



DEMOCRATIC REPUBLIC OF CONGO

Mapping REDD+ Finance Flows 2009–2014

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Acknowledgements

ERAIFT thanks Forest Trends for this collaboration and its support toward the realization of this work. We particularly thank Brian Schaap for his support of the DRC REDDX research, data analysis, and editing of this report, as well as Forest Trends' President and CEO Michael Jenkins for his confidence in ERAIFT. We do not forget the team with whom this work began: Kerstin Canby, Marigold Norman, Christine Lanser, and Jessica Breitfeller whom we thank for their work in establishing the REDDX REDD+ finance tracking initiative.

And finally, ERAIFT would like to thank all contributors and reviewers who generously gave their time and ideas to enrich the information presented in this report.

Implementing Organizations

The Regional Post-graduate Training School on Integrated Management of Tropical Forest and Lands (ERAIFT) is a Higher Education University Establishment under Congolese law with a regional focus, managed by UNESCO. Established in 1999 in collaboration with 10 other African countries and UNESCO, it aims to train in sub-Saharan Africa a new type of planning specialist for the management of tropical forests and lands. The training provided by the School is primarily at the post-graduate level.

Forest Trends (FT) Forest Trends works to conserve forests and other ecosystems through the creation and wide adoption of a broad range of environmental finance, markets and other payment and incentive mechanisms. Forest Trends does so by 1) providing transparent information on ecosystem values, finance, and markets through knowledge acquisition, analysis, and dissemination; 2) convening diverse coalitions, partners and communities of practice to promote environmental values and advance development of new markets and payment mechanisms; and 3) demonstrating successful tools, standards, and models of innovative finance for conservation.

Executive Summary

The DRC is one of thirteen countries participating in the global REDDX initiative to track REDD+ finance from donors through international recipients and intermediary organizations to in-country recipients and ultimately to REDD+ projects on the ground. The full suite of REDDX countries currently includes: Brazil, Colombia, Mexico, Ecuador, and Peru in Latin America; the Democratic Republic of Congo (DRC), Ethiopia, Ghana, Liberia, and Tanzania in Africa; and Indonesia, Papua New Guinea, and Vietnam in Asia-Pacific.

In order to enhance the role of forests in the search for synergies between mitigation and adaptation to climate change, the DRC has been committed since 2009 to the process of Reducing Emissions from Deforestation and forest Degradation (REDD+).

In May 2009, the National REDD+ Coordinator was recruited. The DRC REDD+ team has been gradually strengthened, and national coordination was formally established by decree in November 2009 through the creation of two planning and decision-making bodies, namely the National REDD+ Committee and the REDD+ Inter-ministerial Committee. Awareness building, consultations, and studies have since been undertaken.

In March 2010, the Advisory Board of the UN-REDD Program and Forest Carbon Partnership Facility (FCPF) Participants Committee approved additional funding for the implementation of the Readiness Preparation Proposal (R-PP) in DRC (US\$5.5M from UN-REDD and US\$3.4M from the FCPF). The National REDD+ Coordination Unit then set out the preparation process for REDD+ (phase 1) in order to allow the country to enter into the investment phase (phase 2). The pace of implementation of the program has remained very stable, with the national REDD+ process making many advances and entering its investment phase during this year 2015.

Many technical and financial partners have contributed to the REDD+ process in the DRC. For the preparation phase, major donors have been the FCPF, the government of Norway, the United Nations Development Programme (UNDP), the Food and Agriculture Organization of the United Nations (FAO), and the United Nations Environment Programme (UNEP).

The results of the REDD+ finance tracking initiative in the DRC show that from 2009 through 2014, **US\$264,286,908** was committed to support REDD+ in DRC, while **US\$151,287,727** was disbursed by the original donors and international recipient/intermediary institutions to in-country recipients. This represents a **57%** disbursement rate against committed funds over the five-year period.

Figure 1: DRC REDD+ Pilot Projects Map

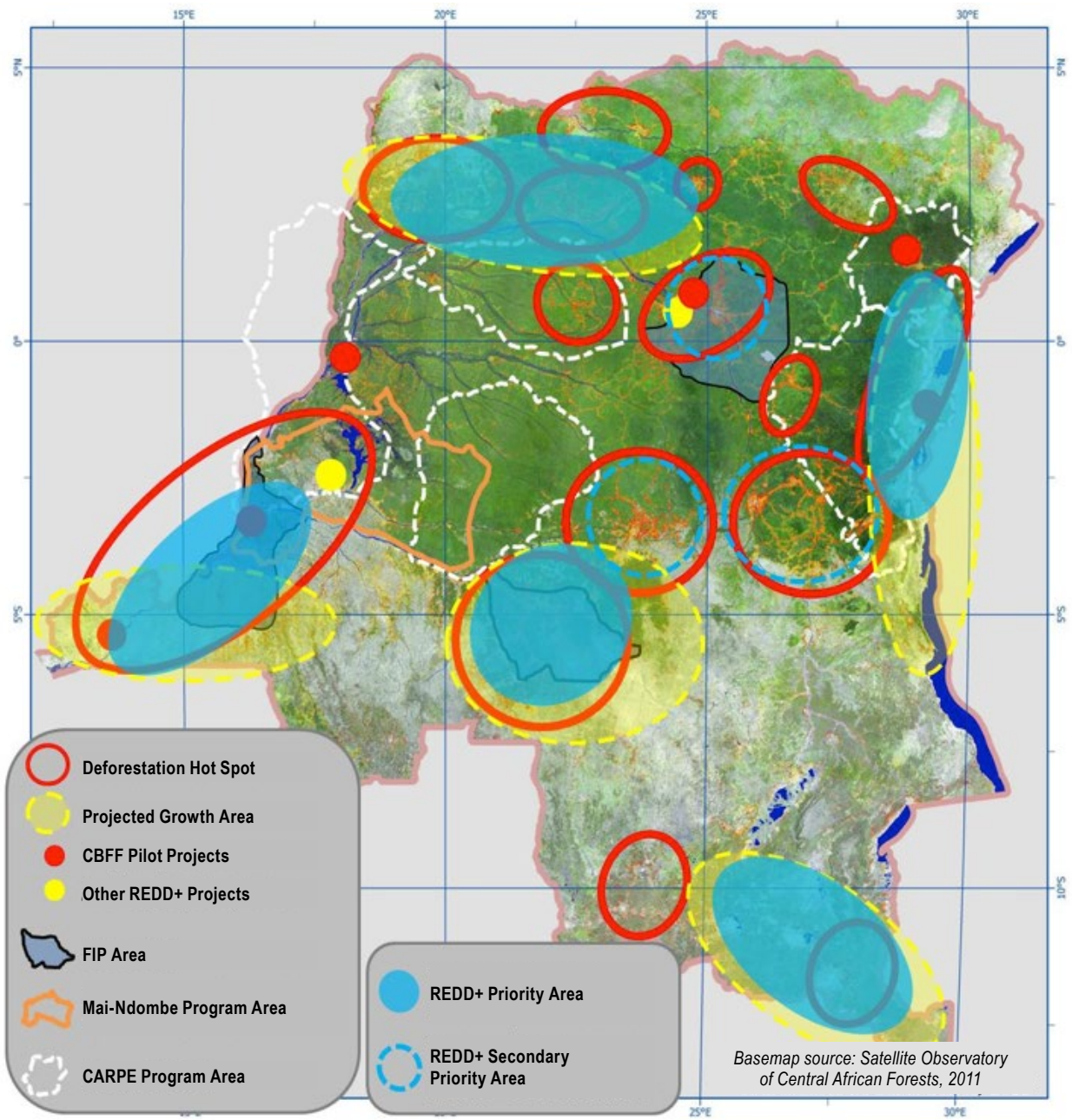


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Acronyms

ADAPEL	<i>Action pour le Developpement de l'Agriculture et de la Peche avec Protection Environnementale de Likende</i> [Action for the Development of Agriculture and Fisheries with Conservation for Likende]
AFD	French Development Agency
AWF	African Wildlife Foundation
AWM	<i>Amis de Wangari Matthai</i> [Friends of Wangari Maathai]
BCI	Bonobo Conservation Initiative
CAFI	Central African Forest Initiative
CARPE	Central African Regional Program for the Environment
CBFF	Congo Basin Forest Fund
CI	Conservation International
CIFOR	Center for International Forestry Research
CIRAD	Centre for International Cooperation in Agronomic Research for Development
CN-REDD	National coordination unit of REDD
DIAF	<i>Direction des Inventaires et Aménagement Forestier</i> [Service of Forest Inventories and Management]
DRC	Democratic Republic of Congo
ERA	Ecosystem Restoration Associates
ERAIFT	Regional Post-graduate Training School on Integrated Management of Tropical Forest and Lands
EU	European Union
FAO	Food and Agriculture Organization (of the United Nations)
FCPF	Forest Carbon Partnership Facility
FIP	Forest Investment Program
FT	Forest Trends
GCCA	Global Climate Change Alliance
GEF	Global Environment Facility
GHG	Greenhouse Gas Emissions
ICCN	<i>Institut Congolais pour la Conservation de la Nature</i> [Congolesse Institute for the Conservation of Nature]
ICDP	Integrated Conservation and Development Programs
ICRAF	World Agroforestry Centre (The International Council for Research in Agroforestry)
IDA	International Development Association
IIASA	International Institute for Applied Systems Analysis
JICA	Japan International Cooperation Agency
MEDD	<i>Ministère de l'Environnement et Developpement Durable</i> [Ministry of Environment and Sustainable Development]
MRV	Monitoring, Reporting and Verification
NGO	Non-Governmental Organization
NORAD	Norwegian Agency for Development Cooperation
NOVACEL	<i>Nouvelle Société d'Agriculture et d'élevage</i> [New Society of Agriculture and Livestock]
OCEAN	<i>Organisation Concertée des Ecologistes et Amis de la Nature</i> [Joint Organization of Ecologists and Friends of Nature]
OSAPY	<i>Organisation d'Accompagnement et d'Appui aux Pygmées</i> [Organization of Support to the Pygmies]

