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# Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 21-Dec-2020 | Report No: PIDC29619

**BASIC INFORMATION****A. Basic Project Data**

Country Burkina Faso	Project ID P170482	Parent Project ID (if any)	Project Name Communal Climate Action and Landscape Management Project (P170482)
Region AFRICA WEST	Estimated Appraisal Date Jun 01, 2021	Estimated Board Date Sep 30, 2021	Practice Area (Lead) Environment, Natural Resources & the Blue Economy
Financing Instrument Investment Project Financing	Borrower(s) Ministry of Finance	Implementing Agency Ministry of Environment Green Economy and Climate Change	

**Proposed Development Objective(s)**

The project objective is to strengthen sustainable landscape management practices and improve access to revenues, including climate finance, for greater resilience of rural communities in targeted forestry zones in Burkina Faso.

**PROJECT FINANCING DATA (US\$, Millions)****SUMMARY**

<b>Total Project Cost</b>	92.00
<b>Total Financing</b>	92.00
<b>of which IBRD/IDA</b>	80.00
<b>Financing Gap</b>	0.00

**DETAILS****World Bank Group Financing**

International Development Association (IDA)	80.00
IDA Credit	40.00
IDA Grant	40.00

**Non-World Bank Group Financing**



Trust Funds	12.00
Integrated Landscape & Forest Management MDTF	12.00

Environmental and Social Risk Classification

Substantial

Concept Review Decision

Track II-The review did authorize the preparation to continue

## A. Introduction and Context

### Country Context

- Burkina Faso, a land-locked country in West Africa, has made significant progress in reducing poverty over the past decades.** Although its ranking remains at the bottom of the UN’s Human Development Index (182 out of 189 countries and territories in 2018), the country has shown growth rates in recent years. Macro-economic conditions have been stable from 2000 to 2015. In 2018, the national Gross Domestic Product (GDP) rose to 6.8%, against 6.3% in 2017 due to significant agricultural production mostly from cotton outputs and a boom in the mining (gold) industry.
- Although GDP growth remained fairly strong at 5.7% in 2019, the country still faces serious social and economic challenges.** About 40% of the population lives below the national poverty line and the country has one of the fastest growing population in the world, totaling 20.3 million inhabitants in 2019; with a population growth rate of 3.1% per year it is estimated to reach 42 million inhabitants by 2050, risking additional population to be further pushed below the poverty line. In 2018 the GDP per capita was US\$ 731. This figure is below the sub-Saharan African average of US\$ 1,574, and well below the world average of US\$ 11,300.
- Overall, the country has witnessed a depletion of wealth<sup>1</sup> per capita between 1995 and 2010 (WDI, 2016).** This drop was driven by population growth and natural capital depletion estimated in 2010 at -23% and -8.2% in terms of GDP per capita<sup>2</sup>. The depletion of natural capital includes assets like forests, water, fish stocks, minerals, biodiversity and land. The change in natural capital is mostly due to deforestation and mineral depletion.
- Burkina Faso’s rural communities are particularly vulnerable to climate shocks, threatening their livelihoods.** Located in the dry Sahel-Sahara region, nearly all-arable land in Burkina Faso is rain-fed with less than 1% being irrigated. Flash floods and droughts are expected to become more pronounced and frequent under the influence of climate change. Temperatures across the country are projected to increase 3-4°C by the end of the century, which is substantially higher than the global average<sup>3</sup>. The number of **extremely hot days** (>40°C) is expected to double between 2020 (25 days) and 2050 (56 days)<sup>4</sup>. Frequent floods and droughts under the influence of climate change, and land degradation pose serious threats to Burkina Faso’s agricultural production and food security. This is a significant challenge given that 7 out of 10

<sup>1</sup> Wealth is defined as the sum of gross savings, physical capital depreciation, human capital formation, natural capital depletion & adjusted population

<sup>2</sup> Burkina Faso Note – Macroeconomic analysis and national climate and disaster risk management screening tool outcomes, Background note for Burkina Faso SCD, 2017, World Bank.

<sup>3</sup> World Bank. 2020. Climate Change Portal – Burkina Faso.

<sup>4</sup> Same as above: World Bank. 2020



inhabitants live in rural areas and depend on agriculture and natural resources including forests for their livelihood.

