risk Management:</p> <p>The project has selected an NEA that is a nongovernment agency with proven experience in procurement and FM. Partners such as CSOs and NGOs will play a role in the support of this Implementing Agency. This will build and strengthen local fiduciary capacities. In addition, the subgrantees would receive training for capacity building for fiduciary, procurement, and safeguards management.</p>					

	Resp: Client	Status: Not Yet Due	Stage: Both	Recurrent:	Due Date:	Frequency:
Governance	Rating	High				
<p>Risk Description:</p> <p>There are risks of elite capture (both IPs and non-IPs) in the small grants component. Even if the NEA is in charge of fund management, the disbursement on the ground will be difficult to control and could lead to inadequate results.</p> <p>The project focuses on the need in the remote areas while the most vocal and organized beneficiaries are in the main cities and are not the primary target of the project. Those groups may either influence the governance (decreasing the project relevance for the rural areas) or complain that they are excluded from the project (as they do not benefit from it).</p>	<p>Risk Management:</p> <p>Strong management and rules for funds access will be developed and widely communicated before the start of the project. Population participation in defining the investment lists and transparency in funding allocation and disbursement are key elements to allow the social control over the elite capture.</p> <p>Although the transaction cost may be high, the Steering Committee is mostly composed of IPs from the rural areas (two-third of the NSC members come from the rural communities). The Steering Committee may not meet in Kinshasa but will meet alternatively in the three basins areas. As part of the grievance mechanism, the National Network for Indigenous Peoples will complement the NEA's work and be active continuously on the ground to detect, mitigate, and alert on any issue within the communities. The project will document achievements and record the evidence to avoid being weakened by attack from city-based CSOs.</p>					
	Resp: Both	Status: In Progress	Stage: Both	Recurrent:	Due Date:	Frequency:
Project Risks						
Design	Rating	Moderate				
<p>Risk Description:</p> <p>As the government is not part of the grant agreement or implementing the project, the project may not get technical support from the administration during implementation.</p>	<p>Risk Management:</p> <p>Extensive communication will be provided to the attention of the decentralized administration. The project has received official support from the government through the FIP Focal Point Ministry of Economy.</p>					
	Resp:	Status:	Stage:	Recurrent:	Due Date:	Frequency:
Social and Environmental	Rating	Moderate				
<p>Risk Description:</p>	<p>Risk Management:</p>					

<p>It is often acknowledged that the Pygmies' nomadic lifestyle does not constitute a threat for forests. However, by improving their livelihood and promoting development activities, the project may increase the IP footprint in the most remote forest areas.</p> <p>There is a risk of influencing the IPs' lifestyles and shifting to settled models.</p>	<p>The safeguard instrument (ESMF) should pay extra attention to the long-term consequences more than on the direct impact.</p> <p>Support by a resident sociologist has been planned.</p>					
	Resp: Both	Status: Not Yet Due	Stage: Both	Recurrent:	Due Date:	Frequency:
Program and Donor	Rating	Moderate				
<p>Risk Description:</p> <p>This project is the first of its kind, with the signature of the grant agreement directly with the Implementing Agency and not with the government. The project may be delayed by procedures either within the Bank or between the Bank and the FIP Subcommittee.</p>	<p>Risk Management:</p> <p>The project is part of a 'Series of projects' and will benefit from the procedure discussions from other DGM projects coming before to the Board. The eight DGM teams are working in close collaboration and sharing their views on the program.</p>					
	Resp: Both	Status: In Progress	Stage: Both	Recurrent: <input checked="" type="checkbox"/>	Due Date:	Frequency: Quarterly
Delivery Monitoring and Sustainability	Rating	Substantial				
<p>Risk Description:</p> <p>The legal status of some of the small grants may be a problem for various reasons:</p> <ul style="list-style-type: none"> • The land tenure for the IPs is still a complex issue as land tenure rights are insecure and subordinated to the relationship of the IPs toward Bantous. • The draft law on the protection of the IPs' rights is not signed yet. <p>This represents an impediment for the LCs to claim their rights on forested lands and implement community-based resource management activities.</p>	<p>Risk Management:</p> <p>The FDACS will support activities linked with ongoing forest sector policy reforms and with the necessity to involve LCs in the sustainable management of forests. The project will also support local CSOs and NGOs that have been pushing the government to pass legislative reforms in that sector, such as the community forestry decree. Finally, the preparation study on the sustainable ways to address the land tenure rights for the IPs will be completed through additional work during the project (especially based on the practical ways to use the law on protected areas to secure land rights).</p>					
	Resp: Both	Status: In Progress	Stage: Implementation	Recurrent:	Due Date: 30-Jun-2016	Frequency:

Other: Reputational risk	Rating	High				
<p>Risk Description:</p> <p>Issues related to IPs, especially in DRC, have proven to be highly visible and even if few field activities are actually supported financially, many international organizations are monitoring and evaluating the various impacts on the IPs. Any alleged issue could potentially be echoed to a global audience.</p>	<p>Risk Management:</p> <p>The project will continue its current efforts for transparency and to hold meetings with the major international NGOs whenever possible. Operational bounds are also expected with major nongovernmental initiatives emerging in the country.</p>					
	Resp: WB	Status: In Progress	Stage: Both	Recurrent: <input checked="" type="checkbox"/>	Due Date:	Frequency:
Overall Risk						
Overall Implementation Risk: High						
<p>Risk Description:</p> <p>The implementation risk has been rated High due to potential stakeholder disputes, high visibility, and land rights issues. However, if the PIM and the selection process for both the NSC and NEA are agreed by all the stakeholders, the implementation risk will be lowered.</p>						

Annex 5: Implementation Support Plan

Strategy and Approach for Implementation Support

1. The proposed strategy for implementation support was developed based on the project's design and measures required during implementation. The proposed strategy remains a flexible tool that may be amended during project supervision in response to the NEA's changing needs.
2. **Overall implementation.** Project management will be centralized within the NEA. Centralizing implementation within one entity with adequate staffing and skills is appropriate to achieve greater visibility of the project's execution. In addition to the NEA, the REPALEF will play the role of feedback and grievance provider to ensure that the NEA's actions are consistent with the local beneficiaries' needs.
3. The NEA staff will be encouraged to participate in further training during implementation, both through on-the-job training during the Bank's semiannual supervision missions and through participation in specific training courses on procurement, FM, and safeguards occasionally organized by the Bank in DRC.
4. **Technical.** Based on known national and international best practices, experts in the IPLC's livelihoods, forest and environmental management, climate change, and communication strategies may be required to (a) advise on the design of envisaged activities, including the preparation of the Calls for Proposals in both grant windows and the assessment of the training and technical assistance work plans (Subcomponents 1a and 1b) as well as in the preparation of the ToRs for the capacity-building activities envisaged under Component 2 and the communication and outreach strategies envisaged under Component 3; (b) participate in project implementation support and field visits to review progress; and (c) engage with the NEA and NSC to enable knowledge transfer and guidance.
5. **Environmental and social safeguards.** A P-ESMF has been prepared for the global DGM and will serve as the project's framework. Although the P-ESMF raises the principal positive and negative impacts of the eligible activities and defines a number of preventive and mitigating actions, specific country-level features and operational procedures to screen, assess, mitigate, and monitor environmental and social impacts will be dealt with in the PIM. The P-ESMF and the PIM will be taken into account during implementation.
6. **Procurement.** A requirement for the competitive selection of the NEA is knowledge of the procurement guidelines of the Bank and other multilateral agencies. The NEA will prepare, evaluate, and submit key procurement documents. Further support will be provided by the Bank team to review these documents and ensure that (a) the processes are carried out in accordance with agreed procedures and (b) Bank templates are used.
7. **Financial management.** A requirement for the competitive selection of the NEA is experience with the FM requirements of the Bank and other multilateral agencies. Nevertheless, the Bank team will continue to provide further FM training to the NEA. Supervision missions will review the project's FM system, including but not limited to accounting, reporting, and internal controls.

Implementation Support Plan

8. Considering the project’s design, the level of technical support needed for implementation is considered high on the technical side, high on the fiduciary side, and moderate on the environmental and social sides. The Bank team will conduct semiannual supervision missions, desk reviews, and field visits to follow up on project implementation, supported by the FM, procurement, social, and environmental specialists, as well as technical experts. The proposed Bank support includes the following:

(a) **Technical.** Technical support may be required by the NEA for providing adequate technical assistance, carrying out proper assessments of project activities and results, and providing guidance on the envisaged dynamic planning process of activities, implementation support may engage experts in the areas of forest and climate change adaptation; CDD and community-based adaptation; IPLC’s livelihoods and vulnerability assessments; and communication, outreach, and knowledge-sharing strategies.

(b) **Fiduciary requirements and inputs.** The FM and procurement specialists will conduct three reviews of the NEA per year. These reviews will include checking for compliance with agreed procurement and FM procedures, identifying potential capacity gaps such as staffing, and evaluating the adequacy of documentation and record-keeping arrangements and systems. The Bank’s FM and procurement specialists will provide training during project implementation.

(c) **Environmental and social safeguards.** Environmental and social safeguards specialists will monitor and evaluate the implementation effectiveness of the agreed ESMF. The Bank will make available ongoing support when identified or required by the NEA and the NSC.

9. Table 1 indicates what would be the expected support needed for project supervision:

Table 1: Expected Support Needed for Project Supervision

Time	Focus	Skills Needed	Resource Estimate (Staff Week)
First 12 months	Procurement implementation support, training, and process review	Procurement specialist	4
	FM implementation support, training, field reviews, and audit review	FM specialist	4
	Safeguard implementation support and compliance	Safeguard specialist	3
	Technical experts on demand support	Diverse qualifications	4
	Project management, implementation support, and supervision	Task team leader, operation analyst, and consultants	20

13–60 months	Procurement and process review	Procurement specialist	2
	FM field reviews and audit review	FM specialist	3
	Safeguard implementation support and compliance	Safeguard specialist	4
	Technical experts on demand support	Diverse qualifications	6
	Project management, implementation support, and supervision	Task team leader, operation analyst, and consultants	20

Annex 6: Consultations, Preparation Activities, and Setup of the NSC

1. The project was prepared in compliance with (a) the FIP and DGM principles and guidelines which require that country components be designed and implemented under the initiative of the IPs and/or LCs, be based on inclusive and accountable processes, and benefit them; (b) the World Bank Safeguard Policy on Indigenous Peoples (OP/BP 4.10) which requires that prior, free, and informed consultations with the IPs be carried out for all operations that interfere with them and to ensure their broad support for these activities; and (c) the national REDD+ strategic framework which stresses the importance of consultations and the FPIC.
2. To reach this objective, the project was thought of as a joint preparation process using a participatory methodology through which the full and informed participation of the key stakeholders was made possible and which led to the collective design of a project proposal that may better respond to their expectations and needs.
3. Two main challenges were faced to reach this objective of a full participatory preparation process. First, there was the need to open spaces for discussion in which all potential participants had an actual opportunity to fully understand the proposal of building a project with their inputs. Second, there was the need to avoid raising expectations that cannot be met by the FDCS due to its limited resources in the face of the large scale of the country and the large number of IPs and traditional communities.
4. Taking these challenges into consideration, the chosen alternative was to use the broadest national IPLC platform (REPALEF)³⁰ to initiate consultations in 2012 and also create an ad hoc mixed working group³¹ in 2013 to ensure the project's smooth preparation before the NSC's creation.
5. Comprising 83 member organizations, the REPALEF was created when the two largest IP groups—the '*Dynamique des Groupes des Peuples Autochtones*' (DGPA) and '*Ligue Nationale des Populations autochtones Pygmées du Congo*' (Linapycy)—decided to join forces under one single umbrella network. The REPALEF has been very active in the preparation of the national DGM and organizing internal information/consultation meetings with their members as well as meetings with external partners (government, civil society, and donors). Specifically, they held several meetings and workshops at the start of 2013 to collect and consolidate the DRC's contribution to the DGM Framework Operational Guidelines document. They have since then participated in various preparatory meetings held jointly with the GTCR and RRN, two large Congolese civil society networks involved in REDD+ activities.
6. In November 2013, the ad hoc working group (GTT) comprising 11 people, including 6 IP representatives, was set up. This group organized a series of consultative meetings and delivered some preparatory documents, including, for example, ToRs and a detailed budget related to the establishment of the NSC.

³⁰ *Réseau des Populations Autochtones et Locales pour la Gestion durable des écosystèmes forestiers en RDC.*

³¹ *Groupe de Travail Technique de préparation du mécanisme dédié en RDC (GTT/DGM).* <<AQ: Can we provide the English translations?>>

7. Most of the CSOs working with the IPs have participated in consultation and information workshops. The most active ones even had representatives in the ad hoc group - called the ‘*Groupe de Travail Technique*’ (Technical Working Group [GTT]) - in charge of the DGM preparation before the NSC was created.³² These national partners include ‘*Réseau des Ressources Naturelles*’ (Natural Resource Management Network [RRN]); ‘*Groupe de Travail Climat REDD+*’ (REDD+ and Climate Working Group [GTCR]); ‘*Environnement, Ressources Naturelles et Développement*’ (ERND); and ‘*Conseil pour la Défense Environnementale par la légalité et la traçabilité*’ (CODELT). They will remain involved during implementation either at the national level or through their local member organizations.

8. Using some FCPF funding, the GTT prepared and supervised the field consultations that were carried out (May and July 2014) to select the future members of the NSC. The GTT (a) organized a special training for the field facilitation teams (April 2014); (b) monitored the logistics and smooth running of the consultation process on the ground; (c) drafted the field summary reports (June and August 2014); and (d) organized a national restitution and consultation workshop (October 2014).

9. The local consultations were held in the 16 territories in two batches.

a. The first round was carried out from May 1 to 10 and involved eight territories (five in Province Orientale and three in Kasai Occidental Province). The facilitators systematically met with authorities at the provincial level (Provincial Governorate, Provincial Environment Ministry); territory level (administrator); and local level (traditional customary chiefs). All contacts were facilitated by the respective REPALEF Provincial Focal Point (or other local focal point).

b. The second round was carried out from July 9 to July 18 in the remaining eight territories (five in Kasai Oriental Province and three in Bandundu).³³

10. Eventually the GTT proceeded with the hand over to or take-over of the NSC by supporting the organization of the NSC’s first meeting in Kisangani (Province Orientale) from October 31 to November 3, 2014.

11. Table 1 presents a summary of preparation and consultation meetings that were held from 2012 to 2014.

Table 1: Summary of Preparation and Consultation Meetings

Date(s)	Organizer/ Participants	Activities	Results
September 2012	REPALEF 44 participants	Contract with the FCPF (US\$20,000) to elaborate the national DGM action plan (including a national workshop)	First DGM action plan drafted
March 2013	REPALEF 30 participants	<ul style="list-style-type: none"> • Review of the draft DGM Operational Guidelines (French version received) • compiling all comments on the document 	A revised and commented version of the Operational Guidelines

³² See annex 6 for more details about the GTT and governance during preparation.

³³ Consultations in one of the three territories in Bandundu (Kiri) had to be postponed because the boat in which the facilitator was traveling capsized and the facilitator lost all his financial and technical equipment.

