

# CLIMATE INVESTMENT FUNDS

June 2, 2015

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**APPROVAL BY MAIL: CONGO DR: FOREST DEPENDENT COMMUNITY SUPPORT PROJECT (FIP)  
(DGM) (WORLD BANK)**

Response submitted by the World Bank to the comments received by the United States and  
United Kingdom

Comment		Answer
<b>Project activities and budget</b>		
<p>The project funds for the creation of the community managed protected areas seems to be quite low, especially in comparison to other budget lines (i.e. component 3), and therefore risks not achieving the intended objectives.</p> <p>The value of funds flowing to actual projects on the ground is relatively small: 2.1million split across the 60 micro-projects. The proportion going to the NEA for coordination seems high in comparison at \$1 million, even considering high transaction costs.</p>	UK	<p>Regarding the budget split, the component 3 (project coordination) should be seen as a fixed cost since most of the expenditures are independent from the project size.</p> <p>Fiduciary management (procurement, accounting and financial reporting) represents usually 7 to 10 % of a project. The NEA will provide this service for US\$500.000 (8,3% of the project amount). The other US\$500,000 corresponds to the safeguard management and the technical assistance to the communities (technical expertise). Please note that most of this amount is dedicated for field mission (16 territories x 5 years x twice a year = 160 missions minimum for each expert – 320 missions over the project lifetime). Therefore, the budget for this sub-component is already stretched.</p> <p>The remaining US\$5 million have been split between the 5 other sub-components that are directly contributing to the project objective. The current budget proposal is the result of the discussions with the NSC and the partners, based on experiences from other similar projects and taking into consideration the small project envelop. Priorities and choices had to be made. Any increase for one sub-component would have a significant negative impact on another sub-component. Rather than reallocating from a component to another, we are exploring ways to receive additional support. For example, the FIP team may contribute (in kind) to the Safeguard scheme. Analytical studies regarding legal aspects on Protected Areas might be financed by ICCN. FCPF may also be solicited.</p> <p>Please note that the investment for the communities should be understood as a package with local investments being paired with capacity building and support to the governance (inclusive consultations and participatory</p>

		processes). Therefore, the whole amount “Subcomponent 1b + 2a” (and even 2b for a few of them) should be considered as supporting projects within the communities – making in fact the amount around US\$3.6 million instead of US\$2.1 million.
In order for IPLCs to make full use of the DGM program, support for capacity development (at different levels of the program, but with an emphasis on potential grant recipients) may be needed. To what extent have capacity constraints been evaluated? How will these be addressed, how, and by whom? How much funding is budgeted for capacity evaluation and, if needed, development?	US	The beneficiaries have been put in the driver seat (through the NSC). In addition, the NEA has been selected based on its knowledge of the actual constraints faced by the IPLC communities. Therefore, the capacity evaluation is embedded in the project design and it is not expected that any external third party would have a better analysis of the capacity needs than the beneficiaries themselves and their leaders.
<b>Overall impact</b>		
How will the project link into wider national level policy processes (i.e. the proposed IP law, community forests, zoning and land reform etc.).	UK	Component 1a will ensure that IPLC are part of any discussion related to REDD+, forest and land management at strategic and national level, with a focus on land reform. While IP law is technically outside the scope of REDD+, it will also be supported indirectly as the IPLC voices become stronger and the communities become more structured. Participation in the “Community Forestry” discussion is already included in the project: first, it is part of the broader discussions on the Forest Code as mentioned in the PAD and, second, the Community Forestry decree has been identified as one of the potential tools for securing land user rights. Therefore, component 1a and 2b will explore how this new set of laws could benefit the IPLC practically. As the national discussions over the Community Forestry may start again, the Component 1a already includes support to the IPLC voices in the debate.
Whilst we recognise that given low capacity amongst IPLCs organisations to manage finance, micro-projects will be appropriate, but how will long term impact be assured	UK	The project will promote in priority integrated community projects that are part of a local vision for development rather than a collection of small initiatives. The main strength of the project is its ability to provide an integrated support to the communities, with investments (component 2a),

