

# Forest Carbon Partnership Facility

## Mozambique: REDD+ READINESS PROGRESS

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# Outline

- Mozambique's commitment to global goals
- Government Vision to a low-carbon rural development
- World Bank support to the forest sector in Mozambique
- How the FCPF is contributing
- FCPF Implementation Status
- FCPF Carbon Fund: the Zambézia Program
- Challenges and opportunities



# Mozambique's commitment to global goals

- **National REDD+ Strategy**
  - Multi-sectoral, including reforestation
  - Potential for reduction of **170 MtCO<sub>2</sub>eq** between 2016-2030
- **NDC (under revision)**
  - reduction of about **76,5 MtCO<sub>2</sub>eq** in the period from 2020 to 2030.
- **Bonn Challenge – Restoration of 1 million hectares by 2020**
  - “Restoration Opportunities Assessment Methodology” (ROAM) being tested
- Committed to addressing **CITES concerns**
  - Wildlife management (Lion plan recently submitted)
  - Bilateral agreements with Vietnam

# Government Vision to a low-carbon rural development

## Mozambique's National Sustainable Development Program

- Led by high level Ministry – Land, Environment and Rural Development
- Establishment of **National Sustainable Development Fund**

→ Recent macroeconomic and political events are a **window of opportunity** → rural space gains in importance (away from extractive industries)

## Integrated Forests and Landscape Portfolio (WB)

- Rapidly expanding portfolio: IDA, GEF, CIF / FIP, FCPF, PROFOR, TerraAfrica
- MDTF on Forests and Landscapes
- GCF, GNU Opportunities

→ Government and Bank work closely together  
→ Development Partners recognize Bank leadership: MDTF recently established  
→ Big push for integrated approaches – already being tested  
Three Provinces: Cabo Delgado, Nampula and Zambezia

# WORLD BANK SUPPORT TO FOREST SECTOR IN MOZAMBIQUE:

a mix of Instruments and Financial sources

## FCPF REDD+ Readiness Grant

**\$3.6 million + \$5 million  
2013-2018**

**Objective:** Strengthen the national REDD+ readiness management arrangements and legal and institutional framework

**Key themes:** REDD+ Technical Assistance, REDD+ Strategy, MRV support, safeguards capacity building (SESA), Institutional REDD+ Framework

**Earth Observation for Drylands.** GEF- \$ 2 million, 2016-2018



## Conservation Areas for Biodiversity & Development (Mozbio Series of Projects)

**2015-2018**

**Objective:** Increase the effective management of Conservation Areas (CAs) and enhance the living conditions of communities in and around them

**Key themes:** Conservation, Biodiversity, Wildlife & Tourism, Community development

**MozBio 2 (FY19?):** Deeper engagement in selected CAs, scale to more communities, tourism development



## Forest Investment Project (MozFIP) and DGM

**2017-2022**

**\$47 million + \$5 million** from the Dedicated Grant Mechanism for Local Communities

**Objective:** to improve the practices and enabling environment for forest and land management

**Key themes:** Sustainable Forest Management, Forest Governance and Integrated Landscape Management

**Performance-based payments:** US\$50 million pledged from the FCPF Carbon Fund for the **Zambezia REDD+ Program**



## Agriculture & Natural Resources Landscape Management Project (Landscape- *Series of Projects*)

**\$40 million (IDA)  
2016-2021**

**Objective:** Integrate rural households into sustainable agriculture and forest-based value chains

**Key themes:** Development of Agriculture and Forests value chains, Land tenure regularization, degraded land rehabilitation

**Landscape 2 (FY20?):** Expansion into other landscapes, new value chains, additional farmers



# How the FCPF is contributing (1/3)

## National REDD+ Strategy

- Approved in Nov 2016
- Already guiding investments on the ground

## Safeguards Instruments

- Prepared, approved by the WB, disclosed, under implementation (through Landscape and MozFIP projects)
- Capacity being strengthened