September 18, 2013	REPALEF 35 participants	General information on the FIP and DGM (Operational Guidelines)	General comments
September 30, 2013	REPALEF (hosted/facilitated by the Bank) 12 participants	<ul style="list-style-type: none"> • Discussion about the final Operational Guidelines document • Overview of the PCN draft • Preparation of the DGM milestones and the transitional governance arrangements 	Comments given to the Bank on the PCN draft roadmap
October 4, 2013	REPALEF 20 participants	Internal consultations with the REPALEF members	Comments collected
October 9, 2013	REPALEF 15 participants	Consultations with other CSOs	Aide mémoire drafted
October 11, 2013	REPALEF (hosted/facilitated by the Bank) 25 participants	<ul style="list-style-type: none"> • Providing comments on the PCN, especially on the relevance of the PDO and components/activities • Establishing the roadmap for the NSC and the corresponding budget 	<ul style="list-style-type: none"> • Revised PDO • Revised roadmap • Proposed budget
November 11, 2013	REPALEF/government 9 participants	<ul style="list-style-type: none"> • Meeting with the national FIP focal point • Informing the government about the progress made in the national DGM preparation 	Reinforced collaboration with the national FIP
November 15, 2013	GTT 11 participants	Official creation of the GTT	Agreement on preparation
January 22 and 30, 2014	Bank 15 participants	Informing other development partners about the DGM preparation	Improved donor cooperation
April 24–26, 2014	GTT 20 participants	Training the facilitation teams who will be deployed in the 16 territories to conduct the field consultations	Facilitators informed and trained
May 1–10, 2014	GTT over 500 participants	Organization of 8 local consultations to inform local populations about the DGM and select 1 representative per territory	8 NSC members elected
June 2014	GTT (hosted/facilitated by the Bank) 20 participants	Restitution of the 8 field missions.	Information and results shared
July 9–18, 2014	GTT over 500 participants	Organization of 7 local consultations to inform local populations about the DGM and select 1 representative per territory	7 NSC members elected
August 2014	GTT (hosted facilitated by the Bank)	Restitution of the 7 field missions	Information and results shared
October 9, 2014	GTT (with Bank support) 60 participants	National consultation workshop and presentation of the consultation results, including delegates attending on behalf of the governors of the four provinces	Relevant stakeholders informed on the project
October 31–November 3, 2014	NSC (with GTT and Bank support) 60 participants	First meeting of the 16 delegates, accompanied by their respective deputies, the REPALEF members, and the Bank team—first Steering Committee	NSC members informed about the project details, Bank safeguard policies
March 9–11, 2015	NSC (with GTT and Bank support) 30 participants	Second steering committee of the NSC (16 delegates and all 8 coopted national leaders), the REPALEF members, and the Bank team—consultation on the safeguard instruments	Finalization of the safeguard documents, training on the ICCA and community management
July 7, 2015	NSC (with World Bank support) 30 participants	Information/consultation workshop with international NGOs and institutional partners	Presentation of the project, feedback and advice collected, potential partnerships

			identified
July 19-20, 2015	NSC (with NEA and Bank support) About 200 participants	Decentralized NSC in 4 provinces – Third steering committee of the NSC (16 delegates + 16 alternates), plus a local workshop with the civil society —consultation on the safeguard instruments	Final consultation on the safeguard documents and approval, listing of the potential hotspots and contact information from the delegates

Composition of the NSC

Role	Origin of Mandate	First Name	Last Name	Position
Delegate	Yahuma (P.O.)	Henri	Litule	
Delegate	Banalia (P.O.)	Abutu	Sokoro	
Delegate	Opala (P.O.)	Ekola	Likondo	
Delegate	Bafwasende (P.O.)	Paul	Ngangba	
Delegate	Mambasa (P.O.)	Binalia	Kpolo	
Delegate	Mweka (K. Oc)	Jean-Baptiste	Mbangala	
Delegate	Dekese (K. Oc)	Leontine	Ikopo Boto	Co-president of the NSC
Delegate	Dimbelenge (K. Oc)	Mutalaka	Mutalaka	
Delegate	Lusembo (K. Or)	Joseph	Kabala	
Delegate	Lupatapata (K. Or)	Potien	Mutalaka	
Delegate	Kabinda (K. Or)	Kabuema	Mutete	
Delegate	Lubao (K. Or)	Lukusha	Kalala	
Delegate	Lubefu (K. Or)	Celestin	Kasongo	
Delegate	Inongo (BDD)	Nyonyele	Yende	
Delegate	Kiri (BDD)	Pelagie	Bolalobimbo	
Delegate	Oshwe (BDD)	Mputu	Iyoka	
Coopted	Civil Society	Guy	kajemba	
Coopted	Equateur Province	Diel	Mochire	
Coopted	Kivu Province	Elfis	Kumu	
Coopted	Lynapico	Kapupu	Diwa	Co-president of the NSC
Coopted	REPALEF	Dorothee	Lisenga	Executive Office
Coopted	DGPA	Patrick	Saidi	Executive Office
Coopted	REPALEF	Keddy	Bosulu	Executive Office
Coopted	DGPA	Willy	Loyombo	Executive Office

Note: P.O. - Province Orientale; K. Oc - Kasai Occidental Province; K. Or - ; BDD – Bandundu.

Annex 7: Linkages and synergies with ongoing and planned initiatives in the DRC

Partner Program	Description	Financier, Budget, Duration	Linkages and Synergies with the WB/FDCS Project	Comp.1
UNDP	<p>Small Grant Program</p> <ul style="list-style-type: none"> •<i>Executing Agency:</i> UNDP •<i>Objective:</i> Support community projects aiming at climate change mitigation/adaptation. •<i>Specific objectives:</i> <ul style="list-style-type: none"> - Support Indigenous Peoples and local communities to mitigate climate change; - Build resilience towards the consequences of biodiversity and soils fertility loss; - Advocate for the recognition of rights of Indigenous Peoples and local communities to benefit from the ecosystemic services on lands subject to customary law. 	<ul style="list-style-type: none"> •<i>Financier:</i> GEF •<i>Budget:</i> \$3m •<i>Duration:</i> annual allocations (started in 2009) 	<p>Experience with local NGO supporting communities to implement micro-projects.</p> <p>Potential geographical synergies in the Bandundu Province.</p>	Comp 2
UN-REDD	<p>Community-Based REDD+</p> <ul style="list-style-type: none"> •<i>Executing Agency:</i> UNDP •<i>Objective:</i> Increase the local communities active participation in the REDD+ process; •<i>Specific objectives:</i> <ul style="list-style-type: none"> - Fund 8 micro-projects (max US\$50,000 & 2 years per project) - Capitalize on the SGP experience (described above) in terms of activities (agriculture, energy, forest and land rights); - Address the specificity/vulnerability of IPs and women, - Miscellaneous: conflict-resolution, FPIC, traditional knowledge 	<ul style="list-style-type: none"> •<i>Financier:</i> UN-REDD (Norway), GEF •<i>Budget:</i> annual allocations •<i>Duration:</i> starting 2014, pilot phase until 2017 	<p>Capitalization potential in terms of (i) sensitization/awareness methods, campaigns and tools (ii) capacity strengthening efforts, (iii) small grants' selection, disbursement and monitoring.</p>	Comp 1 Comp 2
UNDP	<p>Support to national capacities and strategy for the country's preparation to REDD+ (Tier2)</p> <ul style="list-style-type: none"> •<i>Executing Agency:</i> UNDP •<i>Main objective:</i> reinforce national REDD+ capacities of the Government and civil society •<i>Specific objectives:</i> <ul style="list-style-type: none"> - Prepare and draft large-scale integrated programs - Prepare the National REDD Fund capitalization and investments - Decentralize REDD - Support the Government in policy dialogue and climate negotiations 	<ul style="list-style-type: none"> •<i>Financier:</i> Norway, UNDP •<i>Budget:</i> \$3m •<i>Duration:</i> 3 years (2012-2014) 	<p>Complementary between top-down and bottom-up approaches. For example the IP national platform could be reinforced by this UNDP project and thus better represent interests of local populations benefiting from FDCS.</p>	Comp 1
WWF	<p>REDD+ for People and Nature (R-PAN) phase2</p> <ul style="list-style-type: none"> •<i>Executing Agency:</i> WWF DRC •<i>Main objective:</i> support the implementation of the jurisdictional emission reduction program in the Mai Ndombe and Plateaux Districts •<i>Specific objectives:</i> 	<ul style="list-style-type: none"> •<i>Financier:</i> NORAD •<i>Budget:</i> unknown •<i>Duration:</i> starting in 2014 		Comp 1 Comp 2

	<ul style="list-style-type: none"> - Reinforce capacities of local communities - Collaborating with Carbon Mapping project - Capitalizing on R-PAN phase1 project 			
Forest Peoples Program	Promoting Forest Peoples' Rights and Food Security through Good Governance in Forest and Climate Policies <ul style="list-style-type: none"> •<i>Executing Agency:</i> national and local NGOs •<i>Main objective:</i> sensitize local communities, especially women and IPs, about REDD+. 	<ul style="list-style-type: none"> •<i>Financier:</i> EU •<i>Budget:</i> €3 million •<i>Duration:</i> 5 years 	Synergies to find NGOs with experience and legitimacy on the ground, especially with IPs.	Comp 1
	REDD+, Livelihood Security and Economic Development in the DRC <ul style="list-style-type: none"> •<i>Executing Agency:</i> various NGOs (RRN, DGPA, CEDEN, etc.) •<i>Main objective:</i> ensuring inclusive and equitable participation of populations in the REDD+ process, especially by promoting PFIC and benefit-sharing mechanism application, improved livelihoods (especially food security) and securitization of land tenure rights. 	<ul style="list-style-type: none"> •<i>Financier:</i> SIDA •<i>Budget:</i> €3.84 million •<i>Duration:</i> 3 years 	DGM can capitalize on the (i) reinforced tissue of CSO, NGO sensitized and trained by this project; (ii) rural socio-economic activities that have proven to be relevant and successful (+ lessons learnt).	Comp 1 Comp 2 Comp 3
World Bank	PROROUTES / Land contracts in northern Katanga / Kalemie <ul style="list-style-type: none"> •<i>Executing Agency:</i> Cellule Infrastructures •<i>Objectives:</i> secure land for IPs 	<ul style="list-style-type: none"> •<i>Financier:</i> IDA •<i>Budget:</i> \$150 million •<i>Duration:</i> 	Assessing the relevancy of using the type of land contracts arrangements made by IPs with local chiefs as a means of securing land access.	Comp 1 Comp 2
	PFCN / IP Development Plans in Bandundu, Équateur and Province Orientale <ul style="list-style-type: none"> •<i>Executing Agency:</i> UC-PFCN •<i>Objective:</i> Giving alternative revenue-generating activities to local and indigenous communities 	<ul style="list-style-type: none"> •<i>Financier:</i> IDA, GEF •<i>Budget:</i> \$70 million •<i>Duration:</i> 5 years (2010-2015) 	IPDP and examples of small grants given to IPs in Province Orientale could be capitalized.	Comp 2
	Forest Carbon Partnership Facility (FCPF) <ul style="list-style-type: none"> •<i>Executing Agency:</i> UC-PFCN / CN REDD •<i>Objective:</i> preparing DRC to the REDD mechanism 	<ul style="list-style-type: none"> •<i>Financier:</i> FCPF Readiness Fund •<i>Budget:</i> \$8.8 million •<i>Duration:</i> 5 years (2010-2015) 	Consultation, capacity building, information, education, and communication activities in favor of civil society and local populations	Comp 1
	Forest Investment Program (FIP) <ul style="list-style-type: none"> •<i>Executing Agency:</i> UC-PFCN / CN PIF •<i>Objective:</i> test new approaches to improve community livelihoods and forested landscape management, and to reduce greenhouse gas emissions from deforestation and forest degradation in selected areas. 	<ul style="list-style-type: none"> •<i>Financier:</i> CIF/SCF •<i>Budget:</i> \$36.9 million •<i>Duration:</i> 5 years (2015-2020) 	DGM is built as a special window of the FIP and aims to strengthen the capacity of IPLCs to participate in FIP and REDD+ activities	Comp 1 Comp 2
	National Parks Network Rehabilitation Project (PREPAN) <ul style="list-style-type: none"> •<i>Executing Agency:</i> Congolese Institute for Nature Conservation (ICCN) 	<ul style="list-style-type: none"> •<i>Financier:</i> GEF, IDA •<i>Budget:</i> \$20 million 	Ongoing discussions with ICCN to assess the feasibility	Comp 2

	<ul style="list-style-type: none"> •<i>Objective:</i> To enhance the capacity of the ICCN for management of targeted protected areas. 	<ul style="list-style-type: none"> •<i>Duration:</i> 8 years (2010-2018) 	of creating protected areas (such as a hunting domain or natural monument) under community-management and participative governance or even a new kind of community-managed areas by using and adapting the concept of Indigenous Peoples' and Community Conserved Areas and Territories (ICCA) developed by the ICCA Consortium (see next 2 items)	
GIZ	<p>Biodiversity and Forest Program (PBF)</p> <p>No dedicated project in favor of IPs but indirect support provided to IPLCs in the form of micro projects such as alternative revenue-generating activities (agriculture, microzoning) in the following Provinces: Orientale, Maniema and the 2 Kivus.</p> <p>In addition GIZ is working very closely with ICCN, especially on the ICCA implementation (cf. next item)</p>	<ul style="list-style-type: none"> •<i>Financier:</i> Germany •<i>Budget:</i> unknown •<i>Duration:</i> 8 years (2010-2018) 	Ongoing discussions with GIZ on the ICCA concept and more generally on the participative community biodiversity conservation. Capitalize on their strong knowledge of ICCN and their experience in the field with communities.	
ICCA Consortium	<ul style="list-style-type: none"> •<i>Mission:</i> promoting the appropriate recognition of and support to ICCAs, Indigenous Peoples' and Community Conserved Areas and Territories. •<i>Objective:</i> apply the ICCA concept to DRC •<i>Activities:</i> first workshop in 2012, report in early 2014, workshop in late 2014, with GIZ support 	<ul style="list-style-type: none"> •<i>Financier:</i> The Christensen Fund, UNDP, GIZ •<i>Budget:</i> unknown •<i>Duration:</i> since 2012 	ICCA could be translated into the DRC context using the 2014 Conservation Law on community participatory protected areas.	Comp 2
Regional REDD+ Project	Support to the regional IP platform REPALEAC and its DRC sister REPALEF	<ul style="list-style-type: none"> •<i>Financier:</i> WB •<i>Budget:</i> \$ 13 million •<i>Duration:</i> 2011-17 		Comp 2
SNV	Support to 270 IP households in the Equateur Province (Lua and Dongo territories), in the agriculture sector, namely providing them with agricultural implements, seeds and inputs.	<ul style="list-style-type: none"> •<i>Financier:</i> World Bank / PARRSA 	Reinforcing collaboration with agriculture global practice	Comp 2

Other Advocacy partners

- **FPP (Forest People Program)**: Advocacy and capacity building support in addition to their projects
- **RF-N (Rainforest foundation Norway)**: various punctual activities to support advocacy work on community forest management
- **RF-UK (Rainforest foundation UK)**: various punctual activities to support advocacy work on community forest management – participatory mapping
- **Global Witness**: technical activities to support advocacy.
- Greenpeace**: technical activities to support advocacy.
- WCS (Wildlife Conservation Society)**: punctual technical support.
- Globe international**: technical support for advocacy on REDD+.
- MRG**: Minority Right Group: technical and financing partner for IP organizations.
- IWGA**: International working group for indigenous affairs: various punctual activities to support advocacy work and capacity building.
- BIC (Bank Information Center)**: Support for advocacy
- RRI (Right Resources Institute)**: technical support for advocacy on land tenure.
- Christian aid**: Financing support for community development.
- Saves the children**: Technical support on children.
- Protection International**: technical and financing partner supporting protection and security of communities.