5. **Since 2016, Burkina Faso has experienced a deteriorating security, particularly within and around forested areas.** Insecurity is present in the west (Cascades, Boucle du Mouhoun, Hauts-Bassins) and north of the country<sup>5</sup> (Soum province) as a spill-over of the conflict in neighboring Mali. Frequent terrorist attacks have created an unprecedented humanitarian crisis. More than 838,000 people have been displaced by end-March 2020 (UNHCR). According to the World Bank report *Risks and Resilience Assessment in the Sahel region (2020)*<sup>6</sup>, extremist acts in Burkina Faso stem from various endogenous factors. These factors include inequalities and rivalries between and within communities, competition around access to land and natural resources, or long-standing political marginalization of certain groups/provinces who distrust state authority. Conflicts erupt in and around forested areas mainly because of poor forest governance rules and unsustainable landscape management practices. The promotion of citizen engagement and social inclusion, the development of income-generating activities such as Non-Timber Forest Products (NTFPs) value chains, securing land tenure rights, and improving landscapes management practices can contribute towards the efforts of achieving lasting peace and security. The forestry sector should therefore also be positioned at the forefront of any national strategy for conflict reduction and security building in Burkina Faso.

6. More recently, the COVID-19 pandemic outbreak, if worsening, is expected to negatively impact on the national economy and the overall security. Projections show that economic growth is expected to drop to 2 percent in 2020<sup>7</sup> and around 170,000 more people will fall into poverty. Insecurity due to the COVID-19 outbreak would lead to serious disruption in livelihoods and higher numbers of forced displacements. The COVID-19 outbreak may also lower regional and global demand for exports, slow down output and generate fiscal pressures to finance public health and safety net spending. Lower global demand and price for agricultural products (e.g., cotton and cashew nuts) will affect mainly agricultural producers. Storage costs will likely increase given the difficulty for producers to transport and bring goods to markets and export commodities. COVID-19 and its impact on health shocks will also impact household welfare, as rural people have limited savings and low access to financial services<sup>8</sup>. However, on the upside, the reduction in oil prices and the surge of gold prices will have a positive impact on the real, fiscal and external sector.

#### Sectoral and Institutional Context

7. **Wooded areas, agroforestry land and forests cover almost 13 million ha or 43% of the country**<sup>9</sup>. According to the FAO, the forest area alone covers an estimated 5,3 million ha (FAOSTAT, 2016) or close to 20% of the country area. Protecting key assets, i.e. land (soil), forests, and livestock and prioritizing the management of scarce resources, i.e. water and energy, are crucial elements for the country pathway out of poverty.

8. **Forest and woodlands provide a wide range of critical ecosystems services.** The forestry sector accounts for 5.9 percent of GDP<sup>10</sup> and close to 85% of the population depends on these assets for their livelihoods. The ecosystem services include: regulating climate through carbon sequestration, adjusting water levels and protecting against floods and storms, maintaining water quality, hosting key habitats for biodiversity, controlling soil degradation and combating desertification, among others. Forested areas also provide goods and a source of income for communities through fuelwood and charcoal energy, timber, fodder for animal husbandry and hunting. Around 30% of household income in the

<sup>5</sup> Sahel Regional Risk and Resilience Assessment (RRA), World Bank, April 2020

<sup>6</sup> Evaluation des Risques et de la Résilience dans la Région du Sahel, Banque mondiale, 2020

<sup>7</sup> Macro-Poverty Outlook, World Bank, 2020, Spring Meetings

<sup>8</sup> Burkina Faso: The Economic Impact of the COVID-19 Global Crisis, World Bank Note (April 2, 2020).

<sup>9</sup> According to FAOSTAT, the country area is 27,422,000ha in 2016, area is 27,360,000ha in 2016, agricultural area is 12,100,000ha in 2016 and forest area is 5,350,000ha in 2016.

<sup>10</sup>The State of the World Forests, FAO, 2018.



country is derived from non-timber forest products value chains such as shea nut, Arabic gum, honey, wild fruits and plants and thus help to alleviate poverty. Forested landscapes are considered a safety net and a critical source of food for local populations in particular in times of severe droughts.

9. **Several high valued NTFP species make a significant contribution to the economy via exports** (tamarind, shea, baobab, néré) but their potential remains under-exploited. Indeed, research has shown that the private sector can contribute to the emergence of a green economy and the promotion of productive value chains in forested areas. Fostering an enabling environment and improving market access and certification for forestry products would incentivize greater private sector participation.