## National Forest Inventory

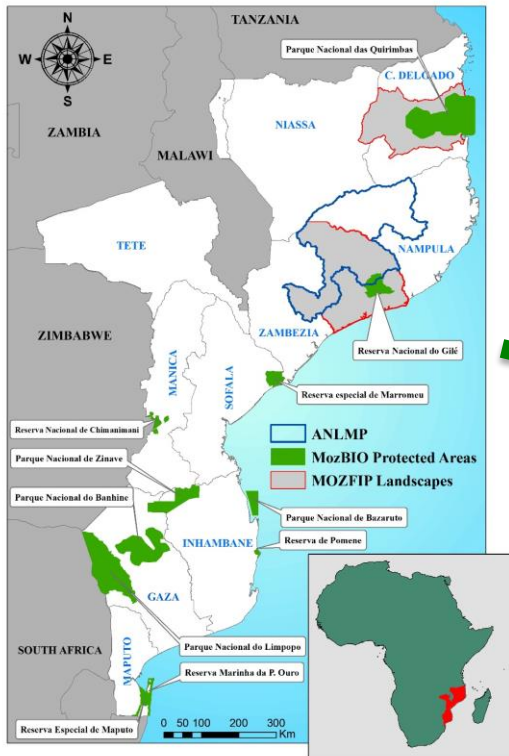
- 5 provinces concluded (Maputo, Nampula, Inhambane, Gaza and Cabo Delgado) covering 52,7% of the total number of samples
- A national network of permanent sample plots in progress for forest monitoring
- New forest definition approved in 2016

## MRV and REL under preparation

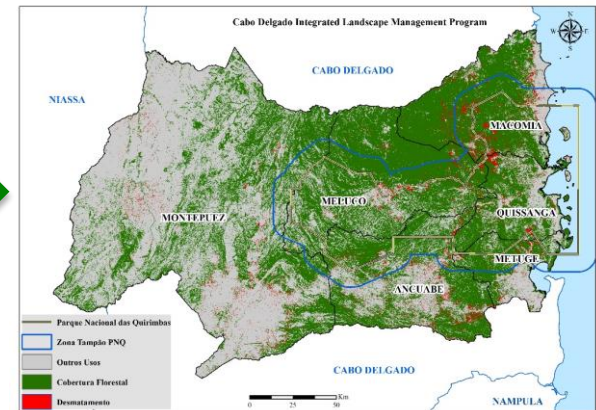
- MRV unit established under MITADER (6 GIS, Remote Sensing and IT experts)
- Activity data analysis for 2 finalized and the remaining 8 provinces will be done by June 2017
- National Land Use and Land Cover base map for 2016 in progress (to be ready in June)
- Thematic studies for filling the gaps in allometric equations to estimate GHG emissions and removals in progress
- Final FREL ready and submitted by mid-2018

# How the FCPF is contributing (2/3)

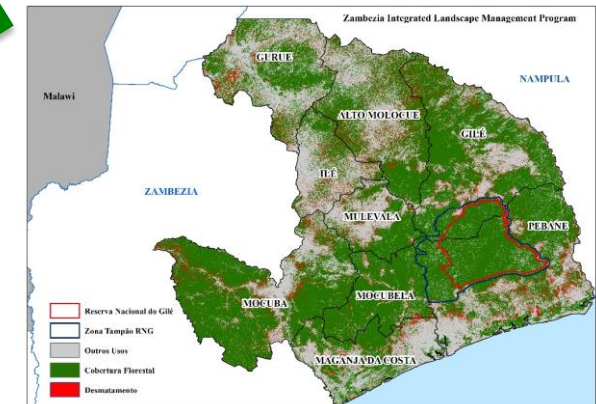
2 Landscape programs prepared: technical studies prepared, 2 multi-stakeholders landscape forums created; technical team hired.