Annex 8: Details of the Selection Process for the NEA and TORs

Selection process of the NEA in DRC

1. According to the DGM guidance, the following basic principles guided the process:
 - (a) Transparency
 - (b) Equal access for participants
 - (c) Broad participation
 - (d) Uniform application of rules for all participants

2. The process was administered by the Executive Office of the NSC. The six members of the Executive Office and the coordinator of the REPALF constituted the Selection Committee. In accordance with the operational guidelines of the DGM, the Bank approved the TORs for the recruitment of the NEA as well as the process, selection criteria, and the composition of the Selection Committee before the start of the selection.

3. To encourage broad participation, daily local media outlets were used to disseminate the information. Also, a secretariat and a telephone contact number were created to make the information permanently available. A training was organized at the Bank for the members of the Selection Committee to strengthen their capacity on the usual procurement procedures.

Table 1: List of Tasks

Calendar	Tasks
November 2014	First Steering Committee in Kisangani and mandate given to the Executive Office to create a Selection Committee
November 2014–January 2015	Work on the ToR
February 6, 9, and 24, 2015	Preparation meeting of the Selection Committee
February 16, 2015	Publication in local newspapers
February 27, 2015	Training at the Bank on procurement rules
February 28, 2015	Opening of bids
March 1, 2015	Evaluation of the candidates
March 11, 2015	Presentation of the result to the NSC (2nd NSC in Kinshasa)
March 25, 2015	Submission of the proposal for the selection of the agency to the Bank for no-objection
April 23, 2015	Publication of the results after the Bank’s no-objection
July 07, 2015	Fiduciary assessment of the agency by the Bank
July 20, 2015	Third NSC – validation of the safeguard documents
August, 19, 2015	Official withdraw from WCS as NEA candidate
October 15, 2015	Technical discussion with CARITAS, second candidate.

Results

4. After informal one-on-one discussions led by the Bank with potential candidates (in full transparency with the NSC), the interested operators have been more formally contacted through a request of interest and the submission of a technical and financial proposal. As several options are possible, each candidate was requested to propose a tailored solution with specific institutional arrangements.

5. At the end of the selection process, CARITAS has been selected by the NSC as the preferred candidate for the role of executing agency for the DGM in DRC.

Description of the NEA

6. In accordance with the operational guidelines of the DGM, the NEA is a nonprofit organization with capabilities that meet the programmatic and fiduciary requirements of the Bank. It was selected through a competitive process.

7. Its mandate was detailed in the ToR that was advertised (in French). The following is an extract of the mandate as it was submitted to the candidates (translated from French):

Scope of Work and Responsibility of the NEA

8. The NEA will sign a grant agreement with the Bank for the project and will be responsible for commitments made in the grant agreement, including the proper use of funds and monitoring impacts. As such, the NEA is responsible for making all financial, legal, and technical provisions for the implementation of the project according to the operational requirements of the Bank. The NEA will also trust the Implementing Agency of the project.

(a) As a signatory of the project grant agreement, the NEA will be responsible for the proper execution of the DGM project activities to the Bank and the NSC, within the allocated budget. It is expected that the activities are implemented over a period of five years.

(b) As the Implementing Agency of the project, the NEA will be responsible for executing the work program as approved by the NSC, ensuring that activities are conducted in accordance with the objectives outlined in the PAD and operational policies of the Bank (especially procurement issues, FM, backups, and reporting), and providing reports on the operational and financial aspects of the Bank after approval by the NSC.

9. Therefore, the NEA will continue throughout the duration of the project.

10. Using internal resources:

(a) An FM and internal control system satisfactory to the Bank, including transparent, documented, and clearly highlighting the responsibilities at each stage.

(b) A procurement system satisfactory to the Bank, including transparent selection procedures which should be documented and available.

(c) A project oversight and reporting device for (i) supporting the NSC to prepare annual work plans; (ii) implementing the action plan in accordance with the quality requirements

assessed by the Bank and NSC (identification of providers, drafting ToR, selection, contract monitoring, and technical execution of contracts); and (iii) reporting to the NSC and the Bank on the progress of work by preparing activity reports and financial reports in adapted forms. The NEA will also facilitate meetings of the NSC.

11. With the support of consultants hired under the provisions of the project:

(a) A safeguard monitoring system enabling (i) systematic ‘screening’ of activities (especially for small projects) to implement the provisions specified in the PIM and other documents relating to environmental and social impacts; (ii) the implementation, if necessary, of impact mitigation activities or consultations; and (iii) implementation of monitoring of mitigation or consulting activities.

(b) A technical monitoring system to (i) support communities in defining their needs and the realization of micro-projects (project feasibility, technical validation, and service completion...) and (ii) support representatives of IPs and local populations for technical issues (technical writing, arguments, and technical assistance).

12. Even if the tasks related to technical monitoring and safeguards are implemented through consultants or firms engaged by the project, the NEA will retain responsibility for the proper execution of tasks.

Detailed Tasks to be performed

13. During the five years, the NEA will perform the following tasks.

FINANCIAL MANAGEMENT (ACTIVITY PERFORMED INTERNALLY)

Financial Management and Accountancy

14. The NEA will, through its experts, ensure regular bookkeeping for all project operations through the use of an accounting software acceptable to the Bank. This software must be adapted to the specificities of financing, meet the Bank's requirements for reporting, allow editing of accounting and financial statements in real time, and facilitate monitoring and decision making.

15. The NEA shall ensure, on behalf of the project, the application of disbursement rules and procedures and FM to ensure the effective use of funds for project activities.

16. In particular, the NEA will be responsible for managing the funds made available. It will have to ensure compliance and eligibility of expenditure compared to project objectives and conduct the inventory of fixed assets.

Managing the Designated Account

17. When the conditions of the grant are met, the NEA will, in accordance with the rules of the Bank governing designated accounts, carry out the management of a designated account to be opened in a commercial bank acceptable to the Bank to house the project funds. It will ensure that the Ministry of Finance delivers to the Bank the specimen signatures of persons authorized to operate the account.

18. The NEA will conduct a review of the internal quality before sending any request of refinancing (DRF) and will provide an average of one DRF per month.

19. During the project, the NEA will be responsible that all funds disbursed for the project have been recorded in its accounts and the movement of the designated account is in line with the funds received, expenditures made, and cash at bank and in hand are real.

20. **For micro-projects**, the NEA will make its case in the provision of funds to entities in charge of the execution of the micro-projects from the advance received from the Bank. The NEA will be responsible for delivery of the works and for the possible recovery of advances and closing payments. The NEA will send supporting records to justify the use of funds.

Budget Management

21. The NEA's financial team will prepare, for the needs of the project, an annual work plan and an operating budget (in French: PTBA) to implement the project activities taking into account the objectives of the project. This PTBA will be submitted annually for the Bank's no objection no later than November 30 of the previous year.

Financial Reporting

22. The NEA will prepare quarterly Financial Monitoring Reports to submit to the Bank within 45 days after the end of each calendar year quarter. The annual financial statements will be audited by external auditors who will be recruited for this purpose.

PROCUREMENT (ACTIVITY PERFORMED INTERNALLY)

23. The NEA will be responsible for implementation and monitoring of guidelines and compliance with them in the different processes and other acts related to procurement.

(a) The NEA will be responsible for developing the detailed Procurement Plan and for compliance with the selection procedures, including publications, evaluations, negotiations, and signing of contracts. To this end, the NEA will establish a Selection Committee in accordance with the Operations Manual.

(b) The NEA will sign the contracts and be responsible for monitoring their performance and the proper realization of benefits (completion certificate). It will control the bills and make payments under the terms of contracts.

(c) The NEA will be responsible for drafting the quarterly activities of the procurement reports. It will ensure the transmission of reports signed at the Bank and will inform the Steering Committee and, if necessary, the Bank of any observed deviation from the agreed procedures.

(d) For small projects, the NEA will sign donation agreements with the entities responsible for the realization of mini-projects.

24. The NEA will maintain a good filing and archiving system of all procurement documents for easy access to information during the review missions conducted independently or post review of procurement.

Reporting

25. The NEA will provide the PTBA for the project as well as the quarterly financial monitoring reports and annual audit reports to the NSC for approval, as agreed in an agreement with the Bank.
26. The NEA will liaise with the GEA of the DGM and will provide updates and reports on the progress of the program as agreed with the GEA and the GSC. It will provide information on the project using the reporting model in accordance with the timetable agreed with the GEA.
27. The NEA will provide an annual activity report and a final report on the project after the execution of all activities and ensure their dissemination. This report will contain a description of the activities, the status of implementation, funding allocations for the previous period, the state of disbursements, commitments, and channeling activities.
28. **For small projects**, the NEA will monitor and produce reports on the outcome of the important stages of the project and provide updates to the NSC. The NEA will make the final reporting and collect the necessary information for the indicators of the project.

Project Coordination and Supervision

29. The NEA will assist the Permanent Secretariat and the National Steering Committee to identify their needs and find the most effective service providers to serve their project objectives. It will coordinate the conduct of technical documents that will be validated by the Permanent Secretariat of the NSC (and the Bank if necessary).
30. The NEA will arrange the translation of DGM documents and interpretation services in the working languages, if necessary, during meetings or to the country or countries.

Supervision of the Tasks under the Responsibility of the NEA and Delegated to Providers

31. **Supervision of the Grievance and Redress Mechanism.** The NEA will be responsible for the effectiveness of the FGRM. For this, the NEA will oversee the contracts of participating organizations and regularly assess the quality of the device.
32. **Supervision of Technical Assistance to Communities.** The NEA will oversee the work of technical assistance to the communities. The technical assistant will be responsible for drawing up technical documents (ToR and technical specifications) for actions approved by the NSC and logistically organizing national, regional, and local capacity-building activities under the direction of the NSC and in coordination with the Permanent Secretariat of the NSC. It will partner with the NGOs present in 16 territories to implement local investment activities.
33. For small projects, the expert will provide (directly or via NGOs in the territories) technical assistance (the preparation of proposals for grants, micro-project management, and final reporting) to organizations and networks of the IPLC territories according to their needs throughout the project cycle. The expert will give an opinion with reasons on the quality (technical and financial), feasibility, and financial implications related to implementation.

34. **Supervision of Safeguard Management.** The NEA will oversee the work of a consultant on environmental and social issues that will assess the environmental and social impacts in accordance with the scope of environmental and social management and the Bank's safeguard procedures.

35. For all these activities, the NEA will comply with the PIM. The PIM describes how the activities, including component micro-grants, will be administered—procedures and review criteria and selection of applications, measures to ensure transparency and integrity of the process, advertising and dissemination of results, and disbursement and FM arrangements. The Operations Manual will be signed by the NEA and the CPN.

Annex 9: Land Security for the IPs in the DRC and the Potential of the ICCA

IPs, Land Tenure, and Land Security

1. Land tenure rights in the DRC are complex and mix various concepts inherited from the country's history. They also mix formal private property rights and traditional clan-related rights managed by the landlord (*Chef de Terre*) whose traditional authority is thus recognized by the law.

2. According to the law, all land belongs to the state. The DRC laws specifically recognize customary land tenure management by the *Chefs de Terre* and allow them to issue property papers for a short time (5 to 25 years usually) when the property needs to be formalized. This is not only true for forest resources but also for subsurface resources and farmlands production. This situation jeopardizes the IPs' land use security for multiple reasons.

(a) Even if the law recognizes the customary laws, it usually means recognizing the customary laws of the non-IP communities. Whenever a conflict between the IP and non-IP arises, the non-IP customary law usually rules rather than the IP customary law. Therefore, even in areas where the IPs claim to be the first occupants, they can benefit from land access only if it does not go against the neighboring communities' interests.

(b) Requesting a non-IP *Chef de Terre* to grant occupancy rights to the IPs would be an acknowledgement of the non-IP community's authority over the land, thus denying the IP's rights as first occupant.

3. As the non-IP communities gradually expanded, this process (as well as the need to find new hunting grounds) pushed the IP communities deeper into the forest to avoid competition over land, but it also resulted in a situation in which they did not have any recognition—formal or customary—of their land rights. As the population density is increasing and the IP livelihood is evolving toward a more sedentary way of life, the need to have a secured area to protect their culture and keep their traditional sources of revenues is becoming crucial. However, the existing land tenure laws provide very little help in securing land for the IPs.

The Concept of the ICCA and Its Potential in the DRC

4. The ICCAs are defined by the International Union for Conservation of Nature as “natural and/or modified ecosystems containing significant biodiversity values, ecological services, and cultural values, voluntarily conserved by the IPLCs, both sedentary and mobile, through customary laws or other effective means.”³⁴ The ICCA's three main characteristics are the following: (a) a people or community is closely connected to a well-defined territory, area, or species; (b) the community is the major player in decision making (governance) and implementation regarding the management of the territory, area, or species; and (c) the community management decisions and efforts lead to the conservation of the territory, area, or species and associated cultural values.

5. Responding to mounting interest and concerns about the ICCAs, several NGOs and organizations representing indigenous and community constituencies established the 'ICCA

³⁴ <http://iucn.org/about/union/commissions/ceesp/topics/governance/icca/>.

Consortium' at a gathering during the 4th World Conservation Congress in Barcelona, Spain in October 2008. The ICCA Consortium is dedicated to promoting the appropriate recognition of and support to the ICCAs in the regional, national, and global arenas. It comprises members (Indigenous Peoples Organizations, Community-based Organizations, and CSOs working with the IPs/LCs) and honorary members (individuals with relevant concerns and expertise relating to the ICCAs). As a global institution, the consortium is collaborating with the Convention on Biological Diversity Secretariat, GEF SGP, United Nations Environment Programme World Conservation Monitoring Center, research and advocacy organizations, and UN mechanisms promoting human and IP and LC rights.

6. In November 2012, this consortium (with the support of the GIZ) organized the first national workshop dedicated to the ICCAs in the DRC. With continued financial support from the GIZ, additional support from the GEF Small Grant Program, and technical support from the ICCA Consortium, IP organizations (under the leadership of the REPALEF) managed the 'Project of ICCA Legal Recognition in the DRC' comprising the following activities from July 2013 to September 2014: (a) identification and documentation of the ICCAs in three pilot forest landscapes (Kisimbosa, Mweka, and Bowele); (b) analysis of legal options (a report was commissioned to and delivered by an environmental law firm³⁵); (c) high-level advocacy toward political institutions and other relevant stakeholders (meetings with representatives of the public administration and civil society).

7. On September 11 and 12, 2014, a workshop was organized by the REPALEF and the ICCA Consortium.³⁶ As the last milestone of the legal recognition project mentioned above, it gathered representatives from several ministries (including Forest and Land Tenure), ICCN, IP organizations, and technical and financial partners. The next steps leading to an effective legal recognition of the ICCAs in the DRC context were discussed: (a) lay out legal options such as using the Nature Conservation Law 14/003 of February 11, 2014 or relying on the newly signed decree granting forest concessions to the LCs and on ongoing reforms (land tenure and land use planning); (b) continue the identification and documentation work to find pilot ICCA sites; (c) disseminate information about the ICCAs using various communication channels (TV, radio, and exchange visits); and (d) set up a national ICCA network as well as a national program supporting that network.