PDD	Project Design Document
PES	Payments for Ecosystem Services
RAFM	<i>Réseau Africain de Forêts Modèles</i> [African Model Forest Network]
REDD+	Reducing Emissions from Deforestation and Forest Degradation
RFN	Rainforest Foundation Norway
R-PIN	Readiness Plan Idea Note (under the FCPF)
R-PP	Readiness Preparation Proposal (under the FCPF)
UC-PFCN	<i>Unité de coordination – Projet Forêts et Conservation de la Nature</i> [Coordination Unit-Forestry and Nature Conservation Project]
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UN-REDD	United Nations REDD+ Programme
USAID	United States Agency for International Development
USD	US Dollar
WB	World Bank
WCS	Wildlife Conservation Society
WHRC	Woods Hole Research Center
WWC	Wildlife Works Carbon
WWF	World Wide Fund for Nature
ZSL	Zoological Society of London

Glossary of Terms

During the survey design process, the REDDX initiative found there was a need to define commonly used REDD+ and finance terminology in order to promote greater understanding and overall consistency across in-country partners and between collaborators, including national governments, donors, and recipients. The definitions below are commonly used by the REDD+ policy community except where noted.

General and Financial Terms

REDD+: REDD+ is a global effort to create a value on the carbon stored in forests and provide incentives to compensate countries for policies that result in reduced emissions and forest conservation. It is defined by the UNFCCC as “reducing emissions from deforestation and forest degradation and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries.” REDD+ countries have the flexibility to determine what exact activities they will implement in their countries based on national circumstances and development/conservation priorities.

REDD+ Finance: A working definition of “REDD+ finance” remains heavily debated within the international policy context. For the sake of this project and to promote consistency with other REDD+ tracking initiatives and broader international approaches to REDD+, it was agreed that REDD+ finance will include:

1. **International REDD+ Finance:** Any international financial transfers earmarked to support REDD+ mechanisms or initiatives, as currently defined by the UNFCCC, that are developed with the aim of reducing net GHG emissions from the forestry sector.
2. **National REDD+ Finance:** Monies earmarked and spent for any activities or actions that fall within the scope of the REDD+ definition found within an individual country’s approved REDD Readiness Preparation Proposal (R-PP) or other existing country REDD+ strategy.

Public Finance: Revenue generated through mechanisms (e.g., taxes, carbon markets, etc.) controlled by a public entity such as a national government. Public finance can be international or national in nature, and generally supports REDD+ readiness, policy development, and results-based payments.

Private Finance: In the context of REDD+, private finance constitutes funds provided by a private sector entity or business, which tend to support forest management and carbon project development, and can include PES-triggered investments or investments that address drivers of deforestation.

Public-Private Finance: Instances where a REDD+ project or business venture is funded through a partnership between a public sector authority and one or more private sector companies.

Pledge: Pledges of REDD+ finance are often made as announcements of support from donor governments with no legal or formal indication that this funding will be released, no terms for how this funding might be spent, and no assurance that it will be spent entirely on REDD+ activities. Some donors pledge an amount and actually end up committing less. The REDDX initiative does not specifically track pledges, but if any are known, they are recorded to compare with amounts actually committed.

Commitment: REDDX defines “commitment” as a formal indication from a donor that they will fund REDD+ activities in a country. This “commitment” will be backed up by a legal or formal agreement specifying the total amount of funding for the recipient, a timeline for activities, and a schedule for when finance will be spent. (“Commitment” is not to be confused with a “pledge.”)

Disbursement: In the context of the REDDX initiative, a disbursement is the transfer of funds from a donor to a recipient or from a recipient to an additional recipient further down the funding chain.

Expenditure: In the context of the REDDX initiative, an expenditure occurs when REDD+ finance is actually spent or expended on REDD+ activities on the ground.

Institutions

International Donor Governments: Federal agencies or ministries in the donor country. NORAD (Norway), GIZ (Germany), KfW (Germany), USAID (USA), JICA (Japan), DEFRA (UK), and FORMIN (Finland) are some of the biggest international government donor agencies supporting REDD+ globally. The arrangements that international donors utilize can include traditional bilateral and multilateral funding mechanisms, in-kind technical assistance, or direct financing of civil society or private sector consulting firms.

REDD+ Country Governments: National governments which are receiving international financial support to implement REDD+ to conserve their country's forest resources. REDD+ countries are increasingly allocating funds for REDD+ activities in their own country, either through self-financing out of central domestic budgets, or as required co-financing of multilateral institutional grants.

Multilateral Financing Institutions and Programs: International organizations that are comprised of members from many countries. Examples include the World Bank, UN-REDD, IDB, ADB, IFAD and ITTO. These multilateral organizations often manage large REDD+ programs such as the UN-REDD Programme, the FCPF, and the Green Climate Fund.

Multilateral Implementing Agents: International organizations which carry out the directives and work plans of international decision-making bodies and programs. For example, the UN-REDD Programme builds on the convening role and technical expertise of its three participating UN organizations: the Food and Agriculture Organization of the United Nations (FAO), the United Nations Development Programme (UNDP) and the United Nations Environment Programme (UNEP). These organizations act as multilateral implementing agents when implementing the decisions and work plans of the UN-REDD Programme.

Supranational Institution: An organization that is entirely composed of representatives from member states, but which acts as a collection of the member states. The most common supranational institution providing REDD+ funding globally is the European Union, represented by the European Commission.

Private Foundation: A charity that receives the majority of its support from individual and corporate donations (not public funds) and whose funds and programs are managed by its own trustees or board of directors.

International NGOs and Academic Institutions: International NGOs or academia includes international non-governmental organizations (NGOs) such as environmental organizations, or independent academic institutions with headquarters outside the recipient country. Many international NGOs or academic institutions receive donor funding for REDD+ activities to be implemented at the international, regional, and/or national level. Their finance is typically spent in the following ways:

- At headquarters on their own staff and operations supportive of donor and/or recipient country objectives;
- At regional or national offices on their own staff and operations supportive of donor and/or recipient country objectives;
- Passed on to other international or domestic organizations through sub-grants or consultancies to implement activities (these may, in turn, pass funding on to additional organizations);

- Passed on directly to local communities or households as payments for environmental services.

National (REDD+ Country) NGOs and Academic Institutions: Civil society organizations and academic institutions based in the REDD+ implementing country.

Firms/Consultancies: This includes both private sector corporations (firms) which occasionally contribute funding or expertise to support REDD+, and consultancies, which are private sector businesses consisting of a group of experts (i.e., consultants) that provide professional project management services and implementation for a fee. Firms and consultancies contributing to REDD+ processes and implementation can be based internationally and/or within REDD+ implementing countries.

Consortium: An association of various types of organizations, partnering together to fund or implement REDD+ activities. This designation is given to donors or recipients when REDD+ finance allocated to the consortium cannot be disaggregated to the level of specific participating organizations. A consortium is deemed “international” if one or more of its members is based outside of the REDD+ country, while a consortium in which all participating members are based within the REDD+ country is designated as “national.”

REDD+ Activities and Projects

Stakeholder Engagement: Funding aimed at improving participation of non-governmental stakeholders through the design, implementation, and/or monitoring phases of REDD+, and/or funding that promotes media outreach.

Rights and Tenure: Funding directed at addressing issues of rights and tenure—including clarifying land, property, and carbon rights.

MRV and Reference Levels: Funding aimed at improving the monitoring, reporting, and/or verification of REDD+, including changes in forest cover, forest degradation, biodiversity, or social and governance levels. Funding to define or implement reference levels to measure emissions, co-benefits, and governance in-country.

Safeguards: Funding aimed at identifying barriers to forest conservation and enabling social and environmental benefits.

Policy and Law Development: Funding aimed at promoting research, advocacy, and outreach to policymakers including policy and law analysis, policy development, REDD+ strategy development, and advocacy.

Institutional Strengthening: Funding aimed at developing in-country public institutions, ministries, staffing capacity, and resources for REDD+.

