



**Appendix 9: Evaluation** by the expert from the Technical Advisory Panel & answers from the DRC

	Comments from the TAP	Answers from DRC
1	<p><b>§5: The choice has been made in the investment plan to concentrate FIP investments in the particular field of wood/energy, including concrete investments in community forestry and participatory mapping based on micro-zoning methods. This is certainly a good choice from a developmental perspective and will facilitate implementation, but will also limit the demonstration value of the FIP investments to one single and specific sub-sector of possible REDD+ investments that, commonly, is quite uncontroversial from a socio-cultural perspective. On the other side, this choice can also be labeled as only modestly attractive for larger-scale income generation</b></p>	<p>While concentrating mostly on the wood-energy sector, the proposed activities do address other drivers of deforestation, especially agriculture &amp; timber production:</p> <ul style="list-style-type: none"> <li>- The proposed Afforestation/Reforestation activities focus on agroforestry in savannah areas, as existing experiences (Ibi, Mampu, Makala) do demonstrate that there are positive and even necessary interactions between tree planting and agriculture components: large A/R projects are indeed only financially feasible in savannah areas with a strong agriculture component allowing an early cash flow to fully or partially fund subsequent activities, while agriculture tremendously benefits from the trees which help improve soil fertility and decrease the competition with the native vegetation. While trees are of particular interest regarding REDD+ as an alternative source of charcoal as well as a carbon pool, the related agricultural production is most likely going to be the main focus for local communities as well private investors (including large scale ones).</li> <li>- While community forestry does allow for sustainable fuelwood production, it actually encompasses a much wider range of activities and targets, all related to the sustainable management of forests by local communities. This includes especially sustainable artisanal timber production (which can be carried out at an important scale, as demonstrated in other countries), which is also one of the main drivers of deforestation in the country.</li> </ul> <p><b>That being said, while the financial contribution from the FIP is substantial, with a country the size of DRC choices have to be made regarding both the geographical focus as well as the scope of activities that can be included, in order to insure measurable impact. Moreover, the FIP guidelines are clear that activities should lead to demonstrable results, hence the focus on activities with tested concepts.</b></p>
2	<p><b>§6: The FIP proposal focuses on activities implemented outside the large tracts of the humid lowland forests of the Congo Basin. The rationale for this has been given in the document in various parts, e.g. in §33</b></p>	<p>To DRC's opinion, while many activities take indeed place outside the forest (energy efficient stoves, alternative energies, A/R), an important part of the proposed activities do take place in the humid lowland forests of the Congo Basin, as highlighted in § 107 of the IP (see also the general map – figure 11).</p> <ul style="list-style-type: none"> <li>- While Kinshasa woodshed encompasses mostly savannah areas (production coming from forest remnants especially along the streams), it also includes small areas of dense humid forest, especially along the Congo river (used for the transport to Kinshasa and representing 24% of Kinshasa's consumption) (see figure 14)</li> <li>- Kananga/Mbuji- Mayi woodshed is located in the forest transition area, with part of the woodshed in the savannah and the other part in the dense humid forest (see figure 16)</li> <li>- Kisangani is entirely included in the dense humid forests of the Congo Basin</li> </ul> <p><b>According to OSFAC's FACET, the total area of forest for each intervention area identified is: (i) Kinshasa: 1.8 million ha – 26% (primary forest: 650 000ha; secondary forest: 600 000ha, woody savannah 550 000ha), (ii) Kananga/Mbuji-Mayi: 3.8 million ha – 56% (primary forest: 2,5 million ha; secondary forest: 970 000ha, woody savannah: 380 000ha), (iii) Kisangani: 3.5 million ha – 89% (primary forest: 3,1 million ha;</b></p>