<p>through multiple (60) projects, particularly if scattered across a wide area?</p>		<p>capacity building and governance improvement (component 1b) and potentially in a few spots, land tenure (component 2b). The project will also promote the idea that part of the local benefit coming from the investment should be used for strengthening the governance – and therefore ensure the sustainability of the investment (see section on Sustainability in the PAD).</p>
<p><b>Governance and NSC</b></p>		
<p>The National Steering Committee is quite large (24 plus observers) but given the diverse nature of IPLCs, 24 members of the NSC may well be necessary to ensure representation. However, 8 of these members are from just one organisation (REPALEF). Could this be explained further?</p>	<p>UK</p>	<p>REPALEF is a national network gathering most of the IPLC organizations. It is a coalition of large networks. Therefore, even if technically most of the key members are part of REPALEF, they represent various groups, organizations and regions. The 8 co-opted delegates have been chosen to find a balance between the weight of the main organizations, the geographic origin, and the technical skills.</p> <p>As the building of a legitimate platform to echo IPLC voices is an objective of the project, it is expected that, by the end of the project, all the NSC delegates would be indirectly members of a unique network supporting the IPLC.</p>
<p>Will non IP local communities be adequately represented? How will the project address the needs of and dynamics with neighbouring Bantu (LC) communities in the project areas as they often share and use the same forests with IPs?</p>	<p>UK</p>	<p>To avoid any confusion, the term “Local communities” has been clearly defined during the very first consultation round in order to clearly differentiate it from the “neighboring communities”. “Local communities” share with the IP similar livelihood, hunting grounds, rites and traditions. They usually are facing similar constraints and may not participate in the local political decisions. They have been included in the consultation process and, as a result, some delegates or alternates are from Local communities.</p> <p>“Neighboring communities” are considered under the more generic term of “civil society” and have 1 delegate at the NSC (from GTCR, the national CSO platform for REDD+). At the local level, the “Neighboring communities” will be automatically associated since they usually have very strong traditional rights (land chief, formal recognition as “village” chief...).</p>

<b>Implementation arrangement – PIM</b>		
<p>Both DGM programs appear to have NSCs composed of members with potential relationships to beneficiaries. The Peru DGM program mentions this as an issue that will be addressed. Is this issue also being addressed in the DRC program? What conflict of interest provisions will be included in the PIMs of both programs?</p>	<p>US</p>	<p>Actually, the whole NSC is composed of potential beneficiaries. That is the purpose of the Community Driven approach and the rationale behind the DGM governance design.</p> <p>As for any governance Board, personal interest and general interest may sometimes interfere; there are best practices from which to get inspiration, such as having the delegates not voting for a project in their own province, or a balance between local leaders and national leaders. But solving this type of issues is part of the capacity building and the IPLC organizations should find their own solutions by themselves (in a culturally appropriate manner). The NEA and the World Bank will pay a special attention as elite capture has been identified as one of the main risks.</p>
<p>The NEA is supposed to ensure that all activities comply with Bank procedures. Are WB procedures appropriate for micro-projects – and does the NEA have experience in this type of project for the World Bank? Managing 60 micro-projects to meet WB standards could potentially be a challenge unless procedures are simplified.</p>	<p>UK</p>	<p>Yes, the World Bank has a specific set of simplified rules for Community Driven Development Projects. Also, the selected NEA has experience with the CDD approach under the World Bank simplified Community Based procurement procedures. Additional funding has also been requested for the MDB fee to ensure the NEA will receive extra attention, advice and technical support to proceed safely and efficiently.</p>
<p>A lot of detail on governance and procedures is still to be determined in the Project Implementation Manual (PIM). For example, how will decisions be taken on which projects to finance? Are certain types of project ruled out? How will the risk of competing interests between group representatives or self-interest be handled, and how will the influence of group composition on project selection be addressed?</p>	<p>UK</p>	<p>Thanks for this very comprehensive list of most of the information that should be included either in the PIM or in the internal rules of the NSC. The question raised are very important and are describing the issues that any governance body would face.</p> <p>The decisions regarding all those technical details are expected from the NSC itself, with the support of the NEA and under the supervision of the World Bank. As the NSC is a wonderful learning-by-doing exercise, it is</p>

<p>There are a number of important items that have not necessarily been included in the PADs, but need to be clarified and included in the PIMs. These include, among other things: (a) definition of eligible grant recipients and beneficiaries; (b) definition of eligible activities; (c) any exclusions lists; (d) specifics on constituting the NSCs (who is eligible to be a member, how they are nominated and selected, how long their terms are, who can replace them, etc.); (e) decision-making procedures of the NSC (how often they are to meet, how decisions are to be taken (majority vote, or some other way), quorum rules, etc., (f) defined responsibilities of each of the parties in the programs (NSC, NEA, etc.) for clarity, and to ensure responsibility for adherence to the requirements of the PIM and DGM program documents; (g) provisions for management of funds, financial audits, etc., and who is responsible, (h) provisions for monitoring and evaluation of grant programs, and who is responsible; (i) safeguards, and (j) reporting and transparency (will information about the program be reported publicly?), (k) how events of non-performance will be handled. It might also be good to include sample “forms” such as a sample grant application, sample grant recipient agreement, etc., for clarification and ease of use.</p>	<p>US</p>	<p>not planned to provide a perfect PIM to the NSC but to let the NSC produce its own set of rules, debate them, and probably amend them later.</p> <p>Because this project is very innovative, those rules may not be fixed once for all and will evolve during the project lifetime. The PIM, which is a living document in French, designed by and for the beneficiaries, is therefore more adapted to host those rules than the PAD, which is a cornerstone Bank internal document in English.</p>
<p>What quality assurance mechanisms are in place to ensure that the PIM is fit for purpose?</p>	<p>UK</p>	<p>The PIM will have to be agreed by both the NEA and the NSC – It actually may be signed by those 2 entities, especially because it will show the commitment from the NEA to respect the governance rules – in particular to agree that the NSC will be the decision maker. In addition, the acceptance by the World Bank of the PIM is a condition of effectiveness, after an internal quality review process.</p>
<p>Who approves the final PIM? What is the process for that?</p>	<p>US</p>	<p>During implementation, any change in the PIM will be reviewed by the World Bank. The same will apply to the NSC internal set of rules (on governance).</p>