Cabo Delgado Landscape



Zambezia Landscape  
(Zero version ERPD prepared)



# How the FCPF is contributing (3/3)

## Support to the enabling environment:

### – Forest Sector Reform:

- Support the preparation of a new **Forest Law**
- **Strategic Plan of the National Law Enforcement Agency**
- Development of a **National Forest Certification Scheme**
- two-year moratorium on issuing new forest concessions and simple licenses and ban on the exploitation of the highly endangered tree species pau ferro (*Swartzia madagascariensis*).
- Support to **Tronco Operation:**
  - Illegal timber seizures
  - Sign of Government's leadership and commitment to addressing illegality in forest sector
- Support to the development of a **community-private sector partnerships (pilot in Zambezia)**

# Statement of support from Partners to MITADER



March 20, 2017

H. E. Jacinto Fillipe Nyusi  
President  
Republic of Mozambique  
Maputo

His Excellency,

## *Statement of Support from Partners on "Operação Tronco"*

In our capacity as partners of Mozambique, we would like to congratulate the Government of Mozambique for the successful execution and positive results of "Operação Tronco", led by MITADER. The Operation was a clear demonstration of leadership in facing the illegal logging problem that has long plagued Mozambique, and an important declaration of the Government's commitment in strengthening law enforcement and compliance in the forest sector.

Mozambique's forests deliver multiple benefits for many — it is an important source of revenue for the State, and provides employment and livelihoods in rural areas, including for local communities. Forests offer habitat for wildlife and biodiversity, and provide significant environmental services and resilience to climate change. These benefits cannot be realized if existing forest loss is allowed to continue.

*Operação Tronco* is a step in the right direction. We encourage it to be continued as part of a long-term commitment to improving natural resource governance in Mozambique. This undertaking requires the involvement of various law enforcement agents, including customs, police and the Procuradoria da República, to effectively stem the current levels of illegal logging by disrupting organized networks and ensuring recovery of lost revenues through proper enforcement of current forest and criminal laws. Even more importantly, a vibrant sustainable forest sector that generates jobs and income for local communities is a strategy to avoid illegal logging in the first place.

As partners of Mozambique, we are committed to supporting the Government in deepening these efforts. We have been working closely with MITADER on the sustainable natural resource management agenda in different areas, such as in governance strengthening, promoting transparency and capacity building, and supporting the private sector as well as community initiatives in the sustainable use of forest products.

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March 20, 2017

We look forward to continued cooperation with the Government to achieve our common objectives of sustainable forest management and rural development in Mozambique.

Sincerely,

Handwritten signature of Mark Lundell in blue ink.

Mark Lundell  
Country Director  
Mozambique, Comoros, Madagascar,  
Mauritius, and Seychelles  
Africa Region

Handwritten signature of Irina Schoulgin Nyoni in blue ink.

Irina Schoulgin Nyoni  
Swedish Ambassador to Mozambique

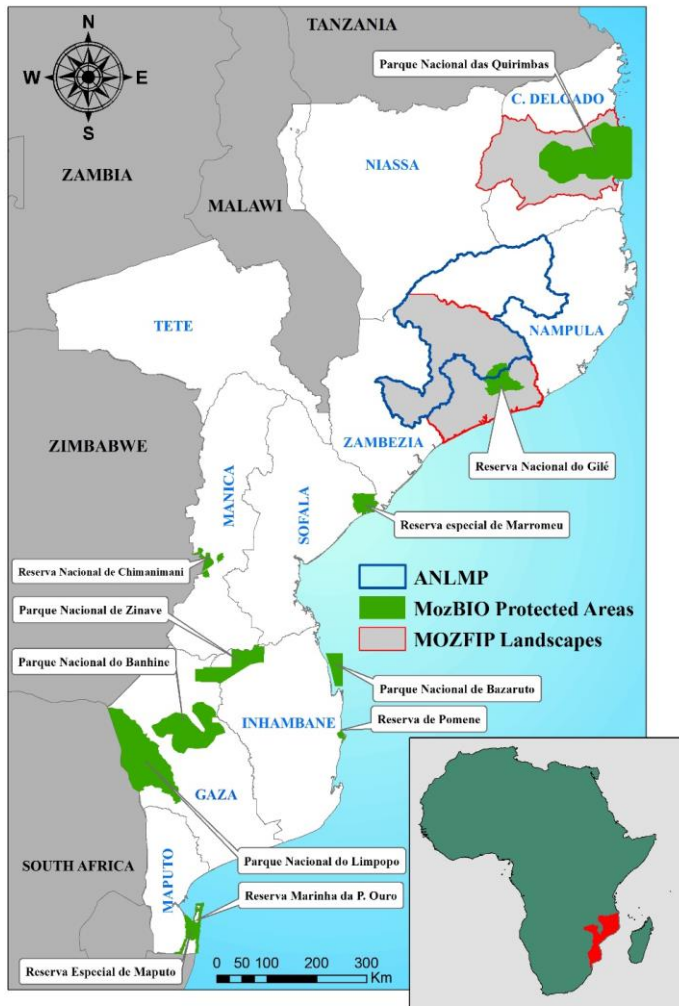
Cc: H. E. Celso Correia  
Minister  
Ministry of Land, Environment and Rural Development  
Maputo