		<p>forest: 425 000ha), <b>for a total of 9.1 million ha of forests (primary forest: 6.3 million ha; secondary forest: 2 million ha).</b> In that respect, § 107 of the IP has now been made more explicit</p>
3	<p>§6: <b><i>In respect to component (a), the choice has been made by the FIP team to focus the programme on the main peri-urban hot spot areas of deforestation and degradation. This is fully justified and not contested by the reviewer. Nonetheless, it is also noted that the area with the most critical DD situation, the Eastern border area/lower Albertine rift which has the highest relative forest loss (beyond 2%), has not been considered in the FIP pilot programme. Also there are hotspot deforestation areas in the tropical humid forest zone (e.g. northern Equator province) that have not been taken into account. The rationale of leaving out these and other hotspot DD areas from piloting REDD+ relevant investment could be made more explicit in the document.</i></b></p>	<p>Such areas like North-Kivu and Lisala- <b>Bumba are indeed major deforestation and degradation hotspots in DRC and have as such been shortlisted for the selection process, as shown in the selection matrix in appendix 5.</b> The selection was done following the 1<sup>st</sup> joint mission, with the agreement that DRC would select 2 to 3 priority areas, <b>through a committee that included 3 government representatives and 3 civil society representatives (of which 1 didn't come).</b> The result of the exercise is as follows:</p> <ol style="list-style-type: none"> <li>6. Kinshasa</li> <li>7. North-Kivu</li> <li>8. Kananga/Mbuji-Mayi</li> <li>9. Kisangani</li> <li>10. Lisala-Bumba</li> </ol> <p>Though North-Kivu was <b>rated second according to the matrix, it was argued that the fluctuating security situation as well as the complex situation regarding land tenure there was not providing an appropriate environment for investment and dismissed.</b> With North-Kivu dismissed, Lisala- <b>Bumba was rated fourth, which was still not enough to qualify, leaving the three areas included in the IP: Kinshasa, Kananga/Mbuji-Mayi and Kisangani.</b> These details have been added in appendix 5 of the investment plan.</p>
4	<p>§6 <i>Component (b), private sector investment stimulation, might not be sufficient for sustaining beyond the life of the project. The inclusion of private sector/entrepreneurial aspects in the three peri-urban regions needs to be further developed. The preoccupation with the small artisanal scale and small local community interventions (which has been made repeatedly all over the text), appears rather doctrinaire. If this approach promoted by the FIP would be the single overall approach for the development of the DRC forest sector without leaving some room for more entrepreneurial business approaches, the contribution of the sector to development might only be marginal and relatively limited in scale. It proponents might need to rethink their strategy in this regard and open some space for larger scale investment stimulation in whatever form.</i></p>	<p><b>Private sector involvement was fully included in the 3 geographical programs. As a matter of fact, the biomass energy sector is one with the most capacity to attract private investments, as demonstrated already on the ground in DRC and other Congo Basin countries. This sector will include different models (scale, species, management) of reforestation / afforestation, improved charcoal-making techniques and the production of improved cook stoves. These activities go beyond artisanal activities and could indeed include fairly large operations, such as demonstrated by the CDM Ibi Bateke project.</b> <b>But the survey carried out on possible mechanisms to promote private sector engagement in the aforesaid sectors, including partnerships with local banks, clearly unveiled the absence of mechanisms to promote long-term investment in these sectors in DRC. Thus, for the FIP to really be able to target the private sector, there is a necessity to develop appropriate mechanisms such as a Development Bank, as argued in section 7 of the IP.</b></p> <p>As shown above the IP does include the active participation of the private sector and reflects its specific needs. The actual size of the projects from the private sector that could be supported by the FIP hasn't been defined, as this shall depend on the actual proposal received, but this shall definitely include project on a bigger scale than the community projects.</p>