³⁵ Report « *Relevant options for the legal recognition of Indigenous and Community Conserved Areas* » ('*Identification des options appropriées et efficaces pour la reconnaissance légale en RDC des Aires du Patrimoine Autochtone et Communautaire*'), by Augustin Mpyoi, CODELT - February 2014.

³⁶http://www.iccaconsortium.org/?page_id=1811.

Annex 10: Sociocultural Background for Forest-dependent Communities in DRC

History and Sociocultural Traits

1. Forest-dependent populations in many areas of the country comprise a large number of ethnic groups (Cwa, Twa, Mbuti, Efe, and Soa) with various subgroups along with other ethnic groups in Cameroon, Republic of Congo, Central African Republic, and Gabon which share their identity as ‘people of the forest’ and present specific characteristics. At their first encounter with them, the Europeans named these populations as ‘Pigmies’, referring to their short size. ‘Pygmies’ is the only ethnic group definition to be identified by physical characteristics rather than linguistic or cultural and thus has a negative connotation. Forest-dependent populations prefer to be identified by their ethnicity (Cwa, Twa, Mbuti, Efe, and Soa) or more broadly as Indigenous Peoples (IP).
2. Studies on their genome demonstrate that they first separated genetically from non-pygmy populations about 70,000 years ago. They subsequently divided into ancestral western and eastern populations around 27,000 years ago (Batini et al. 2011; Cavalli-Sforza et al. 1994)—long before the expansion of Bantu farming populations in the Congo Basin roughly 3,000 years ago, which resulted in a third split into smaller groups within those two pygmy populations.
3. The IP are considered to be the most ancient population of the Congo River Basin and are known for having established an exceptional society in the rain forest with a remarkable capability to adapt to their natural environment. They have traditionally lived in the forest in small nomad communities leading the lives of hunter-gatherers with a relatively egalitarian and horizontal social organization.
4. The IP’s culture is one of the most original forms of human adaptation to the specific ecological conditions of the rain forest. Over millennia they have developed the skills to live in the forest and a sophisticated knowledge of their environment, which includes specific ethnobotany, forest-related forms of representation such as cosmology, and music.³⁷ For example, among the Mbuti, the forest (*ndura*) itself is believed to take part in child development as the concept of the ‘womb’ (*ndu*) is directly related to the Mbuti notion of the forest (Mosko 1987).
5. The IP are hunting-gathering societies; they honor hunting as a sometimes mystic activity and attach great importance to this livelihood which represents their specific cultural identity. Hunters are given different names according to the type of hunting material they use and their prey.³⁸ However, according to Ichikawa (1991), the Mbuti in the Ituri region trade nearly half of

³⁷ For the Epulu Mbuti of the Ituri, the forest or *ndura* is anything but a simple idea. It is variously described as ‘father’ and ‘mother’; ‘friend’ (or ‘sibling’) and ‘lover’; the ‘great provider’; the ‘chief, the lawgiver, the leader, and the final arbitrator’; ‘God’; ‘Godhead’; ‘Deity’; ‘God of the Hunt’; and ‘God of the Forest’. Correspondingly, the Mbuti regard themselves as ‘Children’ or ‘People of the Forest’ (Turnbull, quoted in Mosko 1987). <<AQ: Should we mention the year for Turnbull? There is a reference to it in the reference list.>>

³⁸ The Aka and the Mbuti refer to net-hunters as kombeti or kapita, respectively. Tuma instead is the great hunter (usually of elephants). While there is at least one kapita in each camp, there is only one tuma in every three or four camps. The latest are believed to have magical powers, including the one to become invisible.

the meat with farmers or bush meat traders and thereby receive 71.7 percent of the total calories consumed at their hunting camps from the farmers' crops. Therefore, despite their ambivalence, relations with farmers are key.

6. The IP hunt using nets, spears, bows, or artisanal guns. Some regional differences exist in hunting techniques with different implications on the exploitation of forest resources. The geographic distribution of bow and net hunting within the Ituri Forest, for example, might correspond to regional differences in the density of understory vegetation. Reduced visibility in vegetation-dense forest makes the net spread on the ground a more suitable technique than the bow, which is more suitable for hunting birds in the upper forest. The primary forest, being denser, is more suitable for bow hunting.

7. Most net hunts take place in less-dense mature forests. Archers and net-hunters are clearly aware of vegetation density differences and they modify their techniques accordingly. Human disturbances also play a role. However, spread nets in the Ituri are more efficient in capturing favored market species and Mbuti net-hunters are distributed in areas with greater commercial demand for bush meat (Wilkie and Curran 1993).

8. As a result of this large use of forest resources, the IP's diet appears to be more diversified than that of the farmers in the same area. Many agricultural populations are subject to chronic or seasonal undernutrition that forest-dependent populations experience to a lesser extent. In Ituri, for example, the relations between the Efe Pygmies and Lese farmers have been studied through quantitative and qualitative data on food consumption, food distribution practices, food taboos, garden sizes, and work effort. According to these studies, the Lese experience at least one annual hunger season;³⁹ approximately one quarter of the population suffers from energy deficiency. Nutritional deficiency for the Lese is also compromised by a complex system of food taboos against meat from wild forest animals. Anthropometric data collected over several years suggest that Lese women in particular suffer from nutritional stress more than men during the hunger season. They also have more food taboos, particularly during pregnancy and lactation (Bentley et al. 1999).

³⁹ The Lese diet is generally poor in quality and is composed of relatively few cultivated foods. The most common staples are sweet manioc and plantains, the former being most frequently eaten. One of the most important sources of fat is palm oil which is time-consuming and arduous to prepare and is dependent on available palm nuts. It can, however, be purchased through the year from the weekly market some 12 kilometers away. Maize is harvested during a short season in June and is generally not stored except as seed crop. By far the largest and most important seasonal foods which can be stored for several months are rice harvested from November through February and groundnuts which are harvested from the end of June through August. These two foods provide the highest seasonal energy intake of the Lese diet. The Lese occasionally eat tomatoes, squash, cabbage, sesame seeds, and leafy greens which they grow in small quantities. Beans are also available for purchase in the weekly market. In addition, the Lese chew on palm nuts to extract small quantities of palm oil and consume palm wine when it is available. A few wild plant foods, especially *Canarium schweinfurthii*, are occasionally gathered from the forest to supplement the diet. The Lese eat relatively small amounts of fish, freshwater crabs, and meat from various wild forest animals and a few domesticates (chickens and goats). Both meat and fish are available seasonally and in 1989 comprised only 5 percent of total energy intake (Bentley et al. 1999). Fish are most easily obtained in the dry season from January through March when water levels are low and dams can be easily built. In contrast, meat is most commonly available from August to October when animals are more easily trapped in the forest. However, meat consumption is limited by a complicated system of food avoidances against wild forest animals (Bentley et al. 1999: 151).

Gender-specific Livelihood Activities

9. **The dependence of rural women on community resources tends to be greater than men** because they have lesser access to private resources. Women are also substantially more involved in non-timber forest products than men for direct consumption, especially in Africa.⁴⁰ Therefore women's exclusion from decision making can have direct consequences on the household's welfare and food security. The systematic exclusion of one gender from consultation, decision making, and management of forests can thus have negative efficiency implications, by failing to tap either women's knowledge of diverse species that could enrich forest regeneration and biodiversity or their understanding of traditional silviculture practices.

10. **Historical records indicate a long tradition of women hunters in Central Africa**, although differences in hunting techniques exist among the different Pygmy groups. In numerous societies hunting is considered taboo for women. On the contrary, Bakola/BaGyeli women in Cameroon have been reported hunting with nets, spears, and dogs, with other women or their husbands. Baka women of eastern Cameroon seldom hunt but they carry spears and nets for their husbands. Women do not own spears but will use those belonging to their husbands, brothers, or fathers. It has also been reported that among the Mbuti of the Ituri, net-hunting with few women had the lowest returns (Noss-Hewlett 2001).

11. Regular female participation in subsistence hunting, weak male control ideologies, and low risk of net-hunt failure by the group explain female participation in net-hunting among the Mbuti, Aka, Bakola/BaGyeli, and Bongo. As a matter of fact, African forest foragers acquired net-hunting from Bantu-speaking farmers (Vansina 1995), but women farmers do not participate in farmers' net-hunts as they do among foragers because farmers in Central Africa are more likely to place taboos on hunting technologies (nets, spears, crossbows, and guns). Relative gender equality and extensive sharing and cooperation in subsistence and child care are also central to understanding female hunting (Noss-Hewlett 2001).

12. **Demand for bush meat and proximity to markets can be a plausible explanation for female participation in hunting among the IPs.** For example, Bailey and Aunger (1989) compare Mbuti forager women's participation in net-hunting with Efe forager women's participation in horticultural labor (that is, assisting Lese farmer women in their fields). Their research indicates that Mbuti women net-hunted because they obtained more calories per unit of time from net-hunting—in large part due to meat markets in the Mbuti area—than they would have from providing labor to village women in exchange for village crops (for example, manioc and corn). Efe forager women did not hunt because meat markets did not exist in their area and they obtained more calories per unit of time from helping horticultural women than they could from hunting. Efe women received manioc and other village crops in exchange for their labor, while Mbuti women sold or traded meat from the hunt for village crops (Noss-Hewlett 2001).

⁴⁰ Globally, men and women contribute almost equally to the value of household income from unprocessed forest products, but this conceals some regional differences. In Latin America, men bring about seven times more income from unprocessed forest products to the household than women. In the Asian sites, the share value of unprocessed forest products is similar among the three categories of analysis with men bringing slightly more. Lastly, in Africa the share value of unprocessed products collected by women is higher than that collected by men. In the African sites, the share value of products equally collected by both men and women is the lowest, representing only 13 percent of the total—indicating high levels of gender-specific specialization (Sunderland T. et al. 2014).

13. **Beyond bush meat, women are also active in gathering other non-timber forest products to enrich their diets.** Food items other than honey such as payo (*Irvingia excelsa*) and other nuts, caterpillars, mushrooms, koko leaves (*Gnetum buchholzianum*), fruit, and wild yams (*Dioscorea*) were gathered principally by women and likely tended to exceed the caloric and protein value of game meat obtained. Women as well as men gathered additional forest products, such as kosa (*Manniophytonfulvum*) bark strips for making cord and nets; *ngongo* (*Megaphrynium macrostachyum*) leaves for wrapping food or roofing huts; and rattan (*Eremospatha sp.* and *Ancistrophyllum secundiflorum*) for sale or domestic use.

Food, Diet, and Nutrition

14. In the late 1980s, researchers of hunter-gatherer societies engaged in a lively discussion about the hypothesis of the ‘Wild Yam Question’, that it was impossible for human beings to live without agricultural products in a tropical rain forest (Headland and Bailey 1991). Based on ecological surveys of the Ituri Forest, Hart and Hart (1986) pointed out that the interiors of rain forests were poorer in both animal and botanical food resources than either their fringe or the forest-savanna zone.

15. Headland (1987) made the assertion that human beings could not live independently of agricultural products in tropical rain forests where starchy foods like wild yam tubers were scarce. It can be argued that there are neither pure hunter-gatherer groups in tropical rain forests in the present day nor evidence that they had lived there in the past. In addition, modern-day hunter-gatherer societies have long histories of trade and interaction with the dominant societies around them (Sato 2014).

16. **According to historical and anthropological studies, the relations between the IP and the Bantu have existed for a long time** (Takeuchi 2014: 299) and have been characterized by miscegenation (although very limited) and technical and cultural exchanges, but they were also marked by suppression and subjugation. Pygmies gradually gave up their own languages and adopted the Bantu or Sudanese languages of their neighbors, while creating their own dialects (World Bank 2009). These findings suggest that pygmies have had contact with farmers for several thousand years.⁴¹

17. **Forest-dependent communities provide farmers with forest products, such as meat,** or labor for cultivation in exchange for crops or industrial products such as pots and, more recently, cash. Farmers do not often hunt and the meat provided by the IP constitutes a major source of protein. Therefore, relations between forest-dependent communities and farmers deserve to be further investigated to shed some light on important aspects in nutrition, social transformation, and health.

18. Economic relationships (that is, exchange of goods and services through the division of roles in resource use) and social relationships (that is, fictive kinship bonds) form two sides of the same coin and each reinforces the other. Subsistence differentiation and interdependence between forest-dependent communities and farmer groups are necessary for them to coexist,

⁴¹ The rich and diversified history of relations between the Pygmies and Bantu was at first structured around mutually beneficial exchanges between the two groups. However, with the gradual sedentarization of the Pygmies this relationship has changed. Today it can be characterized by a true ambivalence (World Bank 2009: 31).

whether the IP are trading bush meat or labor for farmers' crops. Social relationships, such as fictive kinship bonds, facilitate the continuance of subsistence role differentiation as well as interdependence.⁴² Despite some improvements, the present situation of Pygmy-farmer relations remains unclear.

19. **Differences in paid labor have been reported across gender lines.** For example, according to observations carried out by Noss and Hewlett (2001) among the Aka, women generally farmed in manioc fields or coffee plantation receiving payment in kind. Men sought payment in cash for clearing fields; collecting palm nuts, palm wine, raffia leaves, rattan, or construction poles; hunting with guns; and pottering in the diamond fields.

20. While the relationship between Pygmies and non-IP groups (mostly Bantu as well as Sudanese and Nilotic populations) could initially have been described as mutually beneficial, an imbalance of power to the detriment of the Pygmies and the benefit of the Bantu has slowly emerged. The Bantu have established their stronghold over the Congolese territory and imposed their societal organization, administration, and division of power and land over the Pygmies. This, combined with increasing pressure on the rain forest (for example, through commercial and artisanal mining, logging, and hunting) is threatening the Pygmies' livelihood. Their traditional nomad lifestyle is increasingly at risk.

Cultural Change and Progressive Sedentarization

21. Today, most Pygmies are sedentary or in the process of sedentarization. **This social transformation and progressive sedentarization is altering forest-dependent communities' lifestyle and well-being.** Although poverty is widespread in DRC, forest-dependent communities are poorer and more vulnerable than their neighbors and the national average because of limited access to services, citizenship rights, and economic opportunities.

22. Once the IP abandon their traditional lifestyle and become sedentary, their standard of living is often lower than the rest of Congolese society, especially regarding substance abuse, malnutrition, and sexually transmitted diseases (STDs).

23. In addition to poverty, they are frequently denied basic human and citizen rights. All socioeconomic indicators are much worse than for their neighbors. Forest-dependent communities in the country can best be described as poor, vulnerable, and marginalized while their unique culture is at risk of being lost (especially their knowledge of the forest, their specific music, and language).

24. Although the IP's traditional nomadic lifestyle cannot necessarily be equated with poverty, as long as the external conditions are favorable (that is, good access to the forest and natural resources), it does constrain their access to education and health care. **Poor health is partly due to their lifestyle, especially poor hygiene, consumption of unclean water, promiscuity, and smoke-infested houses, and their exclusion from the health care system.** They are less well informed about diseases and their transmission, vaccination campaigns do not reach or target them, and they often feel marginalized by mainstream society and medical

⁴² Both Pygmies and farmers in the Ituri Region were involved in the violent disturbances during the second Congo War from 1998 to 2003. The Pygmies suffered oppressive persecution by armed groups (Pottier 2007, 2008).

practitioners (Strategic Preparation Framework for a Pygmies' Development Program, World Bank 2009). Maternal mortality levels are high. Violence is also high due to the regional instability and alcohol and substance addiction.

25. Sedentarization also increases their dependency on agricultural products for income and food and thus on traditionally agriculturalist populations, who often exploit or abuse them. It also reduces their access to forest products and traditional medicine.