10. **However, trends observed show significant deforestation and forest degradation with significant impacts on land productivity.** The forestry sector records annual degradation of 247 145 ha<sup>11</sup> and deforestation is estimated at 0.9 percent per year. As forests and woodlands play an important role to maintain the soil quality (through erosion prevention, water retention and nutrient enrichment), forest degradation and deforestation accelerate land degradation. Today, more than 30% of Burkina Faso's land area is already severely degraded and less than 18% is cultivable due to depleted soils, droughts and desertification. This trend is amplified as the protection offered by forests and woodland decreases. As a result, estimates show that 15 % of its agricultural land may be lost in 10 years posing higher food insecurity risks<sup>12</sup>.

11. **Expansion of agriculture, overexploitation of wood for energy and overgrazing remains as the main drivers of deforestation**<sup>13</sup>. In 20 years only, the share of agriculture land increased from 27% to 42%. Concomitantly, forest cover dropped by a third (-29%)<sup>14</sup>, from 68,470km<sup>2</sup> in 1990 to 52,902km<sup>2</sup> in 2017. Deforestation and degradation of the forest cover leads to among others soil erosion, loss of biodiversity, diminished grazing for livestock, and loss of biomass causing a decrease in fuelwood and in forest-related products essential to sustain employment and nutrition for communities. Other drivers of deforestation include small-scale mining, bush fire and unsustainable management of NTFPs. Small-scale mining is receiving increased attention by the Government of Burkina Faso not only because of its contribution to forest loss and greenhouse gas (GHG) emissions but also given its negative impact on the environment leading to soil and water contamination, due to poor extraction practices and lack of standards.

### ***Forest governance in a fragility context***

12. Deforestation is exacerbated by other underlying drivers such as weak forest governance, rapid population growth, poor land tenure security, weak conflict resolution mechanisms and climate shocks. Tensions between different local communities over land-use, in particular in productive agricultural regions, are a major cause of violence. Tensions occur between communities, either among farmers or between farmers and pastoralists, as a result of illegal wood cutting practices, unclear collection rights on certain fruit like shea fruit, uncontrolled animal wandering and grazing, encroachment on transhumance pathways, and illegal bush fires. Rural communities in predominantly forest areas witness a pattern where high demographic growth and unprecedented climatic variability put pressure on limited natural resources. This in turn leads to over-use and degradation of the assets, which in a context of scarce economic opportunities and high poverty, causes greater and unsustainable exploitation and thus more frequent and intense conflicts.

<sup>11</sup> Drivers of deforestation and Forest Degradation (FDDF), report, Burkina Faso (2019), MEEVCC, Burkina Faso. According to the REDD+ national strategy, about 170,000 ha per year of natural vegetation are lost as a result of land degradation and deforestation.

<sup>12</sup> National REDD+ Strategy (draft), Burkina Faso, May 2020 (p.7)

<sup>13</sup> Drivers of deforestation and Forest Degradation (FDDF), report, Burkina Faso (2019), MEEVCC, Burkina Faso.

<sup>14</sup> Climate Smart Agriculture Investment Plan, Burkina Faso, final draft for validation workshop, 2020 (p.27).



13. **At the core of forestry governance in Burkina Faso is the complex issue of land tenure security.** The great majority of rural communities have to grapple with a weak land tenure system and unclear rights including a general lack of information and awareness about natural resources management regulations. Today's land tenure situation in Burkina Faso is characterized by weak local institutions, lack of forest classification and registry to protect and regulate forest use; poor implementation of approved local management plans and overlap between different land use permits, notably mining. Typically, traditional or customary mechanisms have been used to resolve conflicts through dialogue and consensus, but they have recently become less effective due to disruptive social changes, increased pressure on land and a reduced asset base. Migrations, in a context of insecurity and climate change, are aggravating the situation. By addressing some of the root causes of conflict around forested areas, the project will directly contribute to the multi-partner, multi-country Sahel Alliance efforts to promote stability and development in the region.

14. **The impact of COVID-19 pandemic poses also a risk in increasing the pressure on natural resources including forests.** Reverse migration from cities to rural areas is expected due to lack of employment. This in turn could lead to an increased pressure on natural resources including forests through the search of short-term unsustainable solutions such as illegal charcoal production and land use change for agriculture, leading to further deforestation and degradation of forests. Also, with the immediate COVID-19 response, stimulus packages to address the crisis will mainly invest in quick financial returns and employment rather than long-term climate resilience and sustainability. This can result in increased rates of deforestation, as deforestation is linked to the negative effects on economic and social well-being of forest producers and forest-dependent communities, leading to long-term negative implications for the environment and livelihoods<sup>15</sup>.