	<p>Having said that, the proposed private sector- <b>community collaborative work is of interest and might have considerable potential for the future if well designed and supported during the FIP implementation phase.</b></p>	<p><b>Several models and related business plans shall be developed for the various activities identified in order to assist the private sector and local communities in developing meaningful and viable project proposals. DRC believes that this should be done after the validation of the investment plan, in the second phase of definition of the programs.</b></p> <p>Indeed the IP promotes the development of partnerships between the private sector and local communities whenever appropriate, as well as projects targeting entirely local communities, considering the role of these local communities in either the unsustainable or sustainable management of the natural resources.</p>
5	<p><b>§6: In spite of having a lot of sympathy for component (c), the reviewer is of the opinion that this component, as it stands now, furnished with the modest budget of US\$ 3 million, only has the potential to disperse energy and being of limited use for the purpose of the FIP. It may be more efficient to increase this component to a real small grant programme managed by third parties or to add the resources allocated to (c) to the activity line of “Activités habitantes” and invest more in capacity building of decision makers from public and private sector as well as civil society at national, regional and local level to identify and realize feasible investment strategies for REDD+</b></p>	<p>DRC does believe that this small grants program has the potential to trigger some meaningful experience and that it allows for more national equity regarding the access to financial resources. Also, DRC has already allocated substantial resources for capacity building, in synergy with other programs and projects outside FIP. Accordingly, the small- grant program has been increased to 5 million dollars. Moreover, the DRC will aggressively seek potential co-financing to this program, to increase its size.</p> <p>Regarding the institutional arrangement, various options shall be assessed and developed in more details after the validation of the investment plan. In a preliminary proposition, such a program could indeed be managed by a third-party, as mentioned in figure 26 as “<i>organisme de gestion</i>”. This has been made more explicit in section 7-2 as well as 5-4-4.</p>
6	<p><b>§7: As the document contents do not follow an obligatory format and sequencing, the authors should try to reduce repetition, which makes reading it rather heavy and somewhat tiresome. E.g. there are too many frequent references to the importance of the interventions, the type of interventions and to the justifications.</b></p>	<p><b>The IP does follow as much as possible the template given in appendix B of the FIP Operational Guidelines (outside the section co-benefits which has been placed after the identification of the programs rather than before in order to be able to be more specific).</b></p>
7	<p><b>§7: Repeatedly, the proposal refers to indigenous peoples (who however do not necessarily live in their traditional ways in the chosen geographic areas).</b></p>	<p><b>DRC believes that the FIP should support indigenous peoples present in the priority areas (and more widely through the small- grant program as well as the dedicated grant mechanism) whether or not they still live in their traditional ways. They are more particularly present in Kisangani intervention area.</b></p>
8	<p><b>§7: On the other hand, there is not sufficient rationalization and needed details given in certain chapters, e.g. about size, type and condition of the land use in the selected three regions, on the type of sectoral work to be conducted (e.g. on type of afforestation: wood lots? Firewood plantation? Agroforestry on savannah? Community forestry?)</b></p>	<p>DRC believed that this more detailed work, particularly context-specific, should be undertaken once the validation of the IP secured. Generally speaking the investment plan puts the emphasis on:</p> <ul style="list-style-type: none"> <li>- A/R: agroforestry in savannah areas. While templates shall be developed during the definition of the programs, considering the various contexts and the multi-purpose aspects of tree plantations, many variants could and should be considered as long as viability, REDD+ potential and social &amp; environmental cobenefits have been demonstrated;</li> <li>- Energy-efficient stoves: in urban areas, promoting the development of SMIs for production while focusing on a very wide, employment-generating, marketing &amp; distribution system.</li> </ul>



		<ul style="list-style-type: none"> <li>- Improved charcoal making: best practices in traditional charcoal- <b>making techniques for local communities</b> (requiring minimal <b>equipment and very flexible</b>) <b>both in savannah and forest areas, while more modern options for larger-scale A/R projects with the private sector.</b></li> <li>- Community forestry: in forest areas</li> </ul> <p><b>These orientations shall be revised during the actual definition of the p rograms; the Thematic Coordination Groups (TCGs) are going to be strongly mobilized in that respect.</b></p>
9	<b>§8: The document is not explicit enough on the existing and needed capacities in the country to implement the proposed program under the FIP.</b>	<p>The <b>issue of capacity has indeed been identified and included in the table on risks in appendix 6.</b></p> <p><b>A comprehensive capacity building strategy and plan shall indeed be included in every program after a more detailed analysis of capacity at the national level but especially at the local level. A substantial budget has been proposed for capacity building as part of the enabling activity “support to the development of projects”.</b></p>
11	<b>Also, the identification of the key transformative factors needs more thinking</b>	<p>The <b>FIP does highlight 2 potentially conflicting objectives of transformation/experimentation and measurable results and the balance has to be made between these two factors.</b></p>

	Criteria	Score	Comments from the TAP	Answers from DRC
11	Complies with the principles, objectives and criteria of the FIP as specified in the design documents and programming modalities	L	<p><b>Based on the “Investment Criteria and Financing Modalities”, many, but not all criteria are fulfilled. While considerable improvement in forest sector governance can be observed over the past two years, there remain considerable governance problems. However, the proponents have taken an approach working with communities, civil society and private sector outside the main forest area and thus, to a certain extent, do not enter into the “hot-spot“ areas that are prone to major governance failures.</b></p>	<p><b>As explained in box 2 above, the IP does provide for activities inside the forest, mostly in assisting in the development of community forestry as a way to further improve forest governance through local actors. The Kisangani watershed lies in the heart of DRC’s dense humid forests.</b></p>
12	Takes into account the country capacity to implement the plan	P	<p><b>The country has very few own experts at disposal to implement the FIP program. While the readiness phase of FCPF partly addresses the capacity gaps in the RPP implementation, the FIP need to further strengthen implementation capacities (both for “sectoral” and “habilitants” activities) at national and local levels.</b></p>	<p><b>The issue of capacity has indeed been identified and included in the table on risks in appendix 6. A comprehensive capacity building strategy and plan shall indeed be included in every program after a more detailed analysis of capacity at the national level but especially at the local level. The FIP will also be carried out in close coordination with the WB -financed Forest and Nature Conservation Project, which focuses on capacity building at various levels. A substantial budget has been proposed for capacity building as part of the enabling activity “support to the</b></p>