Recommendations

26. **Culturally sensitive systems of education and community preservation should be sought in consultation with communities.** For example, forest-dependent communities have achieved better nutrition outcomes because of community participation in infant feeding as well as relative gender equality in contributing to family nutrition. This risks progressively being lost through sedentarization and modernization. Community support is thus needed to continue such practices.

27. **Education.** Children drop out of school due to standardized curricula that do not take into account cultural needs and specificities of semi nomad societies, including their indigenous knowledge of the forest ecosystem. Therefore, forest management revenues should sustain cultural and education centers catering to such needs.

28. **Another important aspect is connecting both women and men to markets.** As demonstrated by several studies, access of men and women to markets allows better nutrition outcomes and less exploitation in the labor market. Sale of forest products, including medicinal and aromatic and essential oils for cosmetics, can be another avenue for women. Training in soft skills, numeracy, and literacy are important for women to achieve this goal.

29. **Critical health issues need to be addressed to help women and men thrive in the forest.** The high level of maternal mortality and incidence of sexually transmitted diseases (STD), fueled by conflict and violence pose serious risks to the well-being of women and children. In exchange for environmental services, communities should receive better access and better quality health care and be targeted for specific health campaigns ranging from STD to respiratory diseases and vitamin deficiency. Such campaigns could better resonate among beneficiaries if traditional healers and community elders were involved in the campaign.

30. **Furthermore, culturally appropriate grievance mechanisms should be put in place** to help indigenous communities enforce forestland restrictions and address episodes of discrimination and violence. Most forest-dependent populations are illiterate and cannot file formal complaints and their bargaining power in customary Bantu trials are limited. Specific and accelerated justice procedures should be put in place to allow forest-dependent communities quickly address violations and allow a fair investigation and trial as real enforcement mechanisms seem limited at the moment.

List of References

Batini, C., et al. 2011. "Insight into Demographic History of African Pygmies from Completed Mitochondrial Genome." *Mol. Biol. Evol.* 28 (2): 1099–1110.

- Bentley, G. R., et al. 1999. "Women's Strategies to Alleviate Nutritional Stress in a Rural African Society." *Social Science & Medicine* 48: 149–162.
- Cavalli-Sforza, L., P. Menozzi, and A. Piazza. 1994. *The History and Geography of Human Genes*. Princeton: Princeton University Press.
- Hart, T. B., and J. A. Hart. 1986. "The Ecological Basis of Hunter-gatherer Subsistence in African Rain Forests: the Mbuti of Eastern Zaire." *Human Ecology* 14 (1): 29–55.
- Headland, T., and R. Bailey. 1991. "Introduction: Have Hunter-gatherers Ever Lived in Tropical Rain Forest Independently of Agriculture?" *Human Ecology* 19 (2): 115–22.
- Ichikawa, M. 2014. "Forest Conservation and Indigenous Peoples in The Congo Basin: New Trends toward Reconciliation between Global Issues and Local Interest." In B. S. Hewlett's *The Hunter-Gatherers of the Congo Basin*. Transaction Publishers.
- Mosko, M. 1987. "The Symbols of 'Forest': A Structural Analysis of Mbuti Culture and Social Organization." *American Anthropologist* 89 (4): 896–913.
- Noss, A. J., and B. S. Hewlett. 2001. "The Context of Female Hunting in Central Africa." *American Anthropologist* 103 (4): 1024–1040.
- Sato, H. 2014. "The Foraging Lifestyle in the African Tropical Rainforest." In B. S. Hewlett's *The Hunter-Gatherers of the Congo Basin*. Transaction Publishers.
- Takeuchi, T. 2014. "Interethnic Relations between Pygmies and Farmers." In B. S. Hewlett's *The Hunter-Gatherers of the Congo Basin*. Transaction Publishers.
- Turnbull, C. M. 1962. *The Forest People: A Study of the Pygmies of the Congo*. New York: Doubleday & Co., Inc.
- Vansina, J. 1995. "New Linguistic Evidence and 'the Bantu Expansion'." *Journal of African History* 36: 173–195.
- Verdu, P., et al. 2009. "Origins and Genetic Diversity of Pygmy Hunter-gatherers from Western Central Africa." *Current Biology* 19: 312–318.
- Wilkie, D. S., and B. Curran. 1991. "Why Do Mbuti Hunters Use Nets? Ungulate Hunting Efficiency of Archers and Net-Hunters in the Ituri Rain Forest." *American Anthropologist* 93 (3): 680–689. New Series.
- . 1993. "The Net and the Bow in the Ituri." *American Anthropologist* 95 (1): 153–154. New Series.
- World Bank. 2009. *Democratic Republic of Congo Strategic Framework for the Preparation of a Pygmy Development Program*. Fragile States, Conflict & Social Development Sustainable Development Department, Africa Region.

Annex 11: Main Conclusions of the Strategic Framework for the Preparation of a Pygmy Development Program in DRC⁴³

1. The strategy recommendations are organized following six Focal Points.

Focal Point 1: Capacity Building

2. The IPs lack voice and representation. Their leaders and institutions need to be given the opportunity, through training and resources, to contribute to building capacity to organize, preserve their culture, construct and assert positive images of themselves, promote economic activities in line with their interests, and, most importantly, improve their living conditions.

3. That is possible only if the IPs' level of education is improved in the long term (see Focal Point 4). In the short to medium term, however, existing leaders need to be identified, the IPs' own institutions need to be created, and they need to be allowed to become active members of the Congolese society. Some degree of positive discrimination needs to be considered at this point.

4. A number of steps could be taken to assist forest-dependent communities achieve representation through their institutions.

- (a) **The creation of local NGOs that are also run by them and support to existing Pygmy NGOs.** Pygmy support organizations are very active and are making important contributions to the development of Pygmy communities, but it is also important that Pygmies themselves manage and play an active role in NGOs that support them. This approach allows potential Pygmy leaders to gain experience at the grassroots level and contribute more broadly through a network of grassroots organizations.

- (b) **Pygmy participation in land administration.** Lack of access to land is an important factor in the impoverishment of Pygmies. An approach that can contribute to improving land access is to strengthen official Pygmy representation in rural areas. In a few areas, communities are appointing a 'localité' chief and sometimes even 'groupement' chiefs. This paves the way for official, extraterritorial recognition by land administration authorities which in turn could allow for recognition of the Pygmies' rights to the use of natural resources. Over time, and if consensus is reached on the need for an Indigenous Peoples Act, official Pygmy representation could be embedded in such an act allowing Pygmy representatives to engage formally with the land administration authorities within the framework of the Decentralization Law.

- (c) **Capacity building and recognition of Pygmy leaders.** Legal and administrative recognition of emerging 'localité' chiefs in Pygmy camps coupled with some capacity building for the new chiefdoms would help create a new generation of indigenous leaders.

⁴³ This is an extract from the report No. 51108 – ZR from December 2009: “Strategic Framework for the Preparation of a Pygmy Development Program”, Fragile States, Conflict & Social Development Unit, World Bank. The recommendations in this report are presented as options—they are indicative and not prescriptive. The study is not a World Bank strategy. Rather, it is a study that presents a guiding strategic framework that would help the Government to prepare a program for the development of its vulnerable and marginalized Pygmy population. The study was submitted for comments to the Government, donors, Pygmy representatives and civil society through a national workshop in Kinshasa in June 2009.

(d) **Participation in selected institutions.** A Pygmy development program and the national dialogue around it would need to consider the option of affirmative action in political structures; for example, as in reserved Pygmy quotas in municipal councils or in political parties. Affirmative action and political quotas, however, must be considered with care as they may create a backlash in the absence of national consensus. Voluntary slots for Pygmies in agencies working in forest conservation and administration could be considered.

Focal Point 2: Valorization and Preservation of Pygmy Culture and Identity

5. The promotion of sedentarization as a way to support development of Pygmy communities was the prevailing approach until recently but is now rejected by most Pygmy support organizations. Alternative development models which take into account the uniqueness of Pygmy culture and aim to preserve their traditions to the extent feasible are now considered appropriate and endorsed by this report. This does not, however, rule out support for communities who chose to become sedentary. It has to be emphasized that the degree of sedentarization should be considered as relative and not absolute. With the exception of certain groups that have lost all access to the forest, most Pygmy groups maintain their singularity and many of those practices that define them culturally and economically, notably hunting and gathering. Outside interventions must ensure that they do not cut these ties.

6. Links to a nomadic lifestyle and their relative isolation has allowed many Pygmy communities to maintain, to varying degrees, their uniqueness and identity but have also constrained their access to basic social services. Today, cultural change is inevitable and, to some extent, access to basic social services is part of the process of acculturation. The challenge is to allow Pygmy communities to manage this change and support their capacity to adapt gradually.

7. Valorization of the IP culture can be supported through better knowledge and research on their cultural and social dynamics. A good starting point is appreciation for their art and craftsmanship, which can be encouraged within the framework of the United Nations Educational, Scientific and Cultural Organization's (UNESCO's) International Convention for the Safeguarding of Intangible Cultural Heritage (2003). To the extent feasible, Pygmies themselves and their organizations need to take a lead role with the support of outside actors.

8. Valorization measures could include the following:

(a) **Organization and implementation of initiatives for the appreciation of Pygmy culture;** for instance, cultural encounters or festivals to display the richness of their heritage. These events are very successful with the Bantu (for example, the Teke festival in Menkao and the traditional Gungu festival) and contribute to the protection and vitality of Pygmy culture via stimulation and exchange. Exchange and sharing sessions are also recommended for more practical topics such as their traditional pharmacopeia or craft techniques. Cultural valorization also requires a change in attitudes and perceptions which can be supported by including the respect of cultural diversity in school curricula.

(b) **Completion of a more systematic study of Pygmy cultural heritage.** The most detailed suggestions in this context come from Katanga and include (i) identifying and codifying endogenous Pygmy knowledge; (ii) facilitating research, studies, and exchanges between Pygmy groups about practices with a high cultural value (such as the knowledge of the

environment and pharmacopeia); (iii) performing an inventory of existing research and studies on Pygmy cultural heritage; (iv) promoting scholarships for the study of Pygmy culture; (v) establishing a UNESCO radio station to disseminate Pygmy cultural heritage and knowledge; (vi) including Pygmy exhibitions in museums; (vii) training specialists for the conservation of indigenous knowledge; (viii) protecting sacred Pygmy sites against all threats (logging in particular); (ix) including elements of Pygmy knowledge and culture in school curricula beginning with primary education; and (x) establishing a national network with provincial representatives to promote Pygmy culture.

Focal Point 3: Link Pygmy Development with That of Other Communities

9. Development activities that only benefit Pygmy communities while excluding the Bantu would be counterproductive and even dangerous by creating resentment among neighboring Bantu communities. Both communities share the same territories and a more balanced relationship will require concessions as well as a change of attitude on both sides. Development interventions should certainly recognize cleavages and abuse and attempt to mitigate them, but they should also identify synergies and encourage cooperation between the two communities. Participatory approaches—for instance in zoning—that involve all stakeholders, including Pygmies, in the process of land development and natural resource management should be promoted. Investments to improve livelihoods and access to services should benefit both communities.

10. Interventions to improve Pygmy-Bantu relations could include an improved access to natural resources; support Pygmies in all participatory (or non-participatory) zoning processes which are likely to take place in the country in the following years (due to increased logging, mining, oil extraction, creation of protected areas, plantations, or participatory planning); and in general support the Pygmies in all matters that are linked to the use of natural resources. More specifically:

(a) Exempt Pygmies from any tributes for rights of use (hunting, fishing, gathering, and collecting). Recent experiments in several provinces by Pygmy support organizations have shown that these rights can be renegotiated as long as the traditional authorities remain the principal interlocutors between NGOs, Pygmies, and the administration.

(b) Encourage, by law, the systematic renegotiation of the rights of use as a combined effort of all stakeholders to fight poverty and vulnerability and aspire to a peaceful coexistence by applying the Forestry Code (land belongs to the state) as opposed to its current interpretation (the approval of the customary chief for all attribution of land).

(c) Integrate these negotiations into the zoning process so that Pygmy rights of use are legally recognized. The attribution of forest concessions should include adequate compensation packages (land and comparable and accessible resources). Rights should be recognized by the Forestry Code to be legally binding. This question will need to be addressed in a future bill regarding hunting rights.

(d) Create national parks and reserves taking into account Pygmy lifestyles. The creation of new protected areas should include a sustainable development plan which takes into account Pygmies not only as beneficiaries but also as negotiating parties. The signature of a consensual accord between all stakeholders, including the Pygmies, should be a condition

before the creation of new areas (which is in line with the Forestry Code).

(e) Consider and possibly include several measures in Peaceful Coexistence Initiatives for all zones where land is transacted (mountain areas in particular) and/or where land is scarce: (i) participatory analysis of constraints in access to land and livelihoods in concerned areas; (ii) participatory reviews for alternative uses of natural resources, including alternative options and compensation; (iii) implementation of a Land Acquisition Fund for the most vulnerable groups, including the Pygmies; and (iv) in cases where the land is a binding constraint, consider all alternatives, including resettlement to less densely populated areas combined with infrastructure investments.

Focal Point 4: Improve Pygmy Living Conditions

11. Improving access to better education, health, and livelihood opportunities is key to improving the living conditions of Pygmy communities.

12. **An emergency health care program.** Improving access to health care is a critical need for the Pygmies. Based on the results of the field survey and consultations, there appear to be a number of urgent health-related priorities: (a) malnutrition; (b) STDs; (c) substance abuse; and (d) hygiene. Not all these factors are directly related to the health sector, so a program to improve the health status of Pygmies needs to be cross-sectoral. Access to health care is a key constraint for Pygmy communities, but it is not only related to physical access; it also involves high costs and discrimination by service providers. Access thus would require adjusting the health system to Pygmy needs by reaching out to Pygmy camps but also encouraging a change in the attitude of health staff. Beyond access, Pygmy communities would benefit from education and dissemination campaigns that focus on behavior-related health issues, especially education on transmission mechanisms for STDs, nutrition training, and substance abuse.

13. **An education program adapted to the Pygmy lifestyle.** With a much lower income than their Bantu neighbors, Pygmy families are affected by school fees (introduced in 1991 by the government) especially since average Bantu incomes are used to determine school fees. Building Pygmy capacities requires improving their overall level of education. [...] ⁴⁴ A number of options could be considered to expand education access for Pygmy children:

(a) Promoting non-traditional education initiatives (including mobile schools) as already practiced by several NGOs, centered around literacy, especially for nomads and Pygmies in the process of sedentarization.

(b) Promoting United Nations Children's Fund and NGO school projects which sensitize teachers, rehabilitate schools, and provide material and equipment that are tailored to the needs of Pygmy children. [...]

14. **Promotion of the Pygmies' livelihoods and living conditions.** Activities to be promoted could include (a) raising awareness about hygiene; (b) raising awareness about efficient resource management; (c) making land available for agriculture and other economic uses; (d) providing input for agriculture and fishing and disseminating good agricultural practices; (e) tapping into the resources of the environments where Pygmies live; (f) creating and supporting existing

⁴⁴ Text has been truncated to simplify the content and avoid too many details.