Forest Carbon Project Design: Funding aimed at developing project design documents (PDDs) and validation activities. This includes credited projects that go to the market and those that want REDD+ payments through an eventual UNFCCC mechanism.

Improved Forest and Land Management: Funding supporting protected areas, sustainable forest management, and reforestation management activities — including enforcement and compliance.

Carbon Offsets or Performance-Based Payments: Funding aimed at carbon offsets, direct payments, or actual benefits sharing such as incentive- or performance-based payments.

1. Introduction

For the past four years, Forest Trends and its REDDX partner countries have been tracking REDD-related expenditures in REDD+ countries across the tropics. Through the REDDX initiative, Forest Trends is able to provide information that enables governments and other REDD+ actors to understand the amount of funding that is committed and received in-country for REDD+ projects and the activities which the funds support. This analysis also aids in the assessment of country needs and gaps in relation to REDD+ readiness and the national REDD+ strategy.

The DRC is one of thirteen tropical forest countries participating in REDDX. The other REDDX countries currently include Brazil, Colombia, Ecuador, Mexico, and Peru in Latin and South America; the Democratic Republic of Congo, Ghana, Liberia, and Tanzania in Africa; and Indonesia, Papua New Guinea, and Vietnam in Asia-Pacific. Emerging results and trends from across these thirteen countries demonstrate that REDD+ financial commitments have slowly yet steadily increased since 2009. Most commitments are multi-year grants with long disbursement schedules, which means that not all of the REDD+ finance committed is currently in circulation.

The implementation of the REDD+ process has motivated several entities concerned with the protection of forests and a reduction in emissions of greenhouse gases. They have set up financing systems to ensure that the process is carried forward. However, information remains limited on how much of this finance is actually flowing to-national-level initiatives, the various types of REDD+ activities supported, and the organizations managing and actually implementing REDD+ on the ground.

To address these gaps, Forest Trends developed REDDX, the REDD+ Expenditures Tracking initiative, in 2011 to follow REDD+ finance from donors to in-country recipients, and ultimately REDD+ projects and activities on the ground to determine:

- Commitments and disbursements of REDD+ finance;
- Timelines between when funds are committed and actually disbursed;
- The types of organizations receiving and implementing REDD+ activities;
- Types of activities supported by the current financial commitments.

Through this initiative, REDDX seeks to improve transparency around REDD+ financing mechanisms and ultimately provide information that will help governments and other REDD+ stakeholders better assess gaps and needs against national REDD+ strategies.

In DRC, REDD+ finance has been and continues to be committed by donor country governments and multilateral financing institutions, international and national NGOs, international and national firms/consultancies, and international academia and consortia.

This report specifically focuses on the national results for the DRC developed through a partnership between the Regional Post-graduate Training School on Integrated Management of Tropical Forest and Lands (ERAIFT) and Forest Trends.

2. Methodology

Key REDD+ actors in DRC were mapped through review of reports, strategies, and consultations with key informants. The key actors included the REDD+ National Coordination Unit, under the Ministry of Environment and Sustainable Development, REDD+ project managers and implementers, donor agencies, and fund managers. Additionally, relevant individuals working for the major actors were identified and interviewed separately, especially members of civil society organizations involved in the implementation of REDD+.

In July 2015, a National Validation Meeting was held, at which presentations of the preliminary results were shared and the information and financial data vetted by the relevant stakeholders. This workshop brought together 22 people from different types of organizations, including project managers, civil society, representatives of funding structures, and government officials involved in the national coordination of REDD+. In order to facilitate the feedback process, all of the stakeholders received a summarized version of the data before the meeting. After the meeting, a handful of follow-up inquiries were made. Unrepresented projects sent their contributions by email. The ERAIFT team then incorporated all of the corrections, comments, and new information and finalized the data for the year.

Through this workshop, REDD+ project implementers identified a number of challenges facing REDD+ in the DRC, including:

- Slow disbursements;
- Lack of understanding of certain requirements relating to disbursements;
- Delayed or absent installment payment for some REDD+ pilot projects.

On the other side, financial partners represented in this workshop responded to the concerns of project implementers, citing problems with late submission of supporting documents that they said affected their ability to disburse funding. This slow-down in disbursements has in turn affected the realization of field activities.

3.1. Current State of DRC Forests

The forest area in DRC is divided into four major ecosystems:

- Although half of this forest area is considered potentially exploitable for timber production by various stakeholders, the officially assigned logging area today is limited to 10 million hectares for production of about 500,000 m³ of timber. In contrast, non-industrial (artisanal) timber production is limited to between 2.5 and 5 million m³.

Intense deforestation frequently occurs near large cities in the southern savanna belt (Kinshasa, Lubumbashi, Kananga), river basin cities in the central-eastern part of the country (Kisangani, Kindu), cities in the north of the country in the province of Equateur (Lisala-Bumba), and within the Albertine Rift region in the eastern part of the country (North and South Kivu provinces, eastern Orientale province).

A map of Central Africa illustrating the distribution of four major forest types. The map uses a color-coded system: dark green for Rainforest, light green for Mountainous Forest, yellow-green for Forest-Savanna Mosaic, and yellow for Miombo Forest. The Rainforest is concentrated in the northern and eastern parts of the region. Mountainous Forest is found in the central and southern parts. Forest-Savanna Mosaic is located in the western and central parts. Miombo Forest is found in the southern part. The map also shows major rivers and surrounding countries like Cameroon, Gabon, Congo, Angola, and Tanzania.

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3.2. Management Efforts to Prepare for REDD+

Based on a Readiness Plan Idea Note (R-PIN) submitted to the FCPF in May 2008, the DRC committed in January 2009 to a preparation process for the future international mechanism for Reducing Emissions from Deforestation and forest Degradation (REDD+). This process was led by the Ministry of Environment and Sustainable Development (MEDD), in partnership with the United Nations REDD Programme (UN-REDD) and the World Bank FCPF. Elaborated in a broadly participatory framework, the Readiness Preparation Proposal for REDD+ (R-PP) was approved in March 2010 by the UN-REDD Programme Board and FCPF Participants Committee. REDD+ is regarded in the DRC as a “catalyst instrument for a national strategy of green development.”¹ The approach defined in the R-PP is based on international benchmarks of REDD+ strategy design and the utilization of case studies to feed the decision process. Several major projects have been undertaken since the promulgation by Decree No. 09/41 of 26 November 2009 of the Prime Minister including:

- Establishment of new REDD+ institutional arrangements including a National Committee and International Committee, whose members were appointed in June 2010. The text provides for the creation of a Scientific Council and replication of the national structure at the provincial level as decentralized entities, and preparation of the national strategy and implementation framework for REDD+. This included creation of a REDD+ national registry, an approval process for projects, workshops on revenue sharing, and the introduction of anti-corruption measures;
- Construction of REDD+ implementation tools, including those related to Monitoring, Reporting and Verification (MRV), and preparation of national REDD+ standards;
- Establishment of REDD+ programming at a large scale, including the selection of DRC as a pilot country within the multilateral REDD+ Forest Investment Program (FIP) and the approval of the associated Investment Plan;
- Information sharing, consultation, and capacity building and contribution to the international REDD+ negotiations through sharing of experiences;
- Testing REDD+ on the ground with funding from the Congo Basin Forest Fund (CBFF), including seven geographically integrated pilot projects distributed throughout the country and targeting different drivers of deforestation to experiment with different institutional options and conditions for practical implementation of a REDD+ strategy.

This Prime Ministerial Decree No. 09/41 was signed November 26, 2009 to establish the REDD National Committee and various other committees such as the Interdepartmental Committee and the Scientific Council.

The National REDD Committee, chaired by the Secretary General of the Ministry of Environment, is composed of thirteen members from different government agencies (six members), civil society (four members), private sector (two members), and academia (one member). This is the result of a participatory exercise conducted by the various stakeholders during the joint UN-REDD/FCPF mission in January 2009.

At the end of the 19th session of the Forest Carbon Partnership Facility (FCPF) Participants Committee, which met from 17 to 19 May 2015 in Washington, the self-evaluation report of the preparation phase (Readiness-Package) presented by the DRC was approved. DR Congo thus became the first of the 47 REDD+ pilot countries to have completed this crucial FCPF phase.

To enable the countries involved in the program to evaluate their progress in implementing the process, the FCPF Participants Committee has issued a set of criteria and indicators. Of the 34 criteria set by the FCPF, the

¹ National Report on Background of REDD+, MEDD, 2011.

DRC was determined to have made “substantial progress” in 26 criteria while only 8 were rated “satisfactory progress.” These remarkable advances concern:

- i. The REDD+ National Strategy, approved by Council Ministers in November 2012;
- ii. The establishment of the National REDD+ Fund as the financial arm of the National REDD+ Strategy;
- iii. The implementation of the Forest Investment Program (FIP);
- iv. The instruments of social and environmental safeguards validation by the World Bank in April 2015;
- v. The development of a jurisdictional program to reduce emissions in the Province of Mai Ndombe, with the signing of the Letter of Intent with the World Bank for the purchase by the latter of 10 Mt of carbon credits;
- vi. The smooth and successful coordination of different funding partners (FCPF, UN-REDD, CBFF, bilateral donors) who supported the preparation phase.