# FCPF Implementation Status: as of 24 March 2017

FCPF US\$ 3.8M Grant	FCPF US\$ 5M Grant
Disbursement Summary: US\$ 3.8M	Disbursement Summary: US\$ 2,6M
2013-2017	2016-2018
Supported: <ul style="list-style-type: none"><li>- Strengthening the National Readiness Management Arrangements</li><li>- Promotion of Multi-stakeholder Consultations and Communication</li><li>- Preparation of safeguards instruments</li><li>- National REDD+ Strategy</li></ul>	Supports: <ul style="list-style-type: none"><li>- MRV system</li><li>- REL</li><li>- Preparation of landscape projects</li><li>- Promotion of Multi-stakeholder Consultations and Communication</li><li>- Enabling environment for REDD+</li></ul>

The Bank believes the R-Package meets the FCPF Readiness Fund criteria, and highlights the strategic use of FCPF funds to kick start a large agenda on sustainable rural development.

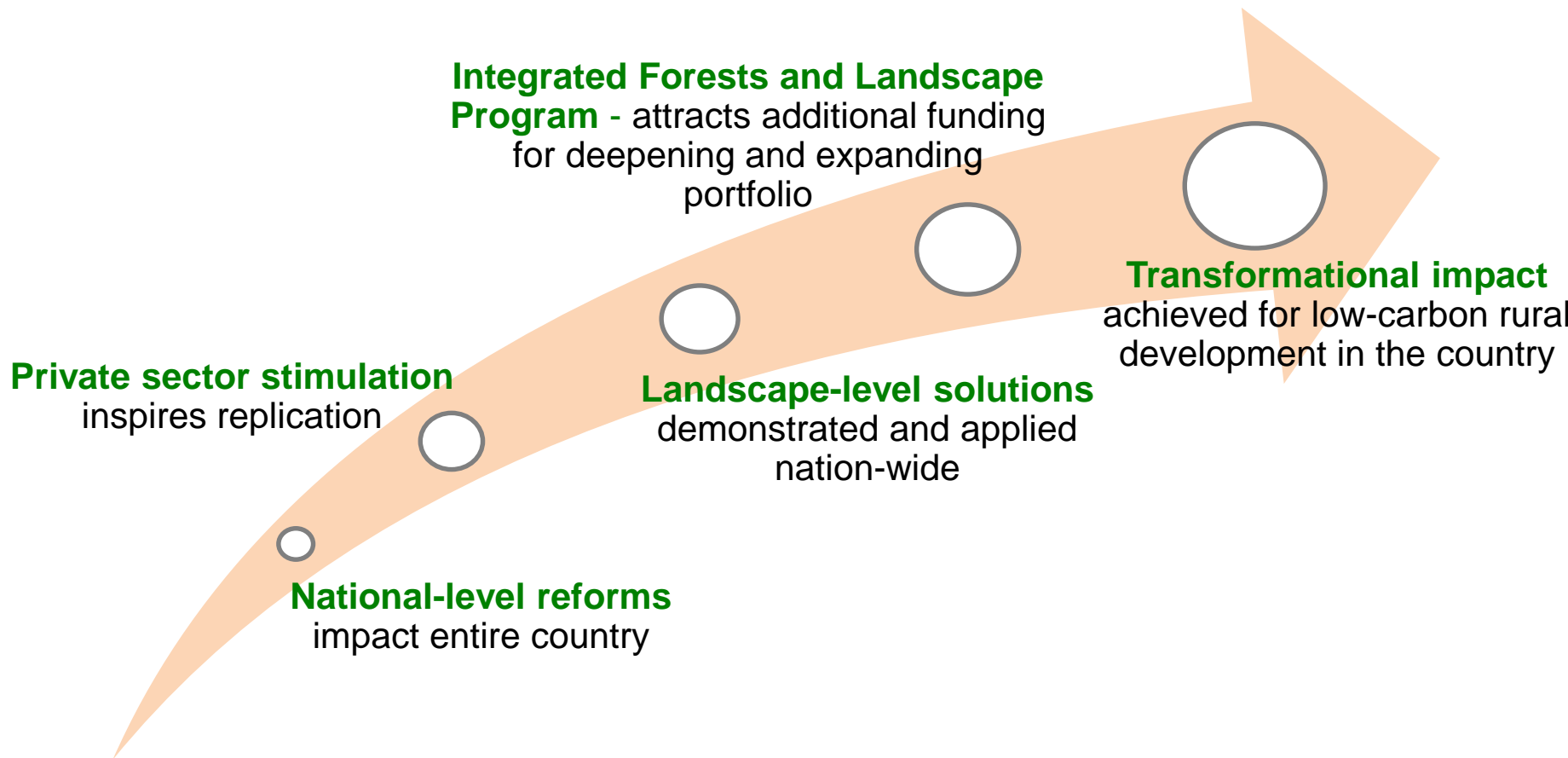
# The Zambézia Emission Reduction Program