While each DGM program specifies certain amounts for certain activities, it isn't clear how proposals generated at the local level will necessarily fit into these expectations, or how funding will be distributed among different IPLCs. Is funding to be allocated on competitive or first-serve basis, or some other way?	US	<p>This question is still being discussed within the NSC. Considering the huge difference in capacity within the beneficiaries, the most probable solution will be to have a mixed approach, with a minimal envelop per territory (to ensure all the territories will benefit from the project) and a reserve amount allocated on first-come, first serve basis for the most advanced/mature communities.</p> <p>Within a territory, the approach will be to first present micro-projects that have a broad local support and can show evidence of a consensus rather than a competitive approach that would waste very rare resources to elaborate proposals. Only the proposals over a certain quality level would be accepted – and technical assistance from the NEA may be needed to help the less mature communities to reach a quality level satisfactory to the project.</p>
<b>Local capacity – local NGO</b>		
IPLCs organisations are expected to submit projects in partnership with local NGOs. Little detail is provided on these local NGOs, and their capacity and legitimacy to support.	UK	<p>The team is currently collecting data on the existing networks and this work will be completed before the end of the preparation. One work session at the last session of the steering committee has been dedicated to this question but the list has not been finalized yet. We already have evidences of the existence in each territory of several potential development organization that could relay the community needs and help them realize the activities.</p> <p>In addition, the PIM will include a minimum level of quality required for the local organization to be eligible for the micro-grants. Also, close monitoring through REPALEF's grievance mechanism will allow the NEA to have direct and quick feedback if any issue is raised at the local level.</p>
We would appreciate some more information about expectations around sub-component 2a. How will project proposals be designed and submitted? How will they be implemented and by whom? Has an assessment been done of local NGO capacity to assist communities in these activities?	US	<p>In addition, the PIM will include a minimum level of quality required for the local organization to be eligible for the micro-grants. Also, close monitoring through REPALEF's grievance mechanism will allow the NEA to have direct and quick feedback if any issue is raised at the local level.</p>
<b>Monitoring and Evaluation</b>		
Further information on how "satisfaction" will be determined and used as an indicator of project success.	UK	<p>As detailed in the PAD, 2 types of survey will be processed. First, a group of key actors, both from local and national level, will be identified as the project starts. Those key leaders will be surveyed on a regular basis using adequate means of communication (email, phone, paper, other). This is the "continuous feedback" described in para 121 (a).</p>
We were also unclear on the "continuous feedback" channels mentioned in paragraph 121 – REPALEF is one, but what is the mechanism provided for in paragraph (a)?	US	<p>As detailed in the PAD, 2 types of survey will be processed. First, a group of key actors, both from local and national level, will be identified as the project starts. Those key leaders will be surveyed on a regular basis using adequate means of communication (email, phone, paper, other). This is the "continuous feedback" described in para 121 (a).</p>

		<p>Another satisfaction rate, especially for the micro-projects, will come from field visits: for each investment, REPALF will visit the site 6 months after completion not only to control the physical integrity of the investment, but also to get feedback on its effectiveness. Satisfaction from the direct beneficiaries of the investment (and their leaders) will be assessed at the time of this visit.</p>
<p>We note the reliance on satisfaction scores in the result framework. This is an interesting idea, but we note that the surveys will need to be designed very carefully. It may also be advisable to disaggregate the data. We think additional indicators, in addition to the satisfaction indicators, may be useful</p>	<p>US</p>	<p>The indicators detailed in the PAD are the ones used to monitor the progress toward the project objective and are used to assess the project overall rating. Their purpose is to assess whether the project delivers the outcomes that the World Bank committed to. They are not the sole and only set of indicators and the NEA may develop their own set of indicators to monitor the progress in a more detailed manner. Any suggestion will be forwarded to the NEA.</p>
<p>We were a bit unclear on the division of labor between REPALF vs. the NEA in terms of monitoring and reporting on program activities.</p>	<p>US</p>	<p>The NEA is responsible to monitor the realization of an activity (whether an activity has started, is in progress or is completed). REPALF will monitor the process: how the decision has been made, whether there were a consensus (or to identify/solve the potential sources of conflicts within the communities) and to report on the effectiveness of the investment (is it working properly?) and the satisfaction of the beneficiaries (was the objective of the investment fulfilled?).</p>
<p>These programs set up complex administrative and management structures. What provisions are there for periodic review of the functioning of these structures, in order to facilitate course corrections, if needed?</p>	<p>US</p>	<p>As part of the regular implementation support provided by the World Bank, an independent evaluation might be conducted on a regular basis. In addition, after 2 to 3 years, a mid-term review will include an independent evaluation on the content, the processes as well as the satisfaction. All those activities will provide opportunity to correct the implementation design.</p>