

**INTEGRATED SAFEGUARDS DATA SHEET
(FCPF READINESS FUND)
CONCEPT STAGE**

Report No.: **78574**

Date ISDS Prepared/Updated: June 10, 2013

I. BASIC INFORMATION

A. Basic Project Data

Country: Republic of Uganda	Project ID: P124296	
	Additional Project ID (if any):	
Project Name: UG - FCPF REDD Readiness		
Task Team Leader: Martin Fodor		
Estimated Appraisal Date: N/A	Estimated Board Date: N/A	
Managing Unit: AFTN3	Lending Instrument: TF Grant	
Sector: ENVIRONMENT		
Theme: Climate Change and Forestry		
FCPF Amount (US\$m.): US \$ 3.634 million		
Other financing amounts by source: GOU – US\$0.428 million		
Environmental Category: B		
Simplified Processing	Simple <input checked="" type="checkbox"/>	Repeater <input type="checkbox"/>
Is this a transferred project	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

B. Project Objectives:

1. The Project Development Objective is to design a socially and environmentally viable national strategy for reducing emissions from deforestation and forest degradation as compared to a reference level.

Key Results

2. The Key result from R-PP Implementation is the REDD+ Strategy for Uganda. The following are the specific results:

- ✓ A national REDD+ strategy and actions for addressing deforestation and forest degradation and enhancing carbon stock that has been consulted upon and validated by national stakeholders;
- ✓ A preliminary national/sub national forest emissions reference level that is based on updated and quantified information of forest resources and national circumstances;

- ✓ A Strategic Environmental and Social Assessment is completed and findings are validated by stakeholders and integrated into the design of REDD+ strategy.

C. Project Description:

3. The FCPF grant will provide funding to support Uganda in carrying out selected key activities outlined in the R-PP for the REDD+. The total funding requested from the FCPF is \$3,634,000 of which \$200,000 is earmarked for the feedback and grievance redress mechanism, as per FCPF PC decision, and \$ 34,000 is the unutilized balance of the initial \$ 200,000 allocation by FCPF to Uganda. This grant will fund a portion of the identified R-PP activities and will help the Country progress towards achieving REDD+ Readiness. The gap between the total amount requested for the R-PP (\$10, 617,000) and the FCPF contribution will be financed by additional funds (other donors and interested partners and Government of Uganda). Additional funding sources will be mobilized through regular updates to the Climate Change Policy Committee and potential interested partners. Annex VII compares the proposed Readiness Grant activities vis-a-vis the R-PP components, showing FPCF and GoU financing.

4. The FCPF will finance components of the R-PP that have been prioritized by the REDD+ National Steering Committee. The prioritization process took into consideration (i) how critical activities are to get Uganda REDD+ ready; (ii) the potential to raise financing for other activities from alternative sources; and (iii) their usefulness to the forest sector management regardless of success of REDD+ (the “no-regrets” options) – all this within the limits of available financing. Discussions with counterparts confirm that the selected activities can be implemented independently and do not depend on other potential financial contributions (which would jeopardize their full completion in case the co-financing could not materialize).

5. This support is limited to technical assistance, analytical studies, capacity building, consultations and meetings, and operating costs; the FCPF support does not include the implementation of the site-specific REDD+ programs (pilots / demonstration sites). The activities have been prioritized keeping in view the comparative advantages of the FCPF and the likelihood of follow up work by others actors active in the REDD+ space in Uganda. As it is observed in several other FCPF countries, satisfactory progress on REDD+ under FCPF has invited interest and support from other financial contributors.

6. The grant support will be organized along five components that correspond with the components and sub-components of Uganda R-PP.

Table 1: Project Components and Costs (US\$, million)

	R-PP Component	Total Cost	FCPF Grant
Component 1: Coordination and Monitoring of REDD+ Readiness Process		0.672	0.474
1.1 Coordination capacity of REDD+ Readiness Process	1A	0.562	0.414
1.2 Monitoring and reporting Readiness process	6	0.110	0.060
Component 2: Stakeholder Engagement and		0.625	0.585

Feedback in Readiness Process			
2.1 Participatory structures and capacity building to enhance stakeholder engagement	1B	0.235	0.235
2.2 Communication materials/tools	1C	0.150	0.150
2.3 Strengthening national feedback and grievance redress mechanism for REDD+	1[D]	0.240	0.200
Component 3: REDD+ Strategy and SESA	2	0.820	0.730
Component 4: REDD+ Implementation Framework	2	0.355	0.355
4.1 Review of benefit sharing arrangements		0.230	0.230
4.2 Guidelines and Standards for REDD+ demonstration		0.120	0.120
4.3 Review of existing REDD+ demonstration activities		0.005	0.005
Component 5: National Reference Scenario and Inventory of Forest Resources	3	1.140	1.040
Carbon Offset		0.050	0.050
Total for all components		3.662	3.234
Contingency		0.400	0.400
TOTAL		4.062	3.634

Component 1: Coordination and Monitoring of REDD+ Readiness Process
(\$672,000, including \$474,000 from FCPF)

7. The objective of this component is to support national level coordination and monitoring of the REDD+ process. The component will have two sub-components: (a) national management and coordination, and (b) M&E framework.