- *Program area: 5.3 M hectares*
- *Forest area: 2.6M hectares*
- Annual deforestation rate: **0,89%**
- Forest Loss: **23,658 ha per year**
- **Emission Reductions Project Idea Note:** accepted in October 2015 into the FCPF Carbon Fund's pipeline;
- **Letter of Intent (LOI)** signed during the Paris COP in December 2015.
- **LoI Contract Volume:** 8.7Million tons

Ongoing discussion on the possibility of inclusion of Cabo Delgado Province in the Mozambique ER Program.

# Looking Ahead



# Challenges

- Financing gap for implementing the activities on the ground
- High transaction costs to Task Team and counter-part
  - Multitude of funding instruments
- Pressure from counter-part for speedy delivery and quick scale up
- Absorption and management capacity at Government level
- Disbursement mechanisms to local level still recent, need to be tested further
- Dealing with politically sensitive issues
  - forest governance, wildlife poaching, land use planning, commercial reforestation
- Macro-economic deficit
  - Lack of counter-part funding and strong dependence on donors



# Strategic Opportunities

- **New financing opportunities**
  - **Green Climate Fund** → Mozambique presented proposal for US\$200 million recently
    - Technical Assistance for FNDS capacity strengthening
  - **Forest Action Plan** → Mozambique team is ready to conduct a deep dive note on the forest sector
  - **NDC** → Bank is supporting MZ prepare their NDC – Bank looking into NDC Partnership Facility
  - **Multi-Donor Trust Fund** → established in 2016 to support Analytical Studies and Technical Assistance to the government. Open to new contributions.
- **Regional Natural Resource Management project**
  - Forestry at Southern African Development Community, Miombo network
- **Test different models of channeling funds to beneficiaries**
  - MozBio CDD, Landscape matching grant, Forest Investment Program Forest Promotion Grant Scheme: Results Based payments for reforestation)
  - This could be transformed into a transformational mechanism to channel funds to sustainable local development
- **Strengthen partnerships with other actors**– private sector + CSOs
  - Regional dimension - Miombo network



**Thank you!**

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