Pygmy development associations; (g) improving and encouraging training and learning; (h) promoting alternate economic activities (agriculture, livestock, beekeeping, and fish farming) as well as all other socioeconomic projects that can alleviate poverty; (i) advocating the reassignment of Pygmy land (Masisi); (j) providing access to basic household equipment and clothing while preserving and appreciating the traditional Pygmy tunic to ‘protect their culture’ (Beni); (k) campaigning for a reform of the Land Bill to give Pygmies responsibilities in terms of the forest and the environment; (l) identifying the Pygmies’ ancestral homeland through participatory zoning processes and giving them rights of use; and (m) ending the isolation of Pygmy camps by building access roads and providing basic social services.

Focal Point 5: Promote a Dialogue on Pygmy Rights and their Status

15. By considering Pygmies as equal citizens, Congolese law in effect contributes to their marginalization and makes their access to rights for use of natural resources, citizenship, health care, and education difficult to attain and dependent on the attitude and goodwill of their neighbors and civil servants. Their basic human rights are not respected and the abuse they suffer is not sanctioned. In elaborating a detailed Government Pygmy Development Program, two approaches regarding rights would need to be considered: (a) application and enforcement of the existing legal framework and (b) whether it is necessary and feasible to amend existing laws or pass new legislation to create new rights for the Pygmies.

16. **Application and enforcement of the existing legal framework.** Pygmies legally enjoy the same rights as all Congolese citizens but cannot fully exercise these rights due to their marginalization and discrimination. Attitudes cannot be changed only by decree. Greater awareness and sensitization of the plight of Pygmy communities as well as their legal rights should be a first step in beginning to change the attitudes of Congolese society and civil servants who are required to protect the rights of all citizens, including the Pygmies. A communications and information campaign targeting the public at large, political leaders, and state institutions could shed light on the situation of Pygmy communities and the way in which their rights are violated or unenforced.

17. **Creation of a new legal framework for the Pygmies** has been requested by the Pygmies and their support organizations. As proposed in this study's recommendations, an Indigenous Peoples Act or a Pygmy Act, would underscore existing citizen and human rights and, where appropriate, incorporate new specific rights. The adoption of a Pygmy Act that solemnly reaffirms all their existing human and citizen's rights and officially recognizes their indigenous status would be a powerful legal instrument to challenge the attitudes of those who dominate and exploit them, whether it adopts new rights or not. If deemed appropriate, however, this act could also create a new legal framework to establish new rights for Pygmies. For example, one proposal is to make rights of use for natural resources legally binding, meaning that no hunting territory, logging, or mining concessions could be attributed without the agreement of the affected Pygmy communities and an agreement on substitute rights. A Pygmy Act would need to incorporate appropriate sanctions as well as the possibility for Pygmies to file a suit in case of noncompliance. This could be achieved by establishing paralegal offices (run by specially trained and recruited Pygmy leaders) within land administration—for both sectors and provinces—to pursue matters and bring them to court if necessary in the name of the Pygmies. [...]

Focal Point 6: Preparation of a Census

18. The considerable differences in Pygmy population estimates provided by different organizations show how little is known about them. A detailed Government Pygmy Development Program would need to be based on more accurate information on their numbers, lifestyle, socioeconomic conditions, and localization (especially in the case of nomadic and semi nomadic groups). The results of the field survey provide only rough estimates and the data therefore needs to be refined through a more reliable census.

19. There are two government agencies that have some capacity to carry out a Pygmy census, the land management authority in the Ministry of the Interior which has census agents at each administrative sector and the Ministry of Health which has staff at the health sector level. Neither institution is ideal, but given the weak capacity of Pygmy support organizations the census would have to be led and coordinated by a government agency. The INS would be the appropriate agency to receive and process data. [...]

20. If the three agencies with survey and data recording capacity (land management authority, Health Ministry, and the INS) cooperate and coordinate with Pygmy support organizations, it would be possible to obtain an acceptable and more precise estimate of the Pygmy population. [...]

21. Although a national census of Pygmy populations would be the preferred approach, it must also be recognized that it would be a logistically complex and costly exercise. If a national census is not deemed feasible for technical and/or financial reasons, a large socioeconomic survey with appropriate methodology to ensure that the results are statistically representative would be the second-best approach. The aim should be to generate a robust and representative baseline of the socioeconomic conditions of Pygmy communities to allow the government and its partners to better target development support and measure progress.

Annex 12: Community-Driven Development Challenges from the Gender Perspective

1. **Communities are far from homogeneous units.** Broadly defined in spatial terms, they can embody a range of social and economic differences and inequalities predicated especially on the gender, class, and ethnicity of those that constitute it. Sedentary and nomad populations can have different views on forest conservation, men and women, the landed, and landless. The low caste and high caste that form a community can differ in their dependence on local forests according to their economic endowments, their needs and preferences, prevailing social norms, and most particularly the gender division of labor which places particular responsibility on women for procuring firewood and fodder (Argawal 2010a).
2. **Men and women can also have different understandings of what constitutes a ‘green’ forest.** For instance, men may underestimate the value of forests that regenerate firewood and fodder species (women’s domain) compared to timber species (men’s domain). This can influence decisions on which resources to preserve or species to plant if new plantations are undertaken in the protected area, with far-reaching effects on the type of forest that emerges from the community’s efforts. Hence, the gender balance of the decision-making body could make an important difference both to the value of the regenerated forest and to biodiversity (Argawal 2010a).
3. Location and level of market integration are also important factors influencing the relative roles of men and women in the management, collection, and sale of natural resources (Sunderland et al. 2014). Gendered relations and responsibilities with respect to natural resources are also dynamic and subject to change. For example, increase in the number of female-headed households due to male out-migration or STD can lead to greater de facto access to land and resources by women, despite such rights remaining somewhat precarious.
4. **More gender-inclusive approaches, therefore, could significantly improve forest conservation.** Because of their dependence on a different set of products, women may select certain areas and species to protect compared to men. For example, rural women in India, as the main fuel and fodder collectors in the proximity of the village, can often better explain the attributes of trees (growth rates, quality of fuel wood, and medicinal and other uses) than men. They are also better informed about the local environment—the trees, shrubs, and grasses growing in nearby fields and pastures where they gather and collect—while men know more about the species they use or that are found in distant areas. Knowledge of medicinal herbs is similarly use-related and gender-specific (Argawal 2010a).

Recommendations for Gender Mainstreaming in Micro-projects

5. **First, channels of information are usually gendered.** Therefore, information should be disseminated using different channels, taking into account the ones used by women and those by men.
6. Second, adequate representation of both men and women in community meetings and councils needs to be worked out taking into account the gender perspective as women are often ‘invisible’ or excluded from decision making. Furthermore, community members may cooperate out of a shared interest in regenerating the forest for its conservation value or for increasing the availability of products they are interested in extracting. However, they can be in conflict over

forest use or what forest products to extract, when to extract, and how frequently to extract, due to differences in their holding capacities and priorities.

7. To allow both men and women to enhance their capacity to manage forest landscape, a gender-sensitive analysis of all livelihood activities is necessary, including knowledge of the forest, trade activities, and intra-household support for nutrition and food security. For example, there is a risk that women's participation in net-hunting and bush meat trade is underestimated and described as a 'male-only activity', further marginalizing women. In other primary activities like fishery, for example, the professionalization and the market orientation of this activity has led to the marginalization of impoverished women fishing from the shore or operating as sellers or processors.

Gender and Capacity Building, Governance, and Participation

8. According to comparative studies in forest management (Argawal 2010a), women's attendance rate in community councils and Executive Committees (ECs) improves only if there is a critical mass effect. Increasing the number of EC women representatives ensures that there is at least some female presence in most meetings. Their attendance rate is significantly higher when 25 to 33 percent of the EC consists of women compared to ECs with less than 25 percent women, although the positive effect tends to taper off after one-third representation. Some women-only groups can be formed for solving specific problems.

9. **The likelihood of at least some women speaking up is also greater among the ECs with a third or more women members.** This provides empirical support for the popular view that having one-third women makes an important difference and strengthens the policy argument for promoting at least these proportions of women in decision-making bodies.

10. Enhancing women's numbers in the EC also improves the chances of women becoming office bearers, but not in a linear way. There is a threshold effect of around 25 percent women—which is the minimum percentage needed to make a difference—but the likelihood increases further as we move toward 50 percent women. Notably though while the EC's gender composition significantly affects the chances of a woman holding office, it has no effect on men holding office. A person's individual characteristics matter as well. Women who are literate and currently single (widowed or separated) are more likely to become office bearers as are men who are literate and landowners.

Beyond Participation: Voice and Agency

11. There is an implicit assumption (rather than verification) that once women are included in decision making, other benefits will follow. Hence, although many existing studies have provided valuable insights on women's agency⁴⁵ and the constraints women face in public participation, we know rather little about the likely impact of women's presence on aspects such as rule formulation, rule violation, forest condition, or product distribution. As Argawal explains (2010a), forest management committees make group decisions and not individual decisions; for

⁴⁵ Agency is the ability to make decisions about one's own life and act on them to achieve a desired outcome, free of violence, retaliation, or fear. The ability to make those choices is often called empowerment. Agency is critical at the individual level but also at a collective level as it implies having voice and influence in society.

example, in the forest use rules, the group makes or the kind of tree species it plants. Also, there is emerging evidence that women heads of local councils are more likely than male heads to prioritize village infrastructure for improving health care, drinking water, and sanitation.

12. Studies on gender quotas in village councils and municipalities in India and Nepal have thrown some light on the gendered nature of community decision making but failed to assess conflicts in balancing the needs of conservation along with those of subsistence and in confronting conservative social norms. Like the studies of parliament show gendered differences in policy priorities or preferences, they also demonstrate the importance of women's presence in local institutions of green governance for improving both efficiency and equity, for enhancing both justice and welfare, and for empowering other women.

13. Apart from inadequate numbers, the effectiveness of women's presence is conditional not only to whether women are included in the EC but also to which EC women are included. Women's presence in local decision-making bodies should enhance information flows not only from village women to the EC women but also from the EC women to village women, especially through informal channels. However, here the economic situation of women committee members—whether they come from rich or poor households—could also make a difference. Increasingly, ECs, as they move to more lucrative grounds, tend to exclude women and limit their decision-making capacity. For women, sharing this collective goal either through mentoring programs or training capacity can lead to a more collective agenda.

14. Sharing a common interest—strategic or otherwise—does not mean that women will automatically recognize themselves as sharing that interest or be in a position to forge strategic alliances.

Recommendations for Women's Representation and Voice

15. First, adequate representation through women's quota should be achieved. Examples in India and Nepal have demonstrated that a minimum presence of 25 percent women constitutes a best practice.

16. Second, to achieve voice beyond representation, information should flow not only from village women to the EC, but also the opposite way. A true exchange mechanism needs to be in place to make communications work, especially when committees move toward more lucrative grounds.

17. Third, to allow women take office despite conservative social norms, especially with regard to their mobility and leadership. Strategies that can help women overcome such barriers could be:

- (a) Representation of women who are old, are not married for long, or are highly respected at the national level
- (b) Mentoring programs conducted by EC women for younger women serving in local committees
- (c) Efficient grievance mechanisms to allow fair representation

(d) Transparency in per diem or other monetary resources allocation to avoid elite or male capture of the most prestigious and lucrative positions

List of References

Argawal, B. 2001. "Participatory Exclusions, Community Forestry, and Gender: An Analysis for South Asia and a Conceptual Framework." *World Development* 29 (10): 1623–1648.

Argawal, B. 2010a. *Gender and Green Governance: The Political Economy of Women's Presence Within and Beyond Community Forestry*. Oxford: Oxford University Press.

Argawal, B. 2010b. *The Impact of Women in Nepal's Community Forestry Management*. In *Sustainable Mountain Development*, No. 57, ICIMOD.

Sunderland, T., et al. 2014. "Challenging Perception about Men, Women, and Forest Product Use: A Global Comparative Study." *World Development* 64: 56–66.

Annex 13: Economic and Financial Analysis

A. Introduction and Objectives

1. **The Dedicate Grant Mechanism (DGM) is a global program that was conceived and developed as a special window under the Forest Investment Program (FIP) to provide grants to Indigenous Peoples and Local Communities (IPLCs) intended to enhance their capacity and support initiatives to strengthen their participation in FIP and other REDD+ processes at the local, national and global levels. The DGM is designed specifically to promote the inclusion of communities reliant on forests in policy formulation and initiatives that seek to reduce deforestation and degradation. Its global design is a product of a collaborative effort between the Strategic Climate Fund (SCF) and Indigenous Peoples and local community representatives from various countries. DRC has been ably represented in this process, with rigorous engagement from self-selected representatives.**

2. **The proposed Forest Dependent Community Support Project (FDCS Project) is the Country-level “DGM” operation for DRC, and as such, it aims at supporting IPLC participation in the FIP and more generally in REDD+, as well as the land use management at local and national level. It is aligned with the global FIP and DGM framework and is by nature exclusively composed of country specific activities.**

3. **The objective of this economic analysis is to assess the economic feasibility of the Forest Dependent Community Support Project (FDCS Project).** The project development objective is to strengthen the capacity of targeted Indigenous Peoples and Local Communities (IPLCs) in DRC’s selected territories and at the national level to participate in REDD+-oriented land and forest management activities. Specifically, this project has three components and aims to (1) reinforce the participation of IPLCs in forest and land management processes related to REDD+; (2) support community-based sustainable forest and land management—empowering local communities by supporting formal recognition of their traditional user rights and financing natural resource management activities in order to improve rural livelihoods; and (3) increase the capacity to implement IPLC development activities and consolidate feedback.

4. **This analysis will focus on the economic feasibility of component 2, which aims to support investments in at least 40 micro-projects and to empower IPLCs for the formal recognition of their land user rights and traditional governance systems.** (Components 1 and 3 are technical assistance and project coordination.) Given time and considerable data constraints for this economic analysis, the consideration of benefits for the quantitative simulation will be limited to a few aspects and complemented by a qualitative discussion of other benefits.

B. Economic and Environmental Context

5. **DRC is a vast country with resources.** Its surface area of 2.3 million square kilometers spans the equivalent of two-thirds of the European Union. Fewer than 40 percent of the nearly 70 million inhabitants live in urban areas, according to the latest NSI (National Statistics Institute) estimates. With 80 million hectares of arable land and over 1,100 minerals and precious metals,

the DRC has the potential to be one of the richest countries on the African continent and a driver of African growth.

6. **Since 2001, the country has been recovering from a series of conflicts that broke out in the 1990s and the effects of a protracted economic and social slump.** Though the return to peace in most of the country in 2003 paved the way for political and economic reforms, the DRC remains a fragile country with tremendous needs in terms of reconstruction, economic growth, and governance. The security situation is improving but remains tense, particularly in the eastern provinces. Peacebuilding and economic recovery efforts are being carried out in a challenging social context.

7. **While DRC embeds most of the fertile land reserves in Africa,** the country imports most of what it consumes causing basic commodity prices to stay very high, partly due to the **inefficiencies** and lack of competition along the trade logistic chains. Thus the Government has just started developing large-scale Agro-parks around the country for the production of agricultural commodities (maize, corn, soy, cassava, etc.) using modern techniques.

8. **DRC harbors half of all African rainforests,** with 62 percent of its territory covered by various types of forest ecosystems. Forests of all types make a critical contribution to the livelihoods of about 40 million people who are among the world poorest, by providing them with food, household energy, medicine, building materials, and cash income. DRC's biodiversity is a globally important asset. The country ranks fifth in the world for plant and animal diversity and contains five Natural World Heritage Sites, more than the rest of Africa combined.