#### ***From Landscape management to Emission Reduction Program***

15. Since the 1980s, Burkina Faso has established a diversified landscape management framework based on local participatory management. It has prepared and adopted multiple national regulations and codes, including the forestry code, the environmental code, the mining code, the land tenure and agrarian reform (RAF), along with multi-sector strategies and plans such as the national forestry strategy; the national biodiversity plan; and the national strategy for the promotion and enhancement of non-wood forest products. One of the key policy for rural development is the *National Plan for the Rural Sector* (PNSR – “Plan National Secteur Rural”), which is a joint roadmap for all the Ministries involved in rural development, covering multiple sectors (Agriculture, Livestock, Water and Environment/Forest). However, additional work is needed to continue the convergence of the sectoral policies, better include the resilience to climate change and ensure the coherence with the other sectors, including the infrastructure and mining.

16. **At the international level, Burkina Faso has also demonstrated leadership and commitment to address deforestation and forest degradation.** Since 2013, Burkina Faso is committed to the REDD+ framework and is a participant in the Forest Carbon Partnership Facility (FCPF) Readiness program. Burkina Faso was selected as a pilot country under the Forest Investment Program (FIP) of the Strategic Climate Fund to develop and test concrete REDD+ policies and investment programs. To maximize the synergies, Burkina Faso integrated all resources related to REDD+ under a single national program, the FIP-Burkina Faso (FIP-BF). FIP-BF was launched in 2014 and encompass five complementary investment projects, from multiple different sources<sup>16</sup>, supervised by the African Development Bank and by the World Bank. Those projects include the *REDD+ Readiness Preparation* (P149827) and the ***Decentralized Forest and Woodland Management Project*** (DFWMP, P143993), which tested the country's REDD+ strategy comprising 32 communes located in five different regions in the country.

<sup>15</sup> The Impact of COVID-19 on forest sector: How to respond? Food and Agriculture Organization (FAO), April 4, 2020.

<sup>16</sup> Sources of fund for the PIF-BF included the FIP, FCPF, Terrafrica, European Union, Ci-Dev.



17. **The DFWMP pioneered the use of innovative participatory management tools** to reach consensus at commune-level on the different land uses, develop investment plans and execute them. To this end, under the Commune leadership, priority sites were identified by the communities and later turned into communal-level integrated development projects for REDD + (PDIC/REDD+) that were endorsed by each Commune and by the affected populations. Communes received budget support from the DFWMP to simultaneously (i) define their own zoning plans and land-use planning tools and (ii) implement the investments identified by the local communities in the PDIC/REDD+. The involvement of communities led to greater local ownership of the investments; strengthened social ties among community members and fostered accountability for lasting results. Empowering communes has helped addressing simultaneously the direct and underlying drivers of landscape degradation and deforestation – and provide immediate poverty reduction to change the landscape governance framework.

18. Another significant innovation from the DFWMP has been the **practical solutions found to ensure the land tenure security for on-the-ground investments** through a strong partnership with the authorities in charge of land tenure security (General Directorate of Taxes (“Direction Générale des Impôts” (DGI)). Innovative and pragmatic protocols were designed that facilitated the consent of the communities and accelerated the delimitation and registration of the land and the securing of the land rights.

19. **The REDD+ Readiness Preparation project** initiated capacity building activities to measure its GHG emissions from agriculture, forestry and land use sector, and strengthen the enabling environment to facilitate the mobilization of carbon finance. With this support, Burkina Faso has the opportunity to valorize its substantial carbon sequestration potential in its dryland forests<sup>17</sup> and can potentially reduce around 19 million tons CO<sub>2</sub>-eq if deforestation and land degradation were effectively mitigated<sup>18</sup>. This led to the identification of multiple nested carbon operations (shea butter, soil carbon improvement, biodigesters, etc.) and the design of a jurisdictional Emission Reduction program (ER-Program) based on integrated landscape management. The jurisdictional area would cover 8 regions out of 13 and potentially 6 million direct and indirect beneficiaries. This zone is also the main agriculture production area of the country.