4. Strategy For REDD+

4.1. The National Framework Strategy for REDD+

The creation of the DRC National Framework Strategy for REDD+ started in 2009. It has been a major undertaking, both politically and technically. The process has been co-directed by the Ministry of the Environment and Sustainable Development (MEDD) and the Ministry of Finance, in dialogue with other sectoral ministries and with Congolese civil society and indigenous peoples and in close cooperation with several international financial and technical partners.

In November 2012, the Council of Ministers officially adopted the National Framework Strategy for REDD+, which aims to stabilize forest cover at 63.5% of the country from 2030 and maintain that level thereafter; coverage is lower than 60% currently.² The Strategy is closely aligned with international agreements of the United Nations Framework Convention on Climate Change (UNFCCC), and is associated with REDD+ national governance efforts and political reforms aimed at sustainable development and improving the standard of living for the Congolese people. The Strategy is also expected to improve the level of international cooperation and the financial climate for achieving the DRC's sustainable development objectives.

This programmatic framework for REDD+ policy is designed in order to effectively counter the direct and indirect drivers of deforestation. Examples of direct deforestation include slash and burn agriculture, artisanal logging, and fuel wood consumption, while underlying indirect drivers are factors such as population growth and lack of law enforcement. The framework contains activities grouped into two categories, each with constituent pillars. The first category identifies three key sectoral pillars relevant to REDD+, namely agriculture, forestry, and energy. The second category identifies four enabling pillars, including governance, spatial planning, land management, and demography.

To implement the National REDD+ Strategy Framework and attract and coordinate the necessary international funding, the country has a National REDD+ Fund, which is the financial instrument of the Framework Strategy and complements the Forest Investment Program (FIP).

4.2. National REDD+ Fund

DRC's National REDD+ Trust Fund was established in November 2012 by the signing of a Memorandum of Understanding between the Ministry of Finance and the multi-partner trust fund office of the UNDP (as the administrative agent). The Trust Fund is intended to serve as the financial arm for the implementation of the National REDD+ Strategy and thus of the ER-Program Idea Note (ER-PIN) under the FCPF. The National REDD+ Fund will ensure coordinated allocation of funds and provide a transparent channel for funding while ensuring alignment of the ER-PIN with national REDD+ priorities.

The ER-PIN process is an important milestone for the DRC because it will enable the country to develop REDD+ at scale. In addition, it provides the opportunity to define the DRC's national REDD+ strategy and apply it to a specific site, in this case Maï-Ndombe. This initiative will also have international implications. The DRC's ER-PIN is the first attempt at jurisdictional REDD+ on the African continent; the first large-scale REDD+ of its type that incorporates government investment, corporate projects, and community action; and sets the bar for REDD+ not only in Africa but also for conservation globally.

² Interactive Forestry Atlas of the DRC (version 1.0): executive summary.

4.3. Typology of Investment

Under the REDD+ process, the National Framework Strategy delineates four types of investment, as defined below.

4.3.1. REDD+ Project

A set of activities within a geographically bound area aimed at changing the dynamics of deforestation and forest degradation, or increasing forest carbon stocks, in order to develop greenhouse gas emissions reductions or removals for a results-based compensation mechanism (which could include carbon market funds). These projects seek to demonstrate their contribution to REDD+ objectives, are often tailored to requirements of carbon markets, and are most likely to interest the private sector.

4.3.2. REDD+ Initiative

Projects, programs, or policies undertaken in order to achieve measurable REDD+ results. These initiatives are subject to all appropriate national requirements of the international REDD+ mechanism emerging under the UNFCCC or other compliance regimes. They include funding and actions that demonstrate a contribution to REDD+ objectives without going directly through carbon markets.

4.3.3. Initiatives Aligned with REDD+

Projects, programs, or policies undertaken to contribute to REDD+ measurable results. These initiatives are also subject to all appropriate national requirements of the international REDD+ mechanism emerging under the UNFCCC or other compliance regimes. These include funding and actions that demonstrate a contribution to REDD+ objectives, but are not explicitly REDD+ Initiatives.

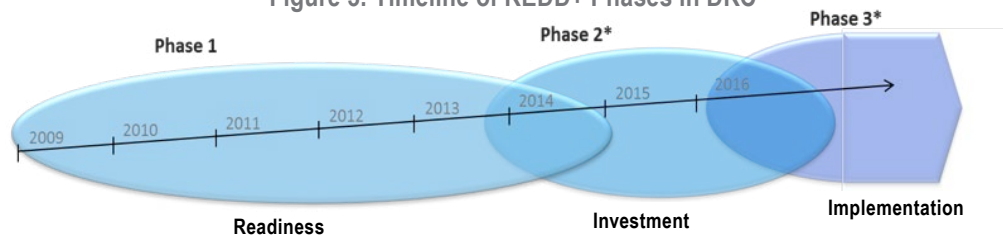
For the purposes of this study and populating the REDDX database, the REDD+ projects and initiatives have been taken into account, while the initiatives aligned with REDD+ are not clearly defined and have therefore not been taken into account.

4.3.4. Green Initiative

Projects, programs or policies undertaken in order to contribute to green development of the DRC, and contribute to REDD+ results whether measurable or not. These initiatives are not subject to requirements associated with the international REDD+ mechanism emerging under the UNFCCC. They may have either funded or unfunded results, and are not entitled to issue REDD+ carbon emission reduction credits.

5. REDD+ Process in DRC: Brief Overview

Figure 3: Timeline of REDD+ Phases in DRC



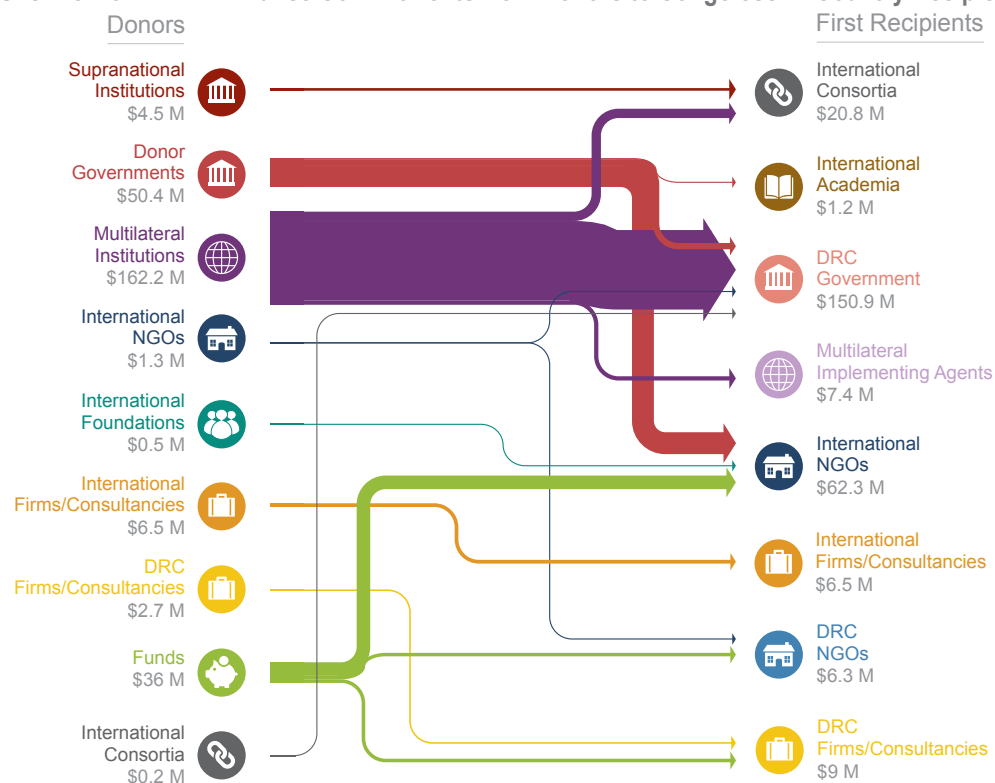
Project proponents are pursuing strategies that mix the enforcement of regulations and support to alternative livelihoods (ICDP) with results-based incentives (PES). Projects tend to be located in high deforestation and high forest carbon areas, yielding high additionally if they succeed.

5.1. The Readiness Phase

This phase of the REDD+ process in the DRC has been supported by the UN-REDD Programme through its specialized agencies (UNDP, FAO, UNEP), which are working collaboratively with the World Bank through the FCPF to jointly support the REDD+ process. The main funder of the REDD+ process under UN-REDD is the Kingdom of Norway. Much of these funds are managed by UNDP, while other Norwegian funding passes through the CBFF to essentially finance REDD+ pilot projects in DRC. A portion of the Norwegian International Forest and Climate Initiative (NICFI) funds allocated to support civil society REDD+ initiatives globally is being channeled through the Rainforest Foundation Norway, which is conducting some REDD+ work in DRC.