13	Developed on the basis of sound technical assessments	P	<p><b>Overall, the technical assessment is sufficient, though it is rather superficial and some aspects need further elaboration. This relates in particular to the silvicultural objectives (e.g. whether agroforestry is really feasible on natural savannah soils? What kind of woodlots are considered, e.g. coppices, fast-growing exotics,...?) and to the economic dimension which is understated in the current document (what does “small scale” means, e.g. in respect to fuelwood/charcoal producers; in respect to community forests in natural forest areas? What scale is needed to really bring people out of poverty? The shift from informal manager to formal manager does not mean necessarily a step out of poverty....</b></p>	<p>projects”</p> <p><b>DRC believed that this more detailed work, particularly context-specific, should be undertaken once the validation of the IP secured.</b></p> <p>Through existing agroforestry projects like Mampu, Ibi whose models have been described in section 5.2.1, demonstration has been made that agroforestry in savannah areas is indeed feasible and can actually bring much more profits than subsistence agriculture in small remnant forests.</p> <p>The actual choices of models, species and meaning of “small-scale” is actually very context-specific and should be detailed during the definition of each geographical program (see also answer in box 8 above) with the Thematic Working Groups.</p>
14	Demonstrates how it will initiate transformative impact	P	<p><b>As it stands now, the proposal is “heavy” and transformative impact will probably not last beyond project life, as the reduction of resources would be too substantial and abrupt; the small revolving fund proposed for private sector actions beyond project life (US\$ 10 m) does not suffice to guarantee sustainability of investments. It might be difficult with the type of investments proposed for the FIP to unlock considerable potential for other investments by the government and non-governmental sectors to substantively address the REDD+ agenda in DRC.</b></p>	<ul style="list-style-type: none"> <li>- An important objective of the FIP in DRC is to demonstrate and advertise the fact that private investment in sectors related to REDD+, especially long-term investments such as agroforestry, are feasible and economically attractive, provided that adequate prior assistance is given on thorny issues such as land tenure and technical guidance given.</li> <li>- Such work on tenure (rural tenure plans) has never been done in DRC while it has been successfully implemented in several West-African countries (Benin, etc). It is expected that both the Ministry of land affairs as well as donors are going to understand the value of such approaches and more widely promote and use it as a useful way of bridging the gap between customary and national land laws and preventing conflicts or assisting in their resolution.</li> <li>- Through the preparation and implementation of the FIP, templates of project models &amp; business plans adapted to the context in DRC are going to be developed and made available. It is expected that more land owners and national and international investors are going to follow the way paved by the FIP in that field.</li> <li>- Also this IP should be placed in the wider context of the REDD preparation process. The development of such an institution as a Development Bank has implications way beyond the FIP as it would create a new channel for private investment in REDD+ even</li> </ul>