Sub-component 1.1: Coordination Capacity of REDD+ Readiness Process

This sub-component will fund the National Readiness Management Arrangement Activities, such as technical assistance, capacity strengthening, and operations of the National Focal Point and other participating institutions.

Sub-component 1.2: Monitoring and Reporting Readiness Process

This sub-component will fund monitoring and transparent reporting on the progress made on implementation of REDD+ readiness and independent assessment of progress at mid-term and final stages of FCPF grant. The R-Package Assessment Framework will be applied as guidance when preparing the M&E framework and progress reports, in accordance with the process adopted through Resolution PC/12/2012/2

Component 2: Stakeholder Engagement and Feedback in Readiness Process
(\$625,000 including \$585,000 from FCPF)

8. The objective of this component is to support ensure broad stakeholder engagement and use of stakeholder feedback in shaping the REDD+ readiness. The component has three sub-components as follows.

Sub-component 2.1: Participatory Structures and Capacity Building to Enhance Stakeholder Engagement

This sub-component will fund strengthening of participatory structures to enhance stakeholder engagement in REDD including local and national structures, community based forest associations, religious institutions, women's and youth associations, national association of tree growers, etc. The resources shall be used to strengthen stakeholder structures specifically in prioritized areas/regions where Uganda expects REDD+ to be concentrated.

Sub-component 2.2: Communication Materials and Tools

This sub-component will fund development of communication materials and tools for all components supported by the Readiness grant and to suit different stakeholder groups. The sub-component activities will be guided by the Communication Strategy that was developed as a complement to the Consultation and Participation Plan prepared in conjunction with the R-PP.

Sub-Component 2.3: National Feedback and Grievance Redress Mechanism for REDD+

This subcomponent will build upon the framework assessment already undertaken by the Government of Uganda during the formulation phase and the SESA findings that identify the potential sensitive issues. It will fund assessment of existing the capacity of institutions and customary mechanisms to handle grievances and support their strengthening specifically for REDD.

**Component 3: REDD+ Strategy and SESA
(\$820,000, including \$730,000 from FCPF)**

9. The objective of this component is to develop REDD+ strategy informed by strategic environmental and social impact considerations. The component has two interrelated activities: Strategic Environmental and Social Assessment (SESA) and the REDD+ Strategy.

10. The SESA will contribute to the REDD+ Readiness process in Uganda by assessing how REDD+ strategy options address environmental and social priorities associated with current patterns of land use and forest management. Gaps identified through this assessment would lead to formulation of the REDD+ strategy options for close those gaps. Also, the SESA will provide an ESMF that will outline the procedures to be followed for managing potential environmental and social impacts of specific policies, actions and projects during the implementation of the REDD+ strategy that is finally selected. The component will fund cost/benefit analysis, review of legal, policy and political economy considerations, and validation of the proposed REDD+ Strategy.

**Component 4: REDD+ Implementation Framework
(\$355,000, all from FCPF)**

11. The objective of this component is to design the implementation framework and procedures for REDD+ implementation. The component will include sub-components on

(i) review and assessment of existing benefit sharing arrangements¹ and recommendations of options for benefit sharing for REDD+; (ii) Interim Guidelines for early implementation of pilot or demonstration activities; and (iii) review and documentation of existing REDD+ demonstration activities.

Sub-Component 4.1: Review of Benefit Sharing Arrangements

This sub-component will review and analyze the existing benefit sharing systems in country and in the region for use under REDD+; recommend possible options for adapting existing the system for REDD+; and consult and validate these at sub-national/district level. This activity will also include analysis of carbon rights.

Sub-Component 4.2: Guidelines and Standards for REDD+ Demonstration Activities

This sub-component will fund preparation of national guidelines and/or standards that clearly set (to the extent possible at this stage of readiness) the parameters and eligibility criteria (social, environmental, scale, engagement of stakeholder, types of forests/ land uses, etc.) for potential REDD+ programs in the country with special consideration to the public and private ownership of forests, an equitable and transparent incentive structure. It will advance the ongoing work on the existing Interim Guidelines.

Sub-Component 4.3: Review of Existing REDD+ Demonstration Activities

This sub-component will fund a review of the ongoing REDD+ efforts and demonstration activities / pilots in Uganda, particularly those driven by private and NGO actors.