Other REDD+ projects and initiatives are supported by several technical and financial partners as shown in Figure 4 below.

Figure 4: Overview of REDD+ Finance Commitments from Donors to Congolese In-Country Recipients, by Type



Technically, international NGOs such as WWF, which has a REDD+ program in DRC, have implemented their REDD+ activities in collaboration with their national branch offices. Other organizations such as WCS, Conservation International (CI), WHRC, USAID-CARPE, AWF, WWC, and CIRAD are also operational within the scope of REDD+ activities in the country. Some academic institutions like the Universities of Kinshasa, Kisangani, Lubumbashi, and the National Pedagogical University are involved with REDD+ in the country, while other educational and research institutes such as ERAIFT and the World Agroforestry Centre (ICRAF) are also working in the DRC on REDD+. ICRAF is supporting participatory tree domestication and is indirectly involved in REDD+ by promoting agroforestry expansions and biodiversity conservation.

5.2. The REDD+ Investment Phase

The DRC recently joined a multilateral partnership called the Central African Forest Initiative (CAFI), which was launched on the sidelines of the UN General Assembly on September 29, 2015. The aim of CAFI is to enable Central-African countries, including the DRC, to act on the drivers of deforestation in an integrated and cross-sectoral way, through the provision of funding and support from international donors.

As part of this partnership, the DRC is committed to establish and implement an Investment Framework with national reforms and multi-sectoral programs able to initiate the transformational change needed to reduce emissions from deforestation and forest degradation and to contribute to sustainable development.

The different activities that accompanied the launch and initiation of CAFI proceeded as follows:

- **September 30, 2015:** First presentation in New York of the DRC Investment Plan;
- **October 26, 2015:** Presentation of the DRC Investment Plan to the Board of Directors of CAFI;
- **November 9, 2015:** Sending the CAFI independent review panel a revised version of the Plan, incorporating Board of CAFI comments;
- **November 16, 2015:** Receipt of comments from CAFI independent evaluators;
- **November 24, 2015:** Submission of a new version of the Plan;
- **December 7, 2015:** Discussion of the Plan with the Board of Directors of CAFI for a second time;
- **December 5–10, 2015:** Participation of a delegation from the DRC to the COP21 under the direction of the Minister of Environment and Sustainable Development to interact with the different stakeholders and achieve better policy in the DRC on climate change.

5.2.1. The CAFI Investment Plan

The DRC is the first country to have developed and submitted its Investment Plan under CAFI, which:

- Operationalizes the strategic guidelines set out within the National REDD+ Strategy Framework validated in 2012;
- Sets programmatic priorities and results, with the goal to achieve REDD+ investments in the DRC over the period 2015–2020 in the amount of approximately 1 billion USD;
- Delineates how the various sources and uses of funding will align with national goals for a low carbon development vision;
- Coherently addresses all drivers of deforestation established under national consensus since 2012, on the basis of reforms, sectoral programs, and integrated programs on REDD+ issue areas.

5.2.2 Implementation of the REDD+ Investment Phase in DRC

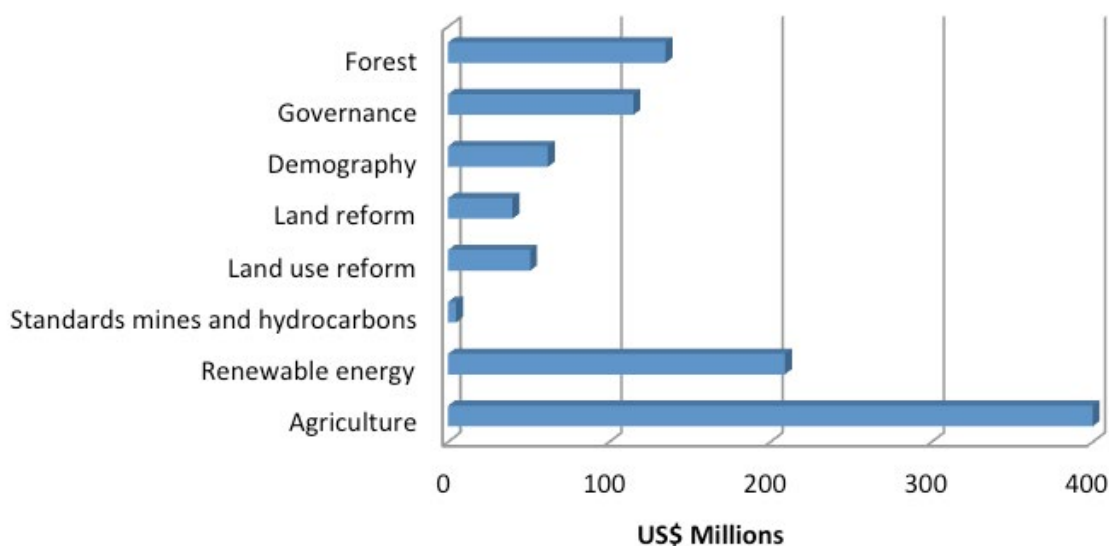
The overall REDD+ investment phase budget — set by the DRC government as an estimate of the funding needed to achieve its objectives — is currently US\$1.017 billion. By the end of 2015, US\$323 million of this had already been pledged (approved) under the FIP and CAFI (see below). This leaves a current budget shortfall of US\$694 million, which the DRC government will need to raise from donors in order to meet its budget estimate for the REDD+ investment phase:

- FIP Contribution: US\$72.9 million
- CAFI Contribution: US\$250 million
- Resources still needed to mobilize: US\$693.8 million

It is important to note that the findings from the REDDX survey, presented below in Section 6, cover the period 2009–2014, and therefore do not include the CAFI pledges (which were made in 2015), nor the portion of the FIP pledges made in 2015.

Eight programs or intervention areas, listed in Figure 5 below, were selected by the government in coordination with CAFI for DRC's REDD+ investment phase.

Figure 5: Budget for Each REDD+ Investment Plan Intervention Area



6. Findings

Representatives from thirty-two REDD+ initiatives in DRC were identified and contacted to obtain information during our investigations. In order to further validate the data, we have also been in contact with the major donors represented in the DRC, including the World Bank and the African Development Bank.

The results show that from 2009 to 2014, **US\$264,286,908** was committed to support REDD+ in DRC, while **US\$151,287,727** was disbursed by donors or international intermediary institutions to recipients in the country. This represents an overall disbursement rate of **57%** of committed funds.

From modest beginnings in 2009 and 2010, commitments increased significantly in 2011. The period from 2011 to 2013 brought large financial commitments, with more than US\$60 million, US\$28 million and US\$78 million committed in each year respectively. Disbursement of funds fluctuated over the five year period. From less than US\$0.5 million in 2009, annual disbursements ranged between US\$18 million in 2010 and US\$44.6 million in 2012.

Figure 6: REDD+ Cumulative Commitments, Disbursements, and Disbursement Percentages from 2009–2014

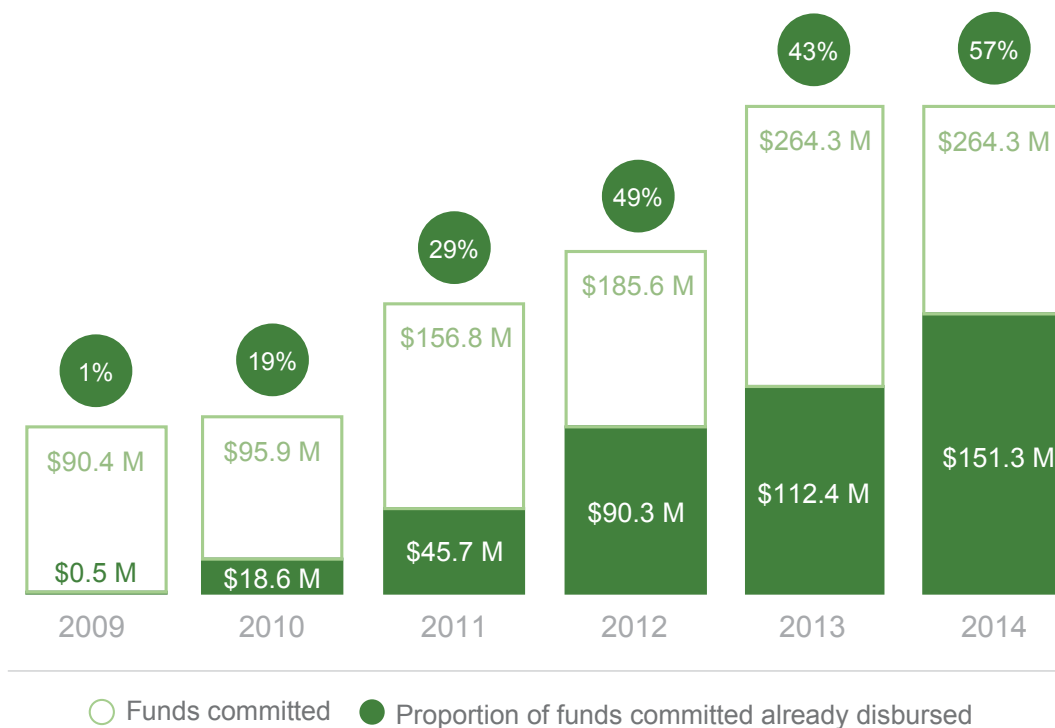


Figure 6 above shows a detailed breakdown of cumulative commitments and disbursements by year, as well as the overall disbursement percentage each year.