				<p>such, it is a truly transformative tool that the FIP could help creating, vital to the investment phase. A more thorough analysis is required of its links with a potential National REDD+ fund or whether such an institution could actually play its role (a study on the potential national REDD+ fund is going to start soon). Finally, the interventions to be financed by the FIP in DRC are expected to generate measurable results in terms of reduced emissions, which the country will seek compensation for through a performance-based mechanism (such as the FCPF Carbon Fund, bilateral deals or the carbon market). These Emission Reduction payments will ensure the long-term sustainability of the various activities being proposed, especially those with a long-term nature such as reforestation and support for communities to manage their forest lands, including capacity building for the creation of Small and Medium Enterprises. Hence, the FIP Investment Plan places itself squarely as the link between REDD Preparation and future performance-based payments for Emission Reductions.</p>
15	Provides for prioritization of investments, stakeholder consultation and engagement, adequate capturing and dissemination of lessons learned, and monitoring and evaluation and links to the results framework	L/P	<p>A lot of consultation has been done and an approach is proposed that fulfills the safeguard provisions without major problems. The priorities have been selected carefully and a proposal to concentrate geographically on 3 peri-urban areas and thematically on the energy/poverty angle has been formulated. Nonetheless, it must be underlined that the investments have been narrowed almost completely towards environmental restoration plans and “artisanal economy”. In the reviewer’s opinion, this expresses a certain “lack of courage” in the prioritization of investments; in the form proposed, they will hardly be replicable in the future.</p>	<p>The scale of the reforestation / biomass energy activities will be defined during program preparation, but they are likely to include support to medium-, large- scale activities led by the private sector. This is already happening in DRC, tapping into CDM resources. As to the industrial logging sector, an explicit decision, based on consultations with all parties, was made not to focus on this sector.</p>
16	Adequately addresses social and environmental issues, including gender	F	<p>As a very careful approach has been chosen, and a detailed consultation process is being applied, including in particular gender. However, it should also be noted that the work calendar of the preparation of the FIP IP was very tied and probably hampered certain stakeholders to fully consult and comment on the plan. As it can be</p>	<p>Comprehensive consultations will continue as part of the preparation of the Investment Programs.</p>



			assessed from the document, the requirement, however, has been achieved.	
17	Supports new investments or funding that is additional to on-going/planned MDB investments	L	Clearly the FIP proposal fills a niche, investing in an area that is barely covered by private sector investors: land restoration, fuelwood, bio-energy, livelihood concerns, small scale multi -purpose forest management based on participatory planning. The economic model, however, is yet not fully convincing: e.g. can such investment be repeated, e.g. through a possible future carbon market or not? This question still need to be tackled.	The existing agroforestry projects (including the thorough evaluation of Mampu) do demonstrate the economic viability of such projects. Ibi, a private initiative, has actually been developed without public funding. It has actually been particularly informative regarding the difficulties that such long -term private initiatives face in DRC and the mechanisms required to facilitate their development. As mentioned before, project models and related business plans shall be developed and adapted to the various areas targeted, bringing more insight into the financial aspects of projects proposed for the FIP.
18	Takes into account institutional arrangements and coordination	F	A very inclusive process; seems to have addressed all interested institutions and promotes coordination between actors.	
19	Promotes poverty reduction	L/P	The proposal is highly focused on poverty reduction; however, it is not completely clear who are the ultimate beneficial and how they benefit in the short and long term; to a certain extent, the proposal does not seem to focus on “prosperity” and goes for small incremental opportunities for income gains.	Beneficiaries include: small scale landholders in savanna areas, landholder / communities in forest areas, urban dwellers depending on traditional sources of energy, national private sector linked to biomass energy and agroforestry, government at all levels, and the Congolese society as a whole.
20	Considers cost effectiveness of investments	P	Heavy public investment. A more entrepreneurial approach (e.g. through strengthening project component b) could reduce the need for heavy public investments in the future; also, the use some of the funds for increased capacity building beyond the 3 core regions might also a cost effective measure for the	See comments in boxes 4 and 15 above on private sector involvement

	Criteria	Score	Comments from the TAP	Answers from DRC
	Climate change mitigation potential	L	Mitigation activities proposed relate to REDD+ (Reducing emissions from gradual degradation of fuelwood and utility wood extraction and enhancement of carbon stocks through restoration and afforestation activities, including agroforestry) and energy related	More detailed information has been giving regarding the carbon potential, separating the sequestration potential from the emission reduction potential