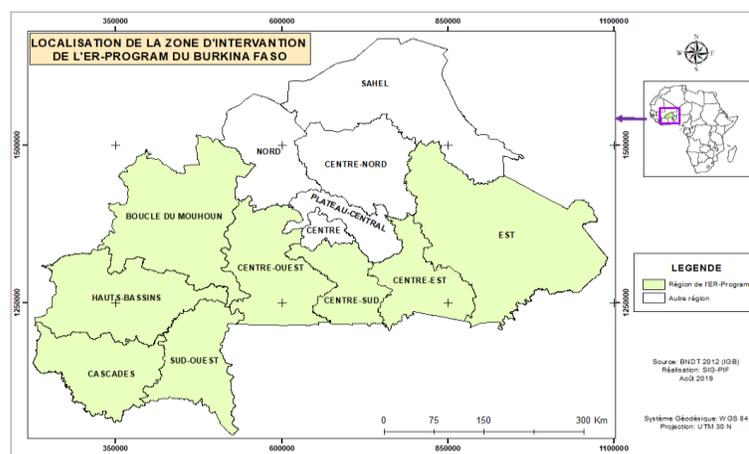


Figure 1: Map of the Emission Reduction Program jurisdictional area

<sup>17</sup> Burkina Faso Readiness Preparation Plan for REDD, 2013.

<sup>18</sup> Climate Smart Agriculture Investment Plan, Burkina Faso, final draft for validation workshop, 2020



## Relationship to CPF

20. **The project supports the achievement of the World Bank’s twin goals to end extreme poverty and promote shared prosperity.** It is entirely aligned with the World Bank Country Partnership Framework (CPF) for Burkina Faso (FY18-FY23), in particular CPF’s Objective 1.5, which aims to address the management of extractives and natural resource sustainability, where security of land tenure and forest management will be highlighted, and Objective 1.1, which aims to increase sustainable agricultural productivity. The project also supports Burkina Faso’s 2016-2020 Economic and Social National Development Plan (ESNDP), which clearly makes decentralized and sustainable natural resource management, including carbon sequestration, a strategic priority for poverty eradication in the country. In addition, the project’s objectives are echoed in the 2015 Nationally Determined Contribution (NDC) for Burkina Faso which targets the rehabilitation of 75,000 ha of degraded land each year for forestry and pastoral uses or a cumulative total of 1.12 million ha for the period 2015-2030<sup>19</sup>. Finally, the project is aligned with the objective of the Prevention and Resilience Allocation as it will encourage conflict prevention activities in relation to the land-use and the collaboration between the various land users.

21. **The proposed project is part of the World Bank’s support package to Burkina Faso in response to the COVID-19 pandemic.** In light of addressing the impacts of COVID-19 on poverty and safety nets, the project proposes nature-based solutions to address short and longer-term shocks to livelihoods by reducing deforestation and forest degradation and target the most vulnerable who depend on natural resources for their livelihoods. The project activities will help maintain and increase forest cover, provide livelihood diversification by increasing economic incentives and leveraging resilient supply chains. This will be done by supporting sustainable land management practices including agroforestry, climate-smart practices, developing markets, and enhancing skills in business and entrepreneurship in selected value chains with high economic potential, including related to bio-digesters<sup>20</sup> and low carbon shea processing.

### C. Proposed Development Objective(s)

22. The project objective is to strengthen sustainable landscape management practices and improve access to revenues, including climate finance, for greater resilience of rural communities in targeted forestry zones in Burkina Faso.

#### Key Results (From PCN)

23. The strengthening of sustainable landscape management practices can be measured by:
- The number of Communes with improved land governance systems such as community management arrangements, communal zoning or investment plans for REDD+;
  - The area (in hectares) under new or improved production techniques and technologies in agro-ecology/sustainable agriculture/low-impact sustainable production schemes;
  - The areas (in hectares) whose land-used is secured by an administrative act and the agreement of the communities;
  - The percentage of producers in the targeted value chains adopting improved practices on the harvest and trade of forestry products.
24. The improved access to revenues, including climate finance, can be measured by:

<sup>19</sup> Nationally Determined Contribution (INDC), Burkina Faso, September 2015

<sup>20</sup> Bio-digesters reduce deforestation and increase the soil carbon content by producing highly fertile compost



- The increase in incomes from NTFP trade amongst the targeted beneficiaries;
- The mobilization of additional resources for carbon finance operations.