Figure 7: New REDD+ Commitments to In-Country Recipients by Type, 2009–2014

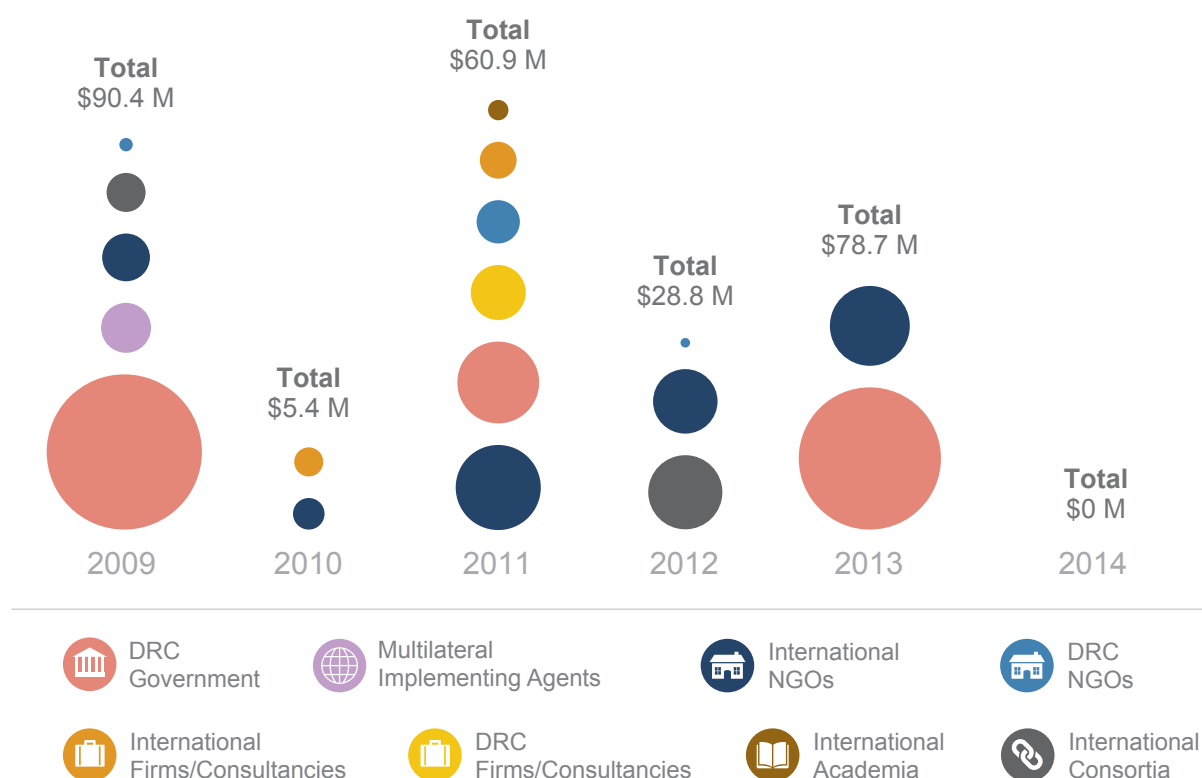


Figure 7 gives a detailed breakdown of the companies, agencies, and organizations that fall under the various recipient types. The largest individual recipient of REDD+ funding is the DRC government through the FIP, as well as through a World Bank International Development Association grant to support sustainable forest management. International NGOs and international consortia received the next-largest sum of REDD+ finance, followed by national firms, multilateral agencies, international firms or consultancies, Congolese NGOs, and international academic institutions.

Figure 8 shows a detailed breakdown of donor institutions and the proportional size of the funding they have committed to support REDD+ in DRC, as well as the portion of their commitments they had disbursed to in-country recipients by the end of 2014.

Figure 8: Proportional Commitments and Disbursements by Donors and International Intermediaries to Support REDD+ in DRC

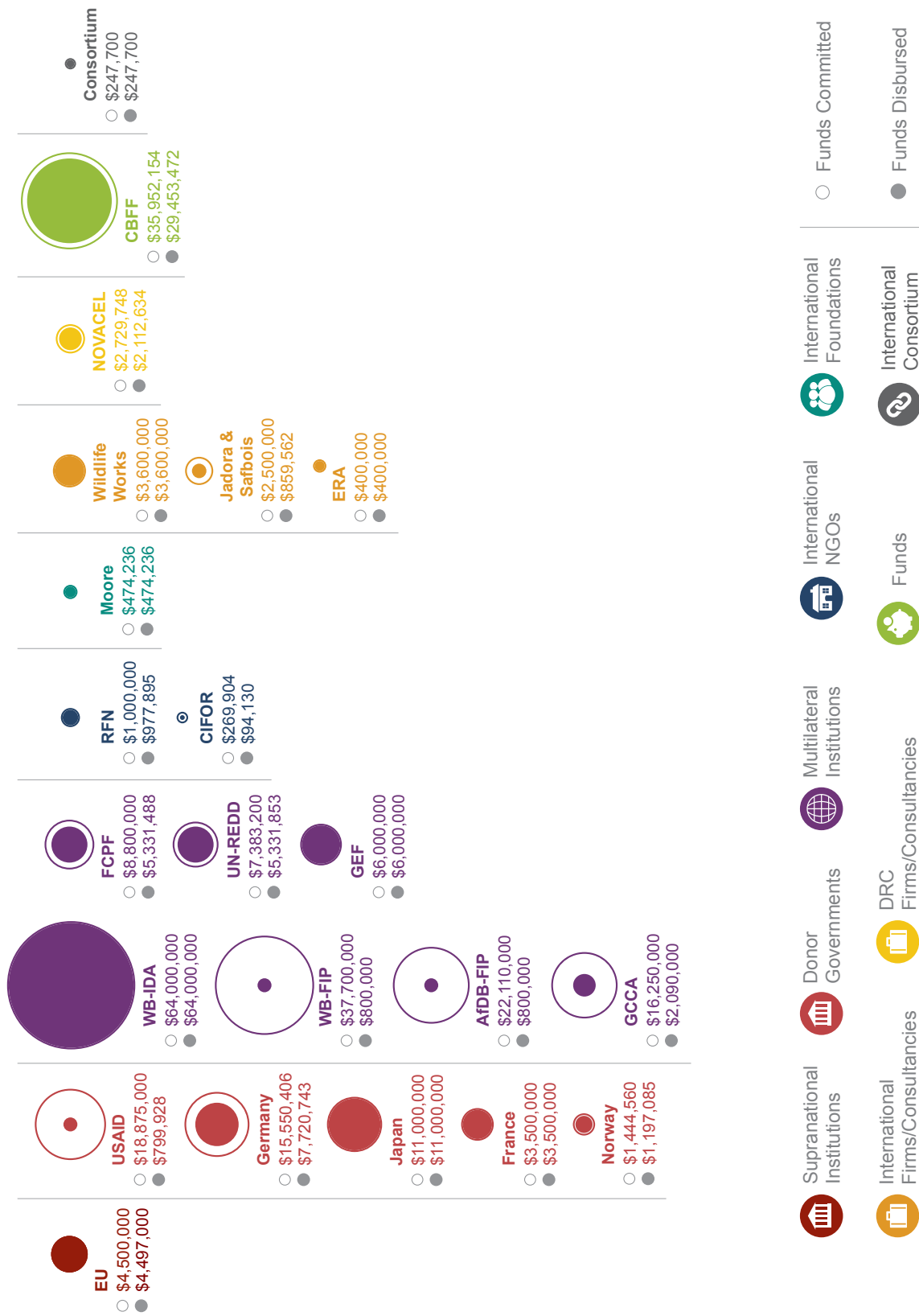


Figure 9: Percentage of Funding Committed to First and Second Tier In-Country Recipients by Sector