			actions (substitution, energy saving). The amount of carbon sequestered in REDD+ will depend on the type soils/degradation status and the type of carbon stock enhancement that will be done. Overall, the mitigation potential is relatively low (the 3 sites combined potentially minge an avoiding deforestation potential of 56,000 hectares per year and an afforestation potential of maybe 30,000 hectares over the time span of the project (no figures are provided in the document to determine the enhancement of stock estimates)	
	Demonstration potential at scale	P	The relati vely high investment levels for the few locations might diminish the demonstration value and scale; there is potential to scale titled community forests and to boost a legal wood/energy sector, but so far, there is yet no legal provision for community fore sts (see also §44 in the IP). This requirement however needs to be fulfilled before any investment is taken	The priority areas selected represent indeed only few locations, though representative of most of the country. But this should be put in perspective with the sheer size of the country, as the 3 proposed intervention areas total nearly 18 million ha. Heavy investments in a specific area allow the country to prove a model that can then be replicated elsewhere, when additional financing is available. Regarding the legal text on community forestry, the legal text is currently under consideration by the Prime Minister Office. Considering the time expected before FIP funding is secured and available in the country, there is little doubt that the legal text shall have been adopted by that time. In that respect, the FIP (and other current and expected funding in that sector) actually represent further incentive for it to be adopted, which fulfills the role of the
	Cost-effectiveness	P	See comments under demonstration value beneath. Cost effectiveness will also depend on the costs per area unit for the investment elements (community forestry, afforestation activities, agroforestry realizations; type of wood/energy activities)finally proposed	The estimations given in the IP have been made in transparent way, and additional details have been included. These first estimations shall be refined during the development of the programs, when firm targets are going to be set. See also comments made above regarding private sector involvement.
	Co-benefits	L	The proposed private sector and community level investments in the IP are generally at an artisanal level (small scale). The main co-benefit level relates to poverty reduction. Considering the proposed interventions, only little co -benefit can be derived from a biodiversity angle.	See comments made above regarding private sector involvement.  With a strong focus on community forestry in dense humid forests (esp. in Kisangani area, but also in Kasai, and in a lesser way along the river North of Kinshasa) allowing for a better management of these forests, important biodiversity benefits are expected. It should be kept in mind, for instance, that the largest populations of





				an endemic and highly threatened mammal species, are to be found in the Kisangani watershed area. Also, the inclusion of areas of natural regeneration in the A/R projects in savannah areas in a landscape approach are also expected to bring important biodiversity cobenefits.
	Implementation potential	L/P	On the one hand, the implementation potential for the “technical work” is relatively high; this is particularly the case if improved capacity planning can be undertaken; there is relatively low level of technical and scientific knowledge needed for the type of investment proposed. Thus if the tenure and social issues are sufficiently taken into account, the chances of successful implementation are high. Nonetheless, more clarity is needed on the institutional “montage” of project components 4 and 5 (see beneath).	Institutional arrangements for the implementation of each program will be clarified during the preparation of the Programs.
	Natural forests	P	Generally, there is only small areas of high-conservation value forest left in the proposed project areas. Natural forest management by communities is considered at small scale only and mainly on one site (Kisangani). The project, as it is proposed will NOT substantially contribute to the conservation and sustainable management of the 100 million hectares of dense humid forests in the DRC.	As mentioned in box 2 above, the area of natural forest included in the intervention areas is about 9 million ha, including above 6 million ha of primary forests. A better presentation of this has been included in the IP. DRC does believe that the FIP shall substantially contribute to the conservation and sustainable management of the dense humid forests in the DRC as well as in the Congo Basin generally speaking, through the lessons learnt in the priority areas.

	Criteria	Comments from the TAP	Answers from DRC
	<i>Climate change mitigation potential: The investment plan should provide an estimate of the direct GHG savings</i>	This is done for the 3 regions but in a very general way. In reality, it does not allow the reader to comprehensively understand the figures. Also, the information base should be improved here, e.g. the tables provided in “Taux deforestation” need to be completed with data on the total peri-urban area potentially available for the investment, and, as part of it, the total closed-forest area (e.g. forest cover of 60% and more, the total forest area of open forest, e.g. 30-60% of forest cover; the area of unstocked natural and man-made savannah and the corresponding carbon figures for all these lands. The figures given for C emission reduction in § 115, 123, 131 need to be more detailed for reducing deforestation/degradation potential and the enhancement of sinks potential over a time span considered. Also, for each area, at least an	More information have been included in order to be very transparent