9. **DRC's current deforestation rate of 0.3 percent is relatively low** in comparison to the average deforestation rate of tropical countries. Yet, the country is among the top ten worldwide in terms of forest cover loss in absolute terms, with an estimated deforestation of more than 350,000 ha per annum over the period 2000-2010. Deforestation is **concentrated** in "hotspots" located mainly around the large cities, as well as in the densely populated areas on the edge of the large forest block of the central basin. Household-scale slash and burn agriculture and exploitation of wood (including fuelwood and charcoal) and to a lesser extent timber harvesting are the major drivers of deforestation and forest degradation in DRC. They reflect the very strong dependence of both the rural and urban population on forest resources.

10. **Dependence on biomass energy is a case in point.** Over 90 percent of the urban population depends directly on biomass fuels (mainly charcoal and fuelwood) for energy needs, including cooking. The Center for International Forestry Research estimates that Kinshasa alone consumes over 4.7 million m³ of wood annually for energy needs. The charcoal trade to Kinshasa was worth an estimated US\$143 million in 2010, more than three times the value of all formal timber exports in that year. Rural communities are also strongly dependent on protein sources from forests, including bush meat, with annual consumption estimated at over one million tons.

11. **Deforestation and forest degradation rates could escalate rapidly in the future** with the reconstruction of transportation infrastructure. Improved infrastructure facilitates access to forests, which could lead to increased conversion of forests to other land uses, logging and wildlife hunting and trapping. The rehabilitation of the RN4 in Province Orientale is an example

of potential new impact of infrastructure development on forests, in this case in the form of an increase in small-scale illegal logging for export to Uganda and other regional markets.

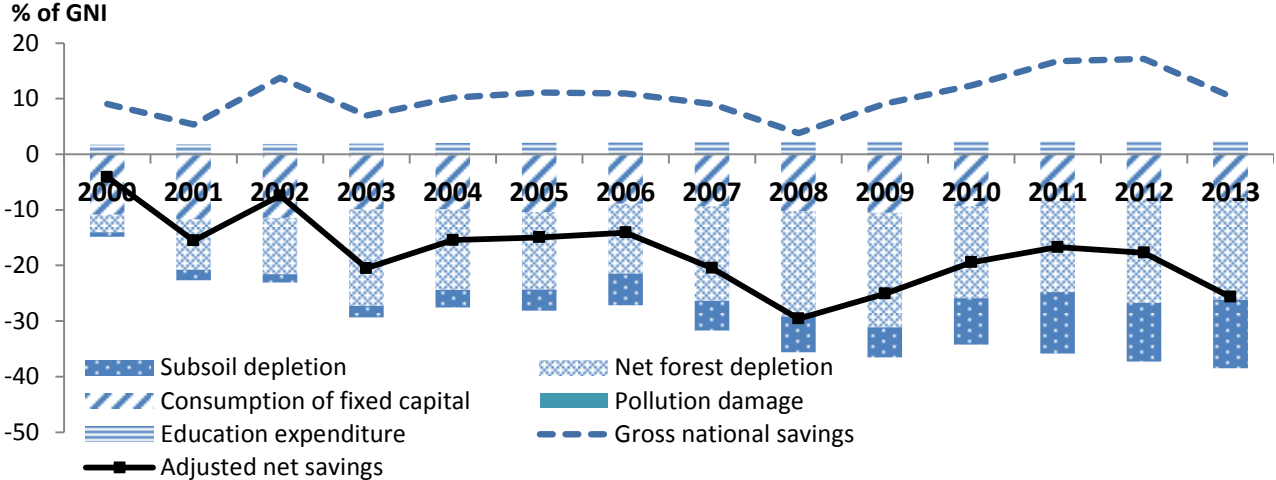


Figure 1. Adjusted Net Saving in DR Congo, 2000-2013

Data Source: *World Development Indicators 2015*

12. **Estimates of the value of DRC’s natural resources indicate the importance of forests**, both timber and non-timber, which make up 40 percent of its natural capital wealth⁴⁶. However, an increasing trend in DRC’s natural resource depletion threatens the long-term sustainability of the country’s development path. As shown in Figure 1, DRC’s adjusted net saving (ANS), a measure of the changes in a comprehensive set of capital assets that constitute a nation’s wealth base, has been persistently negative over the last decade. This prolonged period of negative ANS indicates that DRC has not been saving enough (both in gross national savings and in the formation of human capital) to offset the depletion of its assets – mainly the depletion of its natural resources; this suggests that the country is running down its capital stock and is on an unsustainable growth path. The depletion of natural resources mostly comprises the depletion of net timber resources (i.e., timber harvest beyond annual natural growth of productive forests). DRC is endowed with a rich and diverse environment and natural resource base which underpin economic growth. But its negative historic trend in ANS highlights the need for good management of these natural resources, especially forest resources, as a critical factor in creating sustainable growth policies.

C. Economic Benefits Generated by the Project

13. The lack of robust, reliable environmental data in DRC, especially for indigenous and forest-dependent communities, and the difficulty in monetizing environmental and social benefits such as conservation of biodiversity and soil retention, exacerbates the challenge of valuing many of the project benefits. Additionally, given that the project investments will be demand-driven and not necessarily pre-identified, cost-benefit analysis cannot be fully assess at

⁴⁶ Based on preliminary results from the World Bank’s comprehensive wealth accounts.

this point of entry. However, this analysis will lay the foundation of future work that can be carried out through the life of the project. It also describes the economic benefits generated by the project in both qualitative and quantitative terms, using some simplifying assumptions in the latter.

C.1. Qualitative description

14. **While component 2 of the FDSC Project will create direct and tangible economic benefits**, most of the proposed investments are expected to generate indirect, intangible benefits. This sub-component is expected to finance at least 40 micro-projects⁴⁷. Promoting the sustainable use and management of natural resources and community empowerment will create benefits related to food security, livelihoods, and quality of life improvements for Indigenous Peoples and traditionally forest-dependent communities that are difficult to measure either because the data do not readily exist or because most of the benefits will not be turned into cash revenues. Intangible and indirect benefits include a reduction in deforestation, an increase in biodiversity conservation, strengthened community self-governance, securing traditional rights, and an improved participation in the forest product value chain.

Table 1. Selection of Possible Benefits Generated by FDSC Project

Benefit Category	Direct/Tangible	Indirect/Intangible
Livelihood / Poverty	<ul style="list-style-type: none"> ▪ Income diversification ▪ Agricultural and forest productivity ▪ Increased revenue collection from non-timber forest products 	<ul style="list-style-type: none"> ▪ Strengthened community self-governance ▪ Securing of traditional rights ▪ Promoting IP culture ▪ Improved participation in the forest product value chain ▪ Offering control over the livelihood change
Environmental	<ul style="list-style-type: none"> ▪ Reduction in deforestation 	<ul style="list-style-type: none"> ▪ Reduction in forest degradation ▪ Reduction in soil erosion ▪ Increase in biodiversity conservation

15. **Additionally, the environmental and livelihood situation in the project areas is likely to deteriorate without project support under the current condition**, as the communities lack the capacity to engage in most of the current forest programs and may be at risk due to the accelerated rate of biodiversity depletion in the biome. Therefore, securing the current rights and allowing the communities to preserve their livelihood and their cultural specificities would be a significant intangible benefit.

C.1.1. Qualitative benefits from land tenure rights for forest-dependent communities

⁴⁷ Activities to be financed could include: (i) community-led sustainable management, natural regeneration and restoration of forest landscapes (ii) traditional farming and cultivation practices that enhance local agro-biodiversity, including medicinal and aromatic; (iii) agro-forestry production systems, agro-ecology tillage practices, reforestation and plantations; (iv) collection and processing of non-timber products (medicinal plants, essential oils, honey, etc.); (v) indigenous/traditional landscape management practices including water and soil conservation, (vi) energy-saving practices including wood energy plantations, sustainable charcoal/briquette production, biogas/other renewable energy supply projects, in all cases adapted to the local level and operating at a community and family level, (vii) women's economic empowerment activities and (viii) other type of alternative activities (fish farming, livestock care).

16. **Land tenure rights in DRC are complex and mix various concepts inherited from the country’s history.** According to the law, all land belongs to the State. DRC laws specifically recognize customary land tenure management by the “*Chefs de Terre*” and allow them to issue property papers for a short time when the property needs to be formalized. This situation jeopardizes IPs land-use security due to the dominant laws of the non-IP communities that usually rule over the IP customary laws. As the non-IP communities gradually expands, this process has pushed the IP communities deeper into the forest, in order to avoid competition over land. It has resulted in a situation in which they do not have any recognition, formal or customary, of their land rights. There are a number of benefits generated from this project’s objective to empower IPs for the formal recognition of their user rights and land tenure.

17. **Recent study (to be published) found that the absence of legal recognition or weak legal protection for lands represents a higher threat for deforestation.** A meta-study derived from 150 publications analyzed 118 cases of different forest rights, including community forests, and found that weak community rights are “tightly linked” to high deforestation, whereas strong rights are linked to low deforestation.

18. **Compared to DRC’s deforestation rate of 0.3 percent as a national average, there is great variance in deforestation rates among the project’s territories.** As shown in Table 2, the rate of deforestation ranges from 0.08 percent to 0.82 percent; while spanning a wide range, all project territories show the same trend of reduced forest area over the past decade.

Table 2. Annual Deforestation Rate by Project Territory

Province	Territory	Annual Deforestation Rate (2000-2010)	Province	Territory	Annual Deforestation Rate (2000-2010)
Bandundu	Inongo	0.19%	Kasai-Occidental	Dekese	0.08%
Bandundu	Kiri	0.18%	Kasai-Occidental	Dimbelenge	0.42%
Bandundu	Oshwe	0.08%	Kasai-Occidental	Mweka	0.82%
Orientale	Bafwasende	0.06%	Kasai-Oriental	Kabinda	0.21%
Orientale	Banalia	0.28%	Kasai-Oriental	Lubao	0.08%
Orientale	Mambasa	0.11%	Kasai-Oriental	Lubefu	0.18%
Orientale	Opala	0.27%	Kasai-Oriental	Lusambo	0.15%
Orientale	Yahuma	0.17%	Kasai-Oriental	Lupatapata	4.25%

19. **In addition to contributing to avoided deforestation,** native land tenure security can be an important enabling condition for more effective public forest policy (i.e., communities manage forest resources better), better food security, more consistent access to important cultural resources (medicines, sacred sites) and other non-wood forest products. Evidence from Bolivia⁴⁸ shows that land tenure security leads to the conservation of game among **Indigenous Peoples**; this is especially relevant for DRC, where the IP communities strongly depend on bush meat as a protein as well as for trade. These improved tangible and intangible benefits would contribute to poverty reduction and securing livelihoods among IP communities. This proposed project’s

⁴⁸ 2000, Godoy et al. “Tenure security, private time preference, and use of natural resources among lowland Bolivian Amerindians”

contribution to empowering IPs for the formal recognition of their user rights can be argued as a cost effective and sustainable investment in DRC.

C.2. Quantification of Selected Benefits

C.2.1. Poverty and Improved Livelihoods

20. As mentioned earlier, the overall rate of poverty in DRC has improved from 2005 to 2012, dropping 8 percentage points from 71.3 percent to 63.4, according to a recent country report⁴⁹ on its 1-2-3 survey. The poverty line, which is measured to encompass the essential needs of an adult for both food and other goods and services, is estimated at 869,210.3 Congolese Francs per adult in urban areas, and 579,248.5 CF for rural areas. As shown in Table 3, when considering the urban and rural differential, rural areas are found to have higher incidence of poverty compared to urban areas, at 65.2 percent in 2012. Furthermore, of the four project provinces (noted in Table 3), three of them have poverty levels even higher than the rural average in 2012: Bandundu at 74.6 percent, Kasai Orientale at 78.6 percent, and Kasai Occidentale at 74.9 percent. Additionally, poverty rates in the Kasai Orientale and Kasai Occidentale provinces have worsened from 2005 to 2012. The report also shows that the depth of poverty is more severe in these three provinces, compared to the country or even rural average.

Table 3. DRC Poverty Rates, 2005 to 2012

	Incidence (%)		Difference
	2005	2012	
DRC	71.3	63.4	-8.0
Urban	61.8	60.4	-1.4
Rural	75.8	65.2	-10.6
Province			
Kinshasa	41.9	36.8	-5.1
<i>Bandundu **</i>	<i>88.5</i>	<i>74.6</i>	<i>-13.9</i>
Bas-Congo	70.1	56.9	-13.2
Katanga	69.5	66.6	-2.9
<i>Kasai Orientale **</i>	<i>62.7</i>	<i>78.6</i>	<i>15.9</i>
<i>Kasai Occidentale **</i>	<i>55.4</i>	<i>74.9</i>	<i>19.5</i>
Equateur	93.7	77.3	-16.4
Nord-Kivu	72.8	52.4	-20.4
Sud-Kivu	84.8	60.2	-24.6
Maniema	59.4	62.9	3.5
<i>Province Orientale **</i>	<i>75.9</i>	<i>56.9</i>	<i>-19.0</i>

** Project provinces

21. Some of the direct, tangible benefits anticipated from this project's investment in demand-driven micro-projects includes income diversification, agricultural and forest

⁴⁹ September 2014. *Enquete 1 – 2 – 3: Resultats De L'enquete Sur L'emploi, Le Secteur Informel Et Sur La Consommation Des Menages / 2012*. Rebulique Democratique Du Congo: Ministere Du Plan Et Suivi De La Mise En Oeuvre De La Revolution De La Modernite, Institut National De La Statistique.

productivity, and increased revenue collection from non-timber forest products. All of these **benefits** translate into improved livelihoods for the IP communities.

22. **The livelihood impact anticipated from the project is approximated using basic income data that is available for DRC, adjusted and adapted to the project’s situation by including several simplifying assumptions.** The reported per capita income in 2013 for DRC is US\$430 (GNI, Atlas method, accessed June 2015, World Bank) without taking account of the rural-urban income differentiation. To account for this differential, the income is adjusted to a lower value of US\$323, which is 75 percent of the average income. This also considers the fact that rural and project provinces’ households have higher poverty prevalence than other households as stated before. The anticipated incremental livelihood benefits are considered under two scenarios: an assumed income increase of 3 percent (US\$10) and an increase of 5 percent (US\$16) – received by people impacted by project activities, which is estimated to be 15,000 in total. The target population is reached in a linear fashion over the lifetime of the project, i.e., 2,500 persons per year. For the purpose of this analysis and as a conservative assumption, it is also assumed that once the project is over, no further people will be positively affected. Altogether, baseline benefit streams are anticipated as depicted in Table 4.

Table 4. Development of Livelihood Benefits Generated by Project

Year	1	2	3	4	5	6	...	15
People	2,500	2,500	2,500	2,500	2,500	2,500	0	0
(cum.)	2,500	5,000	7,500	10,000	12,500	15,000	15,000	15,000
Benefits (\$) (3% incr.)	24,188	48,375	72,563	96,750	120,938	145,125	145,125	145,125
Benefits (\$) (5% incr.)	40,313	80,625	120,938	161,250	201,563	241,875	241,875	241,875

23. **The anticipated benefit stream is conservative, as the incremental livelihood increase does not account for any secondary effects triggered by increased incomes,** such as better access to health services, improved education, or overall positive impacts on the economy as a whole. Considering that a significant portion of the project investment will go directly towards local wages, and that expenditures of Congolese households are mostly for food and in their immediate areas, secondary effects of stimulated economic activity and spending would add to the project’s benefits.