#### D. Concept Description

25. **Given Burkina Faso’s physical and social environment, rural development and landscape management are key elements that lay the ground for poverty alleviation and conflict management.** Integrated landscape management is an opportunity to temper the competition over scarce natural resources, particularly in a context of increased climate variability, and increase the productivity. In addition, because of its participative nature, integrated landscape management is a great tool to include the communities into the design of public policies, showing concretely the impact of the decentralization process. Thus, the proposed operation will use the improvement of landscape governance and management to support Burkina Faso in reaching its objectives of reducing poverty by developing a sustainable agriculture sector, increasing citizen inclusion in the decentralization process, reduce land-use conflicts and reducing GHG emissions.

#### *Scaling-up the FIP-BF and the REDD+ approach*

26. **The proposed project would draw upon the main strengths of the FIP-BF, in particular the DFWM Project and the REDD+ Readiness Preparation.** These include the use of the successful participatory, multi-sector and decentralized land use planning methodology applied in the DFWM to scale it up from 32 to 80 communes. The scale up would cover 30% of the entire country’s territory and would take place in the south and north-sudanian agro-ecological zones, supporting the potential Emission Reduction Program developed by the REDD+ Readiness Preparation grants, as well as the sectoral nested projects.

27. The originality of the project lies in the fact that it combines multiple approaches related to integrated landscape management, with impacts on food security and climate resilience as captured in the figure below. It will use inclusive and decentralized processes to design and implement a combination of soft (governance) and hard investments, mobilize private sector for the green economy (shea, cashew, jatropha, moringa, agro-forestry products); and leverage climate finance (result based payments, carbon payments, etc.).

28. Overall, while the proposed operation may not bring a halt to deforestation in the country in the short term; it will reduce its impact and slow down the process of natural capital degradation and depletion in the 10 years ahead. Based on a comprehensive package of activities, the project will strengthen core state and communal competencies to put back the country on good track to reverse the trends of deforestation and land degradation.

*Figure 2: Key ILM pillars targeted by the project (schematic view)*



29. **The additional communes targeted under the new project would include forests of ecological value and with the potential to provide socio-economic benefits.** The selected communes will offer a potential for high-valued income-generating NTFPs, supporting in particular women, and with a significant potential for CO<sub>2</sub> emissions reductions. In addition, the selection of Communes will focus on areas with mild land-use conflicts and promote conflict-resolution solutions, as well as areas with challenges related to internal migrations.

30. **In addition, secured resources coming from the innovative partnership with PROGREEN Trust Fund will help accelerate the launch of the proposed project** and support the scale up of the Forest Investment Program. The PROGREEN resources builds on significant analytical and operational work supported by the Agricultural and Environment Global Practices, such as the *Climate Smart Agriculture Investment Plan* (P169820) for Burkina Faso approved in March 2020; the REDD+ Readiness Preparation Project; and the *Support to the National Bio-digester Program* (P156413), a carbon operation currently under implementation. Part of the PROGREEN resources will be used to assess the land tenure situation of the additional communes targeted by the project to verify basic feasibility. Preliminary discussions with counterparts have confirmed that the current implementation arrangements under the DFWMP project remain valid with the PIF coordination mechanism playing a key role. A multi-sector committee including national and local levels administration staff will oversee project preparation.

**Description of the investments**

31. **Proposed components:** The components have been designed on the premise that an enabling environment for sustainable landscape management is key to support decentralized policy and communal level investments for REDD+ while guaranteeing productive high-valued forest resources. Keeping forests alive and productive would in turn contribute to reducing GHG emissions and thus attract climate finance.

32. **Component 1: Decentralized governance and investments in Agro-Silvo-Pastoral (ASP) landscapes at commune level (IDA: approx. US\$45 million; PROGREEN: US\$8 million).** The objective of this component is to support a sustainable natural resources management by strengthening decentralized landscape governance, securing conservation areas and promoting the use of sustainable practices for ASP production. For that purpose, the project will scale-up the experience of the DFWMP. The project will apply a similar phased approach as the DFWMP, with (i) participative land tenure diagnostics at commune and village level to identify the priority areas; (ii) communal zoning plans with the identification of the critical forest/conservation areas; (iii) local investment plans, called Integrated Communal Development Investment Plans for REDD+ (PDIC/REDD+) and (iv) land tenure right securing. The PDIC/REDD+ is an investment tool designed and successfully tested under the DFWMP with the following characteristics: (i) it is designed



by the beneficiaries and executed by the Commune using a result-based approach; (ii) it focuses on priority conservation areas (forests, woodlands, collective pasture...) identified by the communities themselves; (iii) it forms a complete package with three types of activities that are interlinked: forest management activities<sup>21</sup>, governance and land tenure security<sup>22</sup>, and alternative economic development opportunities<sup>23</sup>. In addition, the project will promote climate-smart agriculture (CSA) practices improving soil management, carbon sequestration and agriculture productivity through technologies such as zaï and manure pits; agro-forestry; bio-compost; integrated nutrient and pest management; and activities under ASP systems. . Finally, the fiduciary, administrative and reporting capacities of new communes will be strengthened.