		targets should be given (using e.g. the classification given in §105 of the IP)	
	<i>Demonstration potential at scale: The investment plan should support replicable pilot programs in order to demonstrate how to scale up public, private and other resources and activities so as to achieve transformational change. FIP investments should address REDD+ priorities as presented in national REDD+ strategies or action plans (or equivalents)</i>	Three peri-urban hot-spot areas have been chosen. They are all, in a certain way, similar to each other. At least in the text, there are few evidences for substantially different investment approaches. The demonstration and scale value is thus somewhat reduced. There are other hotspot deforestation/degradation situations in the country that could have been integrated in a FIP approach in order to diversity the investment options and broaden the experience in respect to relevant forest investments for a future REDD+ implementation. The demonstration potential at scale is an important FIP criterion that finally has not been fully taken into account in the IP.	<b>The 3 identified areas are actually substantially different from one another, with Kinshasa woodshed mostly in the savannah area, Kananga et Mbuji- Mayi located at the forest transition, while Kisangani is entirely in the dense humid forest. (26%, 56% and 98% forest cover respectively) The woodshed approach used does allow similar activities in the 3 different areas; but these activities are going to be balanced in very different ways and most likely follow different models according to the local context.</b>  <b>Also, the selection of the priority areas has been done according to a matrix validated by the 1st FIP joint mission, by a panel of government and civil society representatives</b>
	<i>Cost-effectiveness: The investment plan should leverage additional financial resources, including from the private sector where feasible. It should catalyze self-sustaining economically viable models for REDD+ at scale without the need for continuing subsidies and promotes coordination among relevant institutions at the country-level with respect to implementing and financing proposed investments</i>	<b>The programmes proposed by the initial investment plan have only little potential for leveraging additional financial resources. There is an element in Programme 4 with the private sector, but the contribution remains modest.</b>	<b>As reminded several times above, along with local communities and indigenous peoples there is strong focus in the IP on private sector involvement. Again, the sectors selected for FIP investments were heavily informed by the likelihood of attracting private sector investments.</b>
	<i>Co-benefits: The investment plan should consider the potential to contribute to the livelihoods and human development of forest dependent populations,</i>	<b>The investment proposals well describe the poverty reduction co-benefits that are envisaged to be targeted besides the carbon benefits. The FIP's contribution to the livelihoods and human development of forest dependent people could most probably be higher (poverty reduction) with larger artisanal initiatives would be considered. The comprehension of the reviewer is that the great majority of investments in Programme elements</b>	<b>The IP does provide for larger scale investments, as highlighted in box 4 above. Also assistance in the structuration of local communities and the development of SME &amp; SMI is expected in the community forestry sector, as well as energy - efficient stoves, as well as potentially in</b>



<p>including indigenous peoples and local communities, and to sustain biodiversity and ecosystem services and enhance the adaptive capacity of forest ecosystems and forest dependent communities to the impacts of climate change</p>	<p><b>1- 3 and 5 are centered on small scale, artisan stakeholders. This might include larger involvement of private sector, but also include organizational issues, e.g. initiating and supporting “groupements”, associations and community enterprises that might have the potential to survive in the long term.</b></p>	<p><b>agroforestry and improved charcoal making.</b></p>
<p><i>Implementation potential: The investment plan should have a high potential for successful implementation</i></p>	<p><b>While the technical implementation of the proposed projects is relatively easy materialize, the program on attracting private sector for investments in the biomass/energy sector and the small grants mechanism (Programme 4 and 5) are rather weak in their formulation and can hardly satisfy the respective stakeholders (private sector on the one hand, civil society/communities on the other hand). These programme components need to be particularly addressed in the further preparation of the FIP.</b></p>	<p><b>Point well taken</b> and acknowledged by the team</p>
<p>Geographic Programmes: (1) <i>Bassin d’approvisionnement de Kinshasa.</i> (2) <i>Bassin d’approvisionnement de Kananga and Mbuji-Mayi</i> and Programme (3) <i>Bassin d’approvisionnement de Kisangani</i></p>	<p><b>The information provided for the 3 regions is very general and does not allow a more in- depth assessment on the differences and particularities of each region. Often, the same text is used to describe the areas. More specific information should be provided. Also, a link between the 3 regions should be made, e.g. for allowing cross-learning. The “technical packages” for the three regions are all very similar. What remains unclear is the management structure applied in each geographical region. While community forestry and small scale woodlots, agroforestry activities and other small type investments are promoted, it remains unclear how the interested communities/associations etc can access funding. Also, the text remains to general: “visant les communautés locales, les peuples autochtones...” In peri-urban areas?</b></p>	<p><b>A more detailed description of each region has been included</b></p> <p><b>The national coordination unit and the monitoring system described (including the public national registry and various workshops) are going to provide for information sharing and cross-learning</b></p> <p><b>The institutional arrangements include coordination units in each landscape. Civil society organization and international NGOs are going to be involved in the FIP as well as local media are going to be engaged in order to insure adequate circulation of the information as well as assist communities in formulating and implementing projects.</b></p> <p><b>The areas of intervention identified are still very vast, qualifying in only an extended way as</b></p>