C.2.2. Value of non-timber forest benefits and services

24. **Forests are not only a source of timber but also provide other goods and services important to well-being and livelihood.** These services may include recreation, hunting, and fishing, as well as ecosystem benefits such as watershed protection. More relevant to this project and indigenous communities, is forests’ provision of non-timber forest products, which may include removals of forest plant products for food, consisting mainly of oil seeds, nuts and bamboo shoots; tannin extract and raw lacquer; raw materials for medicinal and aromatic uses.

25. **Preliminary data from the World Bank’s comprehensive wealth accounts show that DRC’s value of non-timber wealth is about \$586⁵⁰ per capita.** On a per hectare basis, this amounts to a value of non-timber forest wealth of \$251 per ha. While these estimates are rough and simplistic in nature, they are indicative of the value of the non-timber goods and services that forests have. As this project aims to reduce deforestation, this will result in the preservation of this wealth.

C.3. Project Costs

26. Project costs are approximated using the investment costs of the project totaling US\$1.8 million. According to the anticipated disbursement schedule, total project costs are spread out over six years with individual annual allocations as follows (in US\$ million): Year 1 (0.00), year 2 (0.20), year 3 (0.30), year 4 (0.60), year 5 (0.40), and year 6 (0.30). These allocations are used for the cost calculations in the analysis.

D. Methodology and Results

27. **A threshold analysis identifying the break-even point where net benefits equal net costs of the project is applied.** Sensitivity analysis is applied for the key simulation parameters, notably: discount rate and livelihood benefit increments (in percent). Quantitative results will be contrasted with qualitative benefits to conclude overall project feasibility.

28. **As required for economic analysis of projects, a “with” and “without” project situation is used for estimating incremental benefits generated by the project.** Taking account of the current situation, and the fact that the environmental as well as livelihood situation in the project areas is likely to continue to decline, even a slowing but continuing existing negative trend represents a project benefit. For example, if household incomes can remain stable under a project situation compared to a possible negative trend due to declining agricultural productivity, deforestation, climate change, and other possible impact factors, this represents an incremental benefit achieved by the project. Net Present Value (NPV) and Benefit-Cost Ratio (B/C-Ratio) are used as criteria to assess the economic feasibility of the project.

29. **A 15-year period is used to assess the economic feasibility of the project.** While project costs are only assumed for the first 6 years of the project according to the disbursements anticipated by the project team, benefits are assumed to be generated beyond the lifetime of the project. To harmonize project benefits and costs through the calculation of a present value of costs and benefits, a discount rate needs to be determined. Given the often significant impact of the choice of the discount rate on economic analysis outcomes and the common difficulty in determining discount rate reflecting economic discounting behavior, a sensitivity analysis is applied considering discount rates of 5 percent, 10 percent, and 20 percent.

30. **The limited economic feasibility simulation yields positive results under certain assumptions.** Compared to a without project scenario, a 15 year simulation of an incremental livelihood increase of 5 percent and at discount rates of 5 and 10 percent results in positive Net Present Values (NPV) and Benefit-Cost Ratios large than 1 (See Table 5). However, with a much

⁵⁰ US\$586 is the estimate for year 2012, expressed in constant 2010 US dollars.

larger discount rate of 20 percent, and with an incremental increase in livelihood benefits of only 3 percent (at all discount rates), the simulations yield negative NPVs and B/C Ratios between 0.5 and 0.84.

Table 5. Economic Simulation Results

	Discount Rate					
	5%		10%		20%	
Incremental Livelihood Increases	NPV (US\$ mill)	B/C Ratio	NPV (US\$ mill)	B/C Ratio	NPV (US\$ mill)	B/C Ratio
3%	-0.30	0.80	-0.45	0.67	-0.51	0.50
5%	0.52	1.34	0.15	1.11	-0.16	0.84

E. Discussion

31. **This project generates multiple tangible and intangible benefits** of which livelihood benefits were used to assess the economic feasibility quantitatively; other important benefits were elaborated upon in a qualitative manner, due to lack of appropriate data for economic valuation. For assessing the economic feasibility of the project, low and conservative benefit increments were assumed between the “with” and “without” project scenarios.

32. **The conservative economic analysis demonstrates that the overall project results will be economically feasible**, especially when considering all the unaccounted benefits, and therefore the project should be supported. Though the positive results of the economic simulation depend upon a 5 percent livelihood benefit increase and a discount rate under 20 percent, livelihood benefits in a without project scenario are expected to deteriorate further under the current conditions. Therefore this limited economic analysis of incremental livelihood benefits add to the robustness of the assessment, in addition to the other project benefits of secondary economic impacts, strengthened community self-governance, promotion of IP culture and user rights, and reduction in deforestation, forest degradation, and soil erosion. Lastly, given the prevalence and depth of poverty in these project areas, even limited benefits can have a large positive transformation in the lives of the poorest.

E.1. Cost-effectiveness Approach

33. **One way to assess the impacts of interventions on the ground in spite of limited data is from a cost-effectiveness point of view.** In order to capture the cost-effectiveness of the interventions likely to be financed under this essentially demand-driven project, an overall FIP Index is proposed. While the values shown in this section are for demonstration and will require further consultations with stakeholders, this approach demonstrates how different activities can be compared to each other and prioritized on the basis of their potential contribution to the project objectives.

34. This index is the result of a linear combination of the three parameters of significance from the point of view of the project objectives; the benefit ratio (beneficiaries/cost), extent of improved management of natural capital (as measured on a 0-10 scale), and measure of social well-being (as measured on a 0-10 scale). The FIP Index, measuring the overall consistency with project objectives, is then the result of weighing the parameters mentioned above. The index

would be a means for comparing different proposed investment activities. Activities would be focused on NRM and would be assessed by different “weights” with regards to the benefit ratio, management of natural capital potential, and measure of social well-being. For a given project i , the FIP Index could be calculated as:

$$[FIP\ Index]_i = 100 \times \left[\left(a \times \left[1 + \frac{Benefit\ Ratio_i - Benefit\ Ratio_{max}}{Benefit\ Ratio_{max}} \right] \right) + \left(b \times \frac{Natural\ Capital\ Index_i}{Natural\ Capital\ Index_{max}} \right) + \left(c \times \frac{WellBeing\ Index_i}{WellBeing\ Index_{max}} \right) \right]$$

35. The choice of the coefficients a , b , and c as well as the activity specific indices for the management of natural capital and social well-being will be established through consultations with stakeholders in order to approximate their societal optimal values. For purely illustrative purposes, Table 6 lists potential interventions that the project could finance as well as the possible values assigned for the indices. The FIP Index for each of these interventions would be calculated based on the following tentative (for demonstration only) values: $a=0.4$, $b=0.3$, and $c=0.3$ (the sum of the coefficients a , b and c equal to 1).

Table 6. Construction of FIP Index for Proposed Activities

Type of Project	Cost (US\$)	No. of beneficiaries	Benefit Ratio per 000 US\$	Management of natural capital index [0-10]	Social well-being index [0-10]	FIP Index [1-100]
<i>Index coefficient</i>			$a = 0.4$	$b = 0.3$	$c = 0.3$	
Fish ponds	96,428	451	4.7	9	3	48
Pigsty (for multiplication of the improved breed of pigs)	66,990	450	6.7	9	4	56
Apiculture	57,296	238	4.2	5	3	34
Henhouse (for multiplication of improved breed chickens)	57,167	195	3.4	9	4	48
Small processing of harvested products	47,495	35	0.7	7	5	38
Promotion of micro production of palm oil from a semi modern press	43,362	31	0.7	7	5	38
Alphabetisation for women	42,300	86	2.0	0	10	35
Duck farm (for multiplication of the improved breed of duck)	41,178	657	16.0	9	4	79
Sustainable fishing and processing of fishery products	34,880	80	2.3	10	5	51
Agricultural processing and goat breeding (for improved breed of goats)	23,284	22	0.9	9	5	44
Small modern bakery	21,606	14	0.6	0	9	29
Goat farm and cassava production	20,057	40	2.0	5	5	35
Vegetable garden, 25 acres	18,303	24	1.3	5	4	30

Type of Project	Cost (US\$)	No. of beneficiaries	Benefit Ratio per 000 US\$	Management of natural capital index [0-10]	Social well-being index [0-10]	FIP Index [1-100]
<i>Index coefficient</i>			$a = 0.4$	$b = 0.3$	$c = 0.3$	
Goat farm and vegetable garden	14,942	35	2.3	5	3	30
Oil press and homemade soap	12,066	90	7.5	1	5	37
Cassava production and processing (micro-cossettes), 20 ha	10,967	40	3.6	5	5	39

36. **It is proposed that this index is calculated for each activity submitted by stakeholders.** In case more activities are submitted than can be financed, this index could be used to prioritize the activities to be financed. Also this formula could be used by mid-term and/or completion in order to assess the extent to which the project has achieved its objectives.

37. **This project aims to learn from Bolivia’s experience in designing and monitoring indicators that measure social well-being** from various perspectives—both monetary and non-monetary (see Box 1). The quantified results of the Living Well indicators can adapted into an index of social well-being, for the purposes of constructing the FIP Index. This would be accomplished first through a series of consultations with IP communities and stakeholders in order to define culturally adapted indicators for DRC, and would be implemented as part of the project.

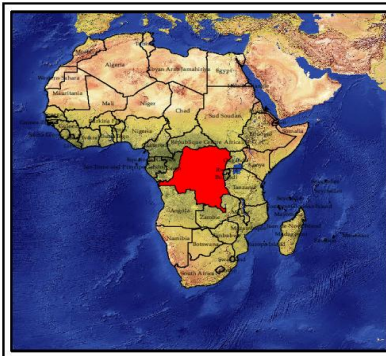
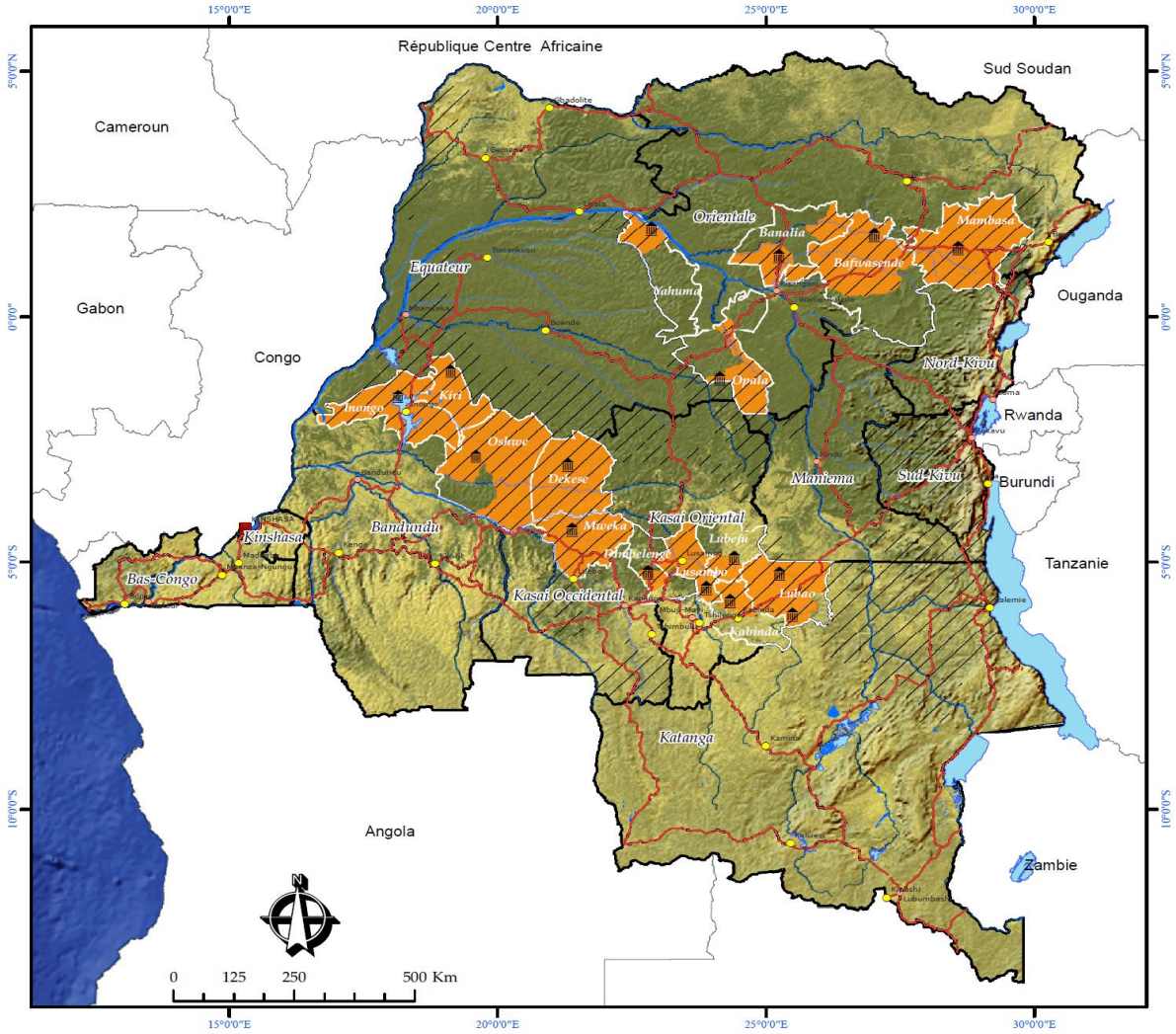
Box 1. Learning from Latin America: Bolivia’s Living Well – *Vivir Bien*

The Government of Bolivia is currently developing and implementing a system of statistical indicators to approximate the **Living Well paradigm** – a philosophy of life recovered from ancient wisdom that constitutes the basis of Bolivia’s new development proposal. The Living Well paradigm has been included in the 2009 Constitution as the overarching objective of the country and the main guiding principle for the formulation of public policies under the new Plurinational State of Bolivia. All the main strategic development documents (the 2006 National Development Plan, the 2015-2020 Government Plan, the longer-term Patriotic Agenda 2025, and the recent 2015 National Development Plan) have been constructed under the Living Well paradigm.

The construction and implementation of the Living Well Indicators aim to improve the design, implementation, monitoring, and evaluation of the Government strategy and policies, in order to attain their main goals, which include the eradication of extreme poverty. In the recent past, and in order to operationalize the Living Well paradigm, the Government of Bolivia has made important advances in the conceptual design and operational methodology of the Living Well Indicators. These advances include the agreement on a set of Indicators—that include monetary, non-monetary and subjective measures of wellbeing across 10 dimensions (“Qualities”) of social development—and a first draft questionnaire. The 10 Qualities of Living Well are: knowing how to be; knowing how to learn; knowing how to take care of one’s health; knowing how to coexist; knowing how to work; knowing how to rejoice and rest; knowing how to love; knowing how to communicate; knowing how to feel; and, knowing how to dwell.

Annex 14: Project Area for the Forest-dependent Community Support Project

DEDICATED GRANT MECHANISM
MAP OF THE AREA OF INTERVENTION PROJECT DGM BY TERRITORY



Légende

	Consultation camp
	Capital
	District capital
	Province capital
	Indigenous People Livelihood areas
	DGM Project area
	Province capital
	Territory limit
	Lake
	River
	National road

Data Source

Atlas of Indigenous Peoples location
 Pygmies in the DRC
 Dedicated Grant Mechanism 2014 (DGM)
 Référentiel Géographique du Congo
 Datum: WGS 1984
 DGM Project 2014.