**33. Component 2: Governance and Enabling Environment and Climate Valuation (IDA: approx. US\$10 millions).**

The objective of this component is to tackle the underlying drivers of landscape degradation and deforestation and promote sustainable approaches at central/national level focusing on policies, planning, regulatory framework, institutional strengthening and capacity building. Activities will include supporting the development of new REDD+ legislation and decrees and strengthening the harmonization of regulations and codes from potentially overlapping sectors (mining, energy, etc.). Efforts will focus on mainstreaming climate resilience in rural infrastructure planning along with supporting an inclusive approach as part of the land use planning process. Investments will also strengthen capacity for national-level inter-sectoral coordination on landscape management including agriculture, mining, transport and support the enforcement of sustainable firewood and ASP policies. Overall, communities will benefit from a more reliable and strengthened institutional and regulatory framework for NTFPs, bio-digesters and targeted value chains. In addition, the project will aim to attract climate finance, building on the results achieved under the FCPF readiness grant. Aligned with the post 2020 Paris Agreement and the Burkina Faso NDC, activities would be integrated since the concept as part of Burkina Faso's jurisdictional Emission Reduction Program (ER Program), and would support its operationalization by developing the methodological and crediting framework for the ER Program, and setting up the appropriate institutional arrangements with relevant capacity building. Climate finance mobilized would be re-invested into integrated landscape management and other local and agricultural-based development activities in line with the *Climate Smart Agriculture Investment Plan*.

**34. Component 3: Entrepreneurship and Sustainable Value Chain Development (IDA: approx. US\$15 million; PROGREEN: US\$3 million).**

The objective of this component is to strengthen, improve and facilitate value chain development in ASP and conservation systems. Improving the enabling environment for entrepreneurship and investments in sustainable "green economy" landscapes, including for NTFPs and transformation, is a key step. Activities will include securing tenure rights for targeted NTFPs production areas (shea, which is one of the most profitable NTFP, but also jatropha, moringa, honey, bio-digesters and compost, etc.) and improving the access to finance (dedicated financial instruments, innovative financing schemes, micro-finance) thus maximizing finance for development (MFD). A range of interventions at farm level will further support the professionalization of selected value chains. These interventions include investments for responsible commodity production; entrepreneurship skills training, particularly for young people and women; standardization of value chain products and transformation and support to cooperatives.

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<sup>21</sup> Forest management activities (type 1) intent to increase the carbon sequestration and the economic return of the conservation areas; they include reforestation; assisted natural regeneration; plantations; fire protection; delimitation, land right identification and securing, design and enforcement of management plans; production of sustainable firewood and non-timber forest products, etc...

<sup>22</sup> The governance and land tenure activities (type 2) intent to focus on the underlying drivers of land degradation and improve land governance; they include setting up local management committees; clarifying and securing land rights on common land (delimitation and registration of forests, setting up consensus-based land use charters) and support peace-building mechanisms and land-use conflict management;

<sup>23</sup> The development activities (type 3) include multiple types of agriculture and rural development that offer alternative opportunities to the communities affected by the securing of the forest sites and the enforcement of the strengthened land-use regulations. They include various type of productive investments related to agriculture (village gardens, small wells, NTFP transformation centers, restoration of degraded areas...), livestock (manure pits, vaccination parks, beehives...) and livelihoods in general (clean energy solutions (biodigesters, improved cookstoves...).



Finally, a set of activities will improve market access and profitability of selected value chains. These activities include a COVID 19 impact assessment on selected value chains; quality improvements and control on final products; mobilizing Public Private Partnership (PPP) initiatives for landscape ASP investments; supporting certification and labeling including “zero-deforestation” approach; strengthening agricultural market information system; and promoting domestic and export market outreach.