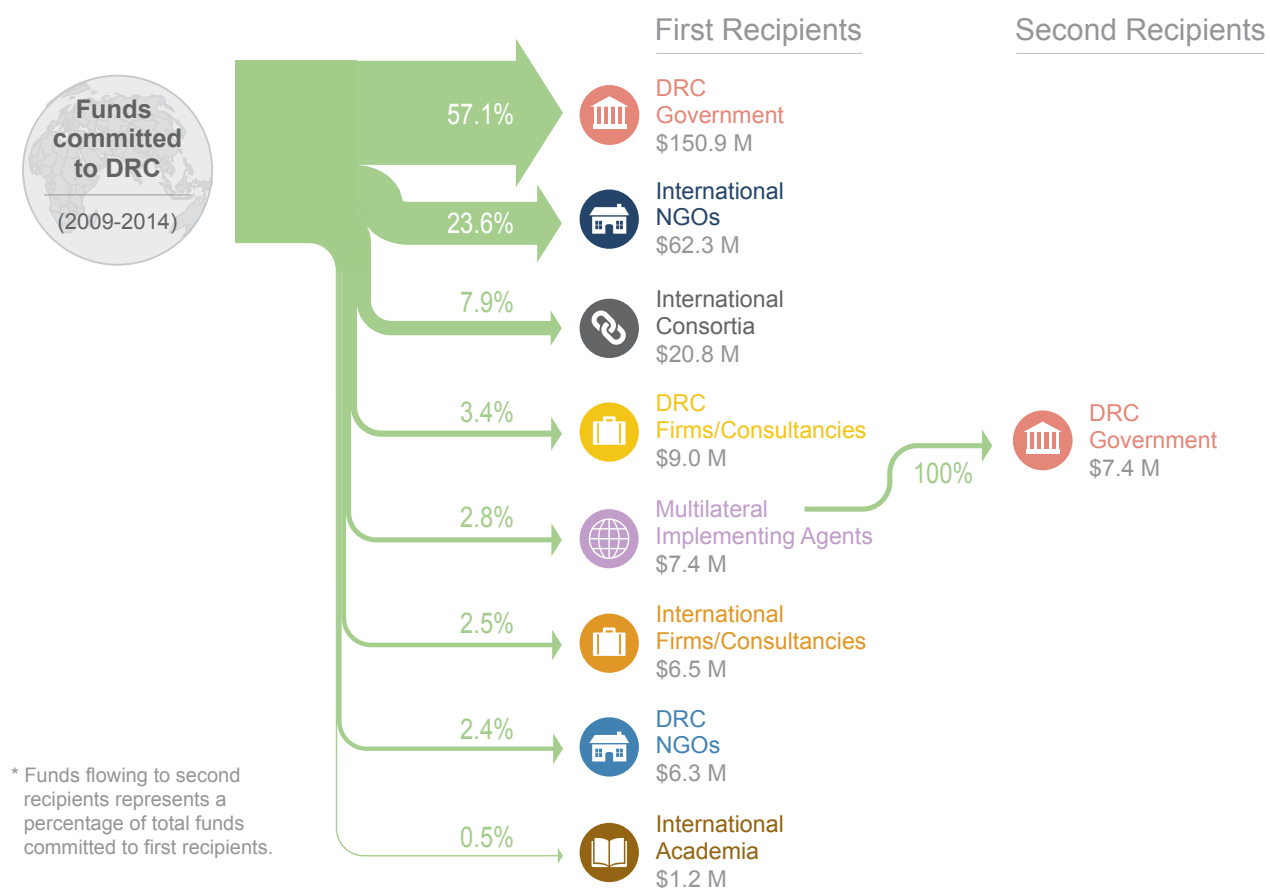


Figure 9 shows the flow of REDD+ donor funds to first tier in-country recipients, as well as funding passed on from first- to second-tier recipients. In most cases funding flows followed the simplest type of financing arrangement in which a donor contributes money directly to a recipient in DRC that implements activities. By contrast, UN-REDD Programme funding of US\$7.4 million first passes through the multilateral implementing agencies of the UNDP, UNFAO, and UNEP, which are then scheduled to pass it on to the DRC government Ministry of Environment and Sustainable Development, the second recipient.

Figure 10: Proportion of REDD+ Donor Initiatives in DRC Implementing Various Types of Activities

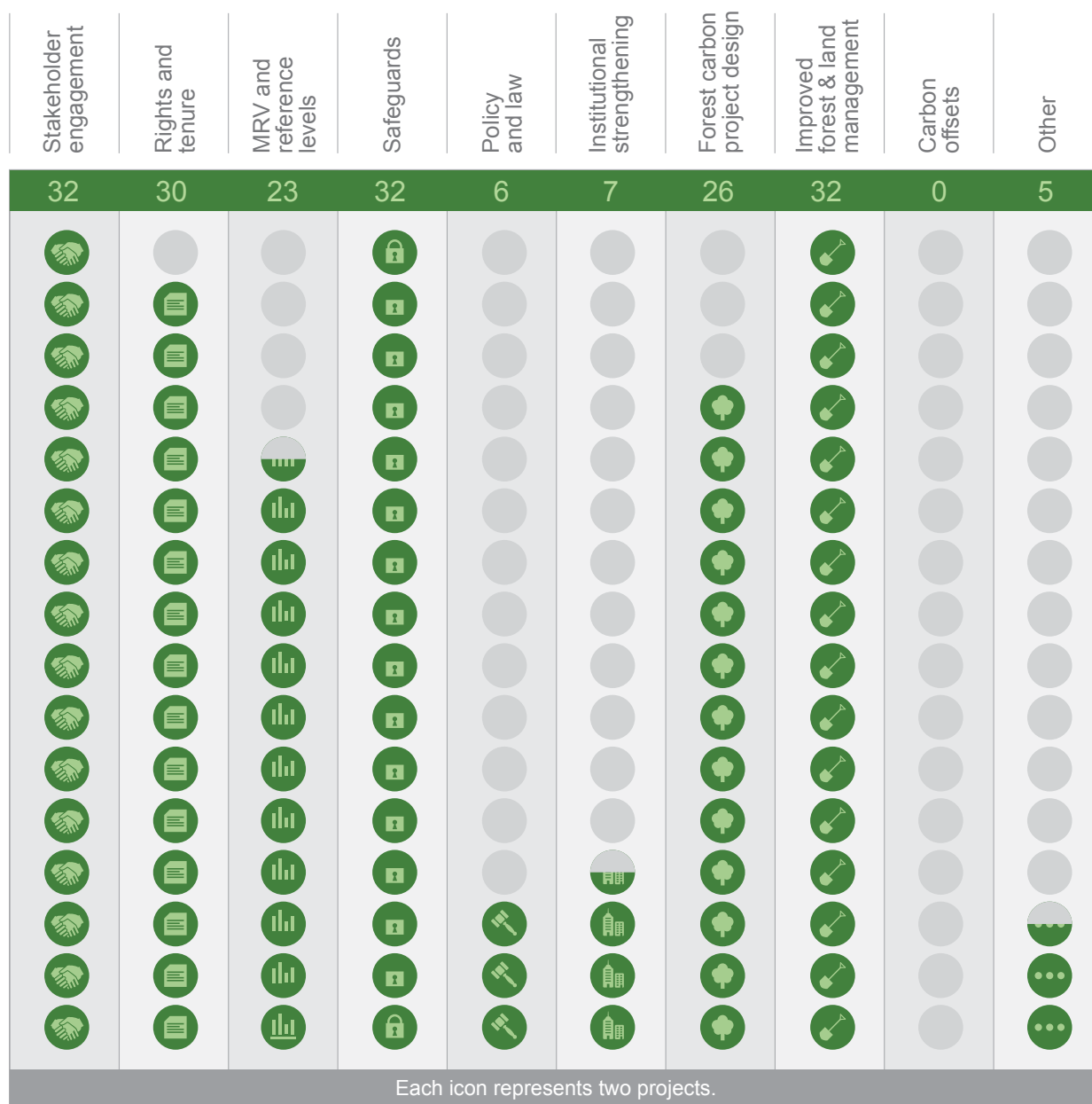


Figure 10 shows the proportion of the total thirty-two REDD+ donor initiatives tracked in DRC which are engaging in various activities. Overall, six of the nine activity types are receiving significant attention, while fewer initiatives are supporting the remaining three activity types: policy and law, institutional strengthening, and carbon offsets. The engagement of stakeholders, safeguards, and improvement of forest management are the most frequently cited areas of activity. Activities categorized as ‘Other’ include the development of alternative energy and support for improved agricultural techniques.

Figure 11: REDD+ Activities Supported by Donor Type

	Stakeholder engagement	Rights and tenure	MRV and reference levels	Safeguards	Policy and law	Institutional strengthening	Forest carbon project design	Improved forest & land management	Carbon offsets	Other
 Supranational Institutions	✓	✓	✗	✓	✗	✗	✓	✓	✗	✗
 Donor Governments	✓	✓	✓	✓	✓	✓	✓	✓	✗	✗
 Multilateral Institutions	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓
 International NGOs	✓	✓	✓	✓	✓	✓	✓	✓	✗	✗
 International Foundations	✓	✓	✓	✓	✗	✓	✗	✓	✗	✓
 International Firms/Consultancies	✓	✓	✓	✓	✗	✗	✓	✓	✗	✗
 DRC Firms/Consultancies	✓	✓	✓	✓	✗	✗	✓	✓	✗	✓
 Funds	✓	✓	✓	✓	✗	✓	✓	✓	✗	✓
 International Consortia	✓	✓	✗	✓	✗	✗	✓	✓	✗	✗

Figure 11 shows that activities related to stakeholder engagement, rights and tenure, safeguards, and improved forest and land management are supported by all nine donor types. Forest carbon project design is supported by eight donor types, MRV and reference levels by seven, institutional strengthening by five, and policy and law by three. Carbon offsets or performance-based payments had not been generated by any of the donors as of the end of 2014, which is not surprising given that this represents the final stage of the REDD+ agenda.