			urban”, and they also include zones that are not currently part of the woodshed, providing for future extension of the woodshed (starting preparing also for community forestry in currently little- threatened areas, in comparison to areas already under pressure)
Programme 4 (Engagement with private sector)		In general terms, this programme is complementary to the community-based investments as proposed to be implemented through the three geographic programmes. Also, the idea to develop collaborative approaches between private sector and community -based investments is interesting and can have some longer-term effects. Nonetheless, the information provided is yet still very general and does not allow a full assessment of the planned activities. It is proposed to create a proper “ <i>Société Financière de Développement</i> ” for sustaining private sector activities beyond the life of the project. The question remains if there is really a need to create own lasting structures or if there is potential to link this finance agent to an existing structure (e.g. rural banks?).	The proposal of creating a DFC is based on deep understanding of current institutions in the country, especially rural development institutions. We should never lose track of the fact that DRC is a post conflict country trying to rebuild its institutions at all levels.
Programme 5 (Small subsidies to local initiatives outside the geographic focus areas)		<p>(1) Identify clearer what is meant with “small project”. Give an idea of the criteria (listing “énergie, foresterie, agriculture, etc”, see §136 does not suffice</p> <p>(2) Who will finally be the beneficiaries of these grants? Not clear.</p> <p>(3) How will such a programme be monitored and the carbon gain will be counted?</p> <p>Justify that this small grant programme can really add value to the overall FIP objective. In the reviewer’s opinion, either there is a considerable small grants programme put in place that goes far beyond the 3 million US\$ proposed and that might address investments in the other, not considered hot- spot areas of the countries, OR, the money is used to upscale the “activités habitantes” through a more comprehensive capacity building programme</p>	<p>(1) Although no threshold has been set so far, the preliminary proposition is USD50 000 for community projects and USD100 000 for private sector from the FIP, with a requirement of an additional 25% cofunding from other sources (donors, NGOs, Dedicated grant mechanism)</p> <p>(2) The beneficiaries of these grants shall be both local communities and private sector</p> <p>(3) The same monitoring requirements are going to apply for these projects than for the others and the REDD focal persons in each Province should be mobilized for actual monitoring in the field.</p> <p>As presented in box 5 above, the small-grant program has been increased to 5 million dollars. Moreover, the DRC will aggressively seek potential co- financing to this program, to increase its size.</p>
Natural forests: The investment		The large tracts of DRC’s Congo Basin forests are not included in the FIP	As explained above, an explicit choice, resulting



<p><i>plan should safeguard natural forests and should not support the conversion, deforestation or degradation of such forests, inter alia, through industrial logging, conversion of natural forests to tree plantations or other large-scale agricultural conversion</i></p>	<p><b>investment plan. The DRC has the largest forest area of all countries in the Congo Basin, but only relative small formally forest protected areas and less than 20 million hectares of production forests. While forest governance remains challenging in the DRC, the reviewer is of the opinion that some encouraging policy developments are underway regarding natural forest management. The investment climate appears to have improved over the past two years and a number of private sector investment interests have been observed in forest industry that are ready to invest in high standard forest industry development. Third party forest management certification and chain of custody certification, through the FSC system, has started for a number of DRC operations and the FLEG -T process is underway. The reform process undertaken over the past few years has set some groundwork for transparency, accountability and SFM of protection and production forests in the DRC. Today, for the first time, complete information on logging titles is available publicly (see work of the World Resources Institute). Information on the progress, constraints, limitations and results of the entire forest titling process is also available in reports and on websites. A number of NGOs have prioritized DRC for forestry and REDD work (e.g. WWF, WCS, etc.) and have already worked with the government, communities, local NGOs and forest industry on the design of specific REDD projects, e.g. the Bonobo Conservation Initiative in northern DRC - projects that may be worthy of future support or investment through a compliance market. While it is recognized that particularly in the Kisangani area, investments in community -based high forest management are proposed in the Investment Plan, the proponents might want to carefully reflect on the possibility to explore also some pilot investment scenarios in REDD+ in a complementary way to effectively protect high forest zones.</b></p>	<p>from multi- stakeholder consultations, was made not focus FIP Investments on logging areas.</p> <p><b>During Program preparation, the team will reach out to all NGOs working on the landscapes supported by CARPE to exchange knowledge.</b></p>
---	--	--