35. **Component 4: Project Coordination, Monitoring & Evaluation (IDA: approx. US\$10 million; PROGREEN: US\$3 million).** The objective is to monitor the project activities on the ground and support knowledge management, including the inclusion of Impact evaluation studies and disseminations of the main lessons learned. This component will also support the procurement and Financial Management (FM) of the project. The Monitoring and Evaluation (M&E) system of the DFWMP will be adapted and strengthened to include data from the additional communes.

36. **The primary beneficiaries will include Communes and local authorities; State’s technical services at central and decentralized level; Producers’ organizations and community members (including farmers and pastoralists); Private sector actors (cooperatives and production small and medium size enterprises); Private investors ready to support specific “sustainable” Value Chains; and civil society and community-based groups that will be involved in landscape governance in particular women and young citizens.**

Legal Operational Policies	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

Summary of Screening of Environmental and Social Risks and Impacts

37. The following Environmental and Social Standards (ESS) are expected to apply to the project: ESS1 (Assessment and Management of Environmental and Social Risks and Impacts); ESS2 (Labor and Working Conditions); ESS4 (Community Health and Safety); ESS5 (Land Acquisition, Restrictions of Land Use and Involuntary Resettlement); ESS6 (Biodiversity Conservation and Sustainable Management of Living Natural Resources); ESS8 (Cultural Heritage); and ESS10 (Stakeholder Engagement and Information Disclosure).

38. **Environment and Social risks (E&S) is rated as Substantial.**

39. **The environmental risk rating is estimated to be moderate** as the project’s activities are not expected to directly generate irreversible negative risks or negative impacts on the environment. On the contrary, the impact on the environment is expected to be significantly positive through measures, such as: (i) reduced land degradation, (ii) the rehabilitation of degraded land; (iii) carbon sequestration through increased vegetation and soil carbon; (iv) the strengthening of participatory community-based landscape management; and, (v) higher potential revenues from productive forest products value chains. In addition, the project will promote agricultural practices that do not use chemical fertilizers or pesticides.

40. **The project’s overall social risk is classified as substantial** at this stage due to increased pressures on land and water, as well as insecurity and displacement, which drive not only forest degradation, but also social conflict-- and rivalry between communities. While zoning/ demarcation and tenure security is thought to help alleviate tension, the



situation is complex (customary tenure, overlapping rights, existing conflict/rivalry over access to land/resources, security issues), and these efforts when not successful may also exacerbate the situation.

41. The project is expected to deliver significant positive environmental and social outcomes. It will support participative and land tenure diagnostics through games involving role-play at commune and village level; design and PDIC/REDD+; set up local management committees for each investment and agreements (charters); facilitate gender mainstreaming in local development plans; and clarify and secure land rights on common land. In addition, activities will tackle conflicts around land use and support peace-building mechanisms given the FCV context. Based on the lessons learned from the DFWM Project, there will be a strong focus on public consultation for the land tenure activities.

42. An Environment and Social Review will be conducted during preparation to assess any potential shortcomings in implementation. As much as possible, the project will adopt protocols and procedures that would combine the project requirements and the national regulations, especially for the consultations related to the restriction of access (to be aligned with the provision of law 034/2012) and the grievance mechanisms in case of conflicts over land use. The project will promote agriculture practices that do not use chemical fertilizer or pesticides.

43. **Due to the COVID-19 pandemic**, restrictions on transport and movement could potentially limit the uptake of landscape activities on a large-scale and put additional burden on the government's institutional capacity and limited budget resources. In line with the World Bank Group COVID-19 Crisis Response Approach Paper (June 2020), the World Bank jointly with the Government of Burkina Faso will design, during project preparation, a COVID-19 Response Plan.

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## CONTACT POINT

### World Bank

Loic Jean Charles Braune  
Senior Natural Resources Management Specialist

### Borrower/Client/Recipient

Ministry of Finance

### Implementing Agencies

Ministry of Environment Green Economy and Climate Change  
PAMOUSA Ouedraogo  
General Director of Green Economy and Climate Change  
ouedpams@yahoo.fr



**FOR MORE INFORMATION CONTACT**

The World Bank  
1818 H Street, NW  
Washington, D.C. 20433  
Telephone: (202) 473-1000  
Web: <http://www.worldbank.org/projects>

**APPROVAL**

Task Team Leader(s):	Loic Jean Charles Braune	
<b>Approved By</b>		
Practice Manager/Manager:		
Country Director:	Elisee Ouedraogo	06-Jan-2021

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