Figure 12: Donor Commitments and Disbursements by Country and Continent, 2009–2014

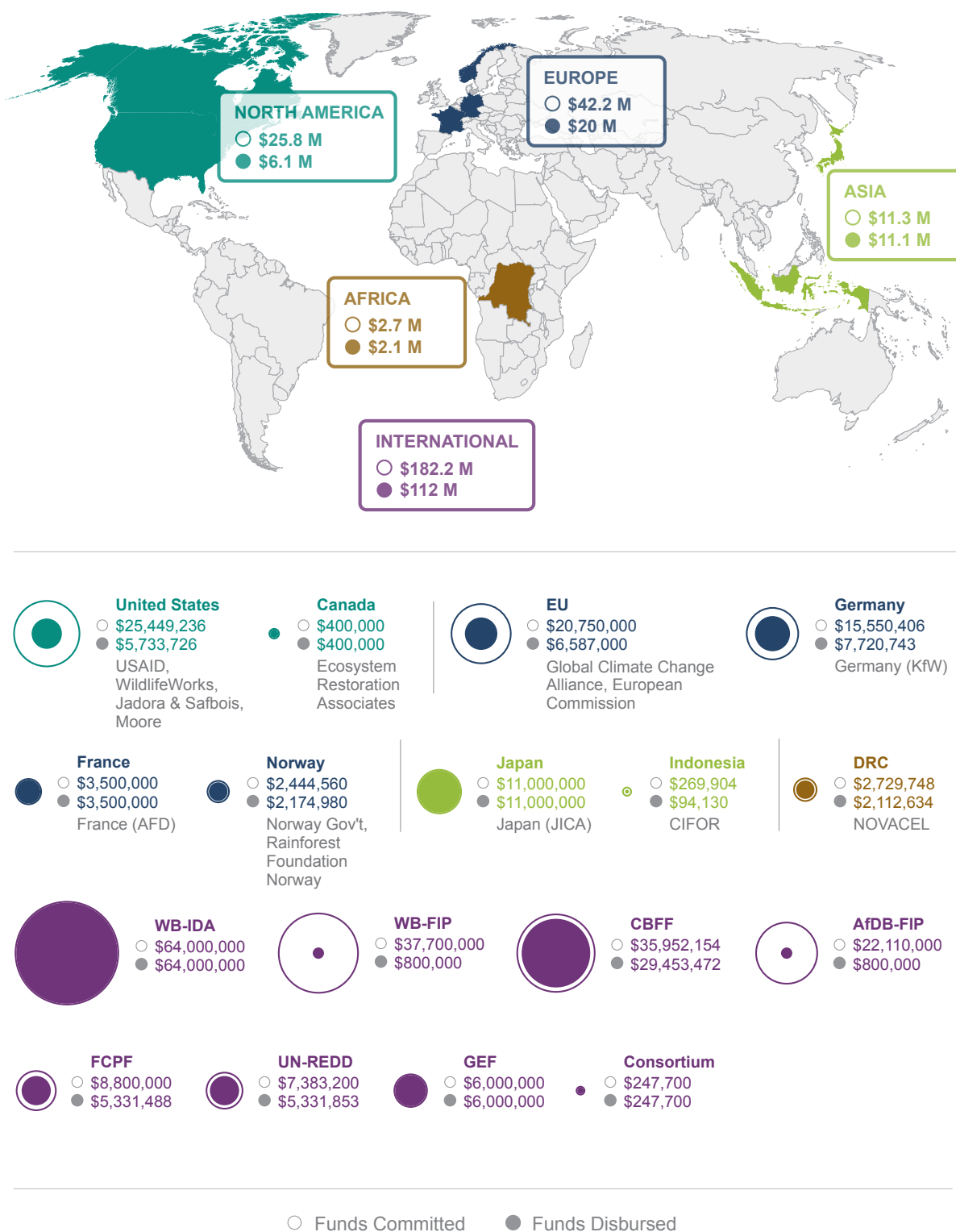


Figure 12 maps the geographic distribution of the main REDD+ donors to DRC, and cumulative support by geographic location of donor headquarters. It shows the importance of both government and non-government actors in financing REDD+. Multilaterals and other types of internationally focused donors are shown in purple.

7. Challenges

Barriers to REDD+ are exemplified by the difficulty faced by all stakeholders — including the DRC government, the private sector, and local communities — to develop financially viable and competitive alternatives to deforestation and forest degradation. These difficulties are due in particular to:

- Poverty and a lack of economic opportunities and access to credit, combined with low capital access among rural families, that prevents initiatives for improved agricultural practices and production from gaining traction;
- Insecurity of tenure that encourages rapid exploitation of resources and discourages investment and sustainable land use practices;
- Lack of alternative agriculture and energy options;
- A business climate that, while improving, remains less than fully attractive due to the post-conflict state of the country;
- Weak governance and law enforcement that prevents a clear and uncompromising implementation of the Forest Code and environmental legislation, due to lack of resources and technical capacity.

8. Conclusions and Recommendations for Future Action

DRC has participated in the REDD+ process since 2011 when the initiative was first tested. This report presents REDD+ funding flows to DRC covering the years 2009–2014.

DRC is currently transitioning from REDD+ readiness into the REDD+ investment phase over the period from 2015–2020. The FIP and the CAFI are providing financial support to the DRC in its investment phase. However these funding sources alone cannot cover the full needs of the investment phase, which are projected to be US\$1.017 billion. Therefore, the absence of other funding or investment sources to support this next phase of REDD+ is a major concern, especially as both the international community and the DRC government become more serious about pursuing REDD+ in a country context where there is a strong need to protect forests.

Given that the national REDD+ registry and data management system are still not operational, the National REDD+ Coordination Unit and the various departments involved in the implementation of the registry should make it a priority to finalize this system to enable better management and data analysis of REDD+ progress.

Recommended future actions for the REDD+ process in DRC:

- Government of DRC should take steps next year to finalize the REDD+ data management system/registry;
- This data management system should begin to track the location of projects and activities in order to more specifically pinpoint geographic areas of overlap, so as to be able to identify potential duplication in REDD+ efforts;
- Those coordinating REDD+ in DRC should consider developing an on-line template and information-sharing platform, to be regularly updated;³
- The DRC government or REDDX initiative could consider tracking the full amount of funding that flows from donors to international recipients/intermediaries before it is disbursed to in-country recipients;
- REDD+ in DRC would benefit from the identification and recruitment of financial partners to complete the budget requirements of its investment phase, with funding that targets immediate action;
- REDD+ efforts in DRC should be better coordinated to improve the efficiency, effectiveness, transparency, and coordination of financial instruments and REDD+ initiatives;
- Better coordination by the two government ministries involved in REDD-related activities — the Ministry of Finance and the Ministry of Environment and Sustainable Development — would lead to better REDD+ outcomes in DRC.

³ This system exists, but does not appear to be regularly updated: <http://www.rdc-snsf.org/portal/>

ANNEX I

Participants List: DRC REDD+ Finance Tracking Initiative National Stakeholders Workshop

July 2015, Kinshasa, Democratic Republic of Congo

#	Name	Institution/Organization
1	MOBONDA Mata	ONG/AWM
2	SINIKUNA Merveille	WWF-DRC
3	BOTAMBA Flory	WWF-DRC
4	DAKI Amédée	ADAPEL
5	NYANGE NDAMBO Marie	RAFM
6	KAMATHE KA TSHONGO	CN-REDD/MEDD
7	BINIBANGILI Alain	CN-REDD/MEDD
8	CHERIE-FA EYERE	OSAPY
9	BOBIA Joseph	Civil Society
10	MARC RODRIGUEZ	FIP
11	BISAMBU NGOY Djibril	ONG/Green Congo
12	NGUMBI Magloire	ONG/Forestry for World
13	KAKULA Adrien	WWF-DRC
14	MOLOBA Yannick	World Bank
15	OMBOLO Cyrano	African Development Bank
16	MISHIDI Hervé	Civil Society
17	BONKENA Papy	Civil Society
18	MUYAYA Bruno	ERAIFT
19	SULU Richard	NOVACEL
20	SHOMBO Alain	OCEAN
21	KALOMBO Donatien	UC-PFCN/MEDD



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Communities Initiative

Strengthening local communities' capacity to secure their rights, manage and conserve their forests, and improve their livelihoods

Ecosystem Marketplace

A global platform for transparent information on environmental finance and markets, and payments for ecosystem services

Forest Policy, Trade, and Finance Initiative

Supporting the transformation toward legal and sustainable markets for timber and agricultural commodities

Public-Private Finance Initiative

Creating mechanisms that increase the amount of public and private capital for practices that reduce emissions from forests, agriculture, and other land uses

Water Initiative

Promoting the use of incentives and market-based instruments to protect and sustainably manage watershed services

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