Component 5: National Reference Scenario and Inventory of Forest Resources (\$1,140,000, including \$1,040,000 from FCPF)

12. The objective of this component is to establishing a reference scenario for emissions from deforestation and/or forest degradation. The REDD+ reference scenario is as a combination of recent historical data on emissions from deforestation and/or forest degradation and other relevant land uses and estimations of future emissions and removals, to produce a Uganda-specific baseline scenario of GHG emissions without additional REDD+ incentives. The component will fund designing a methodology, reviewing "national circumstances", inventory of forests and mapping of forest cover, spatial modeling, calculating of carbon emissions and establishing the reference level.

D. Project location and salient physical characteristics relevant to the safeguard analysis (if known):

13. Activities to be financed by the FCPF in support of the REDD+ Readiness process in Uganda do not include the implementation of REDD+ programs on the ground. The FCPF support is limited to analytical studies, capacity building, and consultation processes at the national and sub-national levels.

¹ Benefit sharing arrangements are understood in a broad sense, denoting individual and collective benefits, monetary and non-monetary benefits, and dimensions of participatory REDD+ funds management, carbon rights, and REDD+ revenues distribution.

E. Borrower's Institutional Capacity for Safeguard Policies:

14. Adequate capacity exists for safeguard issues - the project is implemented by an experienced team in the Ministry of Water and Environment that deals with the national environmental issues in their daily work. The project core team includes an Assistant Commissioner of Department of Environmental Support Services who was responsible for the SESA process under another Bank-funded project and received further training on SESA.

F. Environmental and Social Safeguards Specialists on the Team:

Herbert Oule	Environmental Specialist, AFTN3
Constance Nekessa-Ouma	Social Development Specialist, AFTCS
Nicholas Meitaki Soikan	Social Specialist, Consultant, AFTN1

II. SAFEGUARD POLICIES THAT MIGHT APPLY

15. It is envisioned that the safeguards policies mentioned below may be triggered in the REDD+ Readiness process.

16. The Project will not finance at this stage any concrete investment activities on the ground and is thus not expected to have any direct environmental and social impact on the ground. However, it is considered that the Project might have indirect impacts in the sense that the findings from analytical work carried out under the Project may influence the design of the national REDD+ Strategy. Draft Terms of Reference of the SESA have been prepared by the National Coordination. The SESA will address the key environmental and social issues associated with the analysis and preparation of REDD+ strategy options as well as REDD+ projects, activities (including investments), policies and regulations. In this manner SESA can ensure compliance with World Bank's environmental and social safeguards.

17. The main safeguard instrument to be applied is the SESA. The SESA includes as part of the SESA process the preparation of an ESMF. The ESMF may evolve and be updated over time when new REDD+ strategy options, projects or activities (including investments) and/or policies or regulations are identified during the implementation of REDD+. The SESA addresses the key environmental and social issues associated with the preparation of REDD+ strategy options as well as REDD+ projects, activities (including investments), policies and regulations. In this manner SESA can ensure compliance with World Bank's environmental and social safeguards.

18. The SESA process requires that the selection of REDD+ strategy options should take into account the country's institutional and capacity constraints for managing environmental and social risks, as well as the potential environmental and social impacts associated with these strategy options. Any identified gaps to manage these risks and potential impacts in relation to relevant World Bank safeguard policies should be identified along with the strategy options to feed into the preparation of the ESMF. The ESMF should provide a framework to manage and mitigate the potential environmental and social impacts related to specific projects and activities (including investments and carbon finance transactions, in the context of the future implementation of REDD+).

Safeguard Policies Triggered (please explain why)	Yes	No	TBD
Environmental Assessment (OP/BP 4.01)	X		
<p>The Strategic Environmental and Social Assessment (SESA), to be carried out under the Project, will help ensure compliance with the Bank's safeguards policies. It will serve to identify, avoid, and mitigate the potential negative environmental and social impacts associated with the final REDD+ Strategy. It will also serve to identify and promote potentially positive impacts and benefit sharing opportunities in connection with the Strategy. The SESA will influence the final national REDD+ Strategy, by ensuring that the consideration of social and environmental risks and potential impacts is a factor in its preparation. It will also provide guidance and key elements for the preparation of the ESMF.</p> <p>The future investments and carbon finance transactions will require specific environmental and social assessments (ESAs) but these will benefit from the strategy context created by the SESA and ESMF. The ESMF will include standing methods and procedures, along with appropriate institutional arrangements for screening, reviewing, implementing, and monitoring specific ESAs to prevent adverse impacts, as well as cumulative impacts.</p>			
Natural Habitats (OP/BP 4.04)	X		
<p>The application of this policy seeks to ensure that all options proposed in the national REDD+ Strategy take into account the conservation of biodiversity, as well as the numerous environmental services and products that natural habitats provide to human society. Overall, REDD+ activities are expected to have significant positive impacts on natural habitats, as the country puts in place an effective strategy to reduce loss of natural forests. The SESA will address issues related natural habitats and potential impacts of the national REDD+ Strategy, which will later be included in the ESMF.</p>			
Forests (OP/BP 4.36)	X		
<p>Overall, REDD+ activities are expected to have significant positive impacts on forests, in that the main goal of the program is to reduce deforestation and forest degradation, while contributing to the well-being of forest-dependent communities. Potential impact of the National REDD+ Strategy on natural forests will be assessed through the SESA and included in the ESMF. The SESA and associated ESMF will reflect the requirements of the Bank's Operational Policy regarding forest management.</p>			
Pest Management (OP 4.09)			X
<p>This policy could be triggered depending on the final scope of the National REDD+ Strategy. Agricultural intensification and reforestation activities, for instance, could trigger this policy, depending on the methods employed by concrete activities on the ground to manage pests. The SESA will address critical issues related to pest management, as necessary.</p>			
Physical Cultural Resources (OP/BP 4.11)			X
<p>Some of the future project activities may affect physical cultural resources. Further investigation is needed to determine if this policy would be triggered or not. The SESA process will determine the existence of culturally and socially sensitive sites that have significance to local forest dependent communities. This policy, therefore, could be triggered, based on the SESA outcomes.</p>			
Indigenous Peoples (OP/BP 4.10)			X
<p>REDD+ activities might trigger the Indigenous People Policy in situations involving the issue of IPs living in protected areas, loss of livelihood pertaining to REDD+ strategies, access and rights to land, user rights, land tenure to include customary land disputes, carbon rights, benefit sharing. Through the SESA any issues relating to social impacts of REDD+ (that would impact</p>			

Safeguard Policies Triggered (<i>please explain why</i>)	Yes	No	TBD
on IPs and other vulnerable groups) such as but not limited to: land tenure, benefit sharing, livelihoods and implementation of REDD+ strategies will be identified, and an Indigenous Peoples Policy Framework may be prepared as needed. The Batwa and Benet occupy forest ecosystems of South West and Mount Elgon. Groups that may be considered indigenous could be identified through the SESA process. Some groups of the Karamojong are pastoralist, and the Uganda R-PP identifies livestock rearing as one of the drivers of deforestation. In this regard, therefore, pastoralist groups could be affected by REDD+ activities..			
Involuntary Resettlement (OP/BP 4.12)			X
REDD+ activities might trigger Involuntary Resettlement in situations involving involuntary restrictions of access to legally designated parks, land acquisition, protected areas, or forest management / reforestation areas. The policy aims to avoid involuntary resettlement to the extent feasible, or to minimize and mitigate its adverse social and economic impacts in cases where resettlement or other involuntary restrictions cannot be avoided. Through the SESA process, any issues related to land acquisition or involuntary resettlement will be identified, and a Resettlement Policy Framework and/or Process Framework may be prepared as needed. To help identify and mitigate restriction of access to natural resources in protected areas, a Process Framework may be prepared.			
Safety of Dams (OP/BP 4.37)		X	
The REDD+ activities do not involve the construction of new or use of existing dams.			
Projects on International Waterways (OP/BP 7.50)		X	
The REDD+ activities do not involve international waterways.			
Projects in Disputed Areas (OP/BP 7.60)		X	
Piloting the Use of Borrower Systems to Address Environmental and Social Safeguard Issues in Bank-Supported Projects (OP/BP 4.00)		X	

III. SAFEGUARD PREPARATION PLAN

A. Target date for review meeting of REDD Country's mid-term progress report, at which time the ISDS may be updated as needed: N/A

B. Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing² should be specified in the initial ISDS and/or updated ISDS:

19. The SESA should be launched four months after Grant Signature.

² Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in-country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.

IV. APPROVALS

<i>Signed and submitted by:</i>		
Task Team Leader:	Martin Fodor	06/10/2013 <i>M. Fodor</i>
<i>Approved by:</i>		
Regional Safeguards Coordinator:	Alexandra Bezeredi <i>A. Bezeredi</i>	06/10/2013
Comments:		
Environment Safeguards Specialist:	Herbert Oule	06/10/2013 <i>H. Oule</i>
Comments:		
Social Safeguards Specialist:	Constance Nekessa-Oukuma	06/10/2013 <i>C. Nekessa</i>
Comments:		
Sector Manager:	Magdolna Lovei	06/11/2013 <i>M. Lovei</i>
Comments:		

