



RESTRUCTURING PAPER
ON A
PROPOSED PROJECT RESTRUCTURING
OF
DRC IMPROVED FORESTED LANDSCAPE MANAGEMENT PROJECT
APPROVED ON JUNE 24, 2014
TO
MINISTRY OF ENVIRONMENT, AND SUSTAINABLE DEVELOPMENT
ENVIRONMENT, NATURAL RESOURCES & THE BLUE ECONOMY
AFRICA EAST

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ABBREVIATIONS AND ACRONYMS

AF	Additional Financing
CAFI	Central African Forestry Initiative
DIA	Delegated Implementing Agency
DRC	Democratic Republic of the Congo
FIP	Forest Investment Program
FRMi	Forêt Ressources Management Ingénierie
GEF	Global Environment Facility
IFLMP	Improved Forested Landscape Management Project
IP	Implementation Progress
ISR	Implementation Status Report
LDC	Local Development Committee
NGO	Non-governmental organization
NRMP	Natural Resources Management Plan
PES	Payment for Ecosystem Services
PDO	Project Development Objective
PIREDD Mai-Ndombe	Integrated REDD+ Program in the Mai-Ndombe Province
REDD+	Reducing Emissions from Deforestation and Forest Degradation
SDP	Sustainable Development Plan
SMP	Sustainable Management Plan
WWC	Wildlife Works Carbon



Note to Task Teams: The following sections are system generated and can only be edited online in the Portal.

BASIC DATA

Product Information

Project ID P128887	Financing Instrument Investment Project Financing
Original EA Category Partial Assessment (B)	Current EA Category Partial Assessment (B)
Approval Date 24-Jun-2014	Current Closing Date 31-Dec-2022

Organizations

Borrower MINISTRY OF ENVIRONMENT, and SUSTAINABLE DEVELOPMENT	Responsible Agency Ministry of Environment, and Sustainable Development
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Project Development Objective (PDO)

Original PDO

The project development objective is to test new approaches to improve community livelihoods and forested landscape management, and to reduce greenhouse gas emissions from deforestation and forest degradation in selected areas in the Recipient's territory.

Summary Status of Financing (US\$, Millions)

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net		
					Commitment	Disbursed	Undisbursed
TF-A5081	28-Jun-2017	18-Jul-2017	18-May-2018	31-Dec-2022	18.22	10.60	7.62
TF-16869	08-Oct-2014	08-Oct-2014	29-Apr-2015	30-Jun-2020	36.90	36.87	.03



Policy Waiver(s)

Does this restructuring trigger the need for any policy waiver(s)?

No

I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

A. Project Status

1. **As per its latest Implementation Status Report (ISR) the Improved Forested Landscape Management Project (IFLMP) is rated Satisfactory** for both Progress towards achievement of Project Development Objective (PDO) and Overall Implementation Progress (IP).
2. **IFLMP financing includes the following grants, all under implementation:**
 - **The Forest Investment Program (FIP) grant (Grant Agreement TF16869) closed in June 2020 as planned, with 100% disbursement.** Results include 17,166 hectare of agroforestry plantations (85% of the overall objective) to provide more sustainable agricultural commodities and charcoal to the city of Kinshasa; 17,422 hectares of exclosures to protect land forest and savanna areas from bushfire and facilitate natural regeneration; 86,625 efficient cookstoves disseminated (115% of the objective). In addition, natural resources management plans were developed and approved over an area of 3.2 million hectares, and 252 kilometers of roads were rehabilitated to support rural connectivity. 15,700 households or 110,000 inhabitants have benefited from the project (92% of the objective).
 - **The Central African Forestry Initiative (CAFI) Additional Financing (AF) (Grant Agreement TFA5081) supporting the Integrated REDD+ Program in the Mai-Ndombe Province (PIREDD Mai-Ndombe) (Component 1(B) of IFLMP) became effective in May 2018 and is 52% disbursed.** Implementation has progressed although the COVID-19 crisis and related restrictions put a strain on activities over the period March to September 2020. As per the lastest ISR, 226 Local Development Committees (LDC) have been created/dynamized (out of the 600 expected) and 190 Natural Resources Management Plans (NRMP) have been validated. About 500 hectares of agroforestry plantations have been implemented and nearly 200,000 USD in Payment for Ecosystem Services (PES) has been distributed to communities. During COVID-19 restrictions, the Delegated Implementing Agency (DIA) and its non-governmental organization (NGO) partners remained in the field to keep local communities engaged and safeguard the project's achievements and credibility.
 - **The Global Environment Facility (GEF) AF (Grant Agreement TFA9933) supporting PIREDD Mai-Ndombe and the Tumba Lediima Nature Reserve in the same Province became effective in March 2020.** Implementation started in September 2020 after the Bank lifted suspension measures in DRC related to the reimbursement of lapsed loans and ineligible expenses.



B. Rationale for Restructuring

3. **As per the Financing Agreement of the CAFI AF, PIREDD Mai-Ndombe is implemented through a DIA under a Partnership Agreement.** A consortium led by Forêt Ressources Management Ingénierie (FRMi) and Wildlife Works Carbon (WWC) was selected as DIA and signed the Partnership Agreement in May 2018.
4. **The GEF AF Financing Agreement provides for the Partnership Agreement to be amended to implement additional GEF AF activities under Component 1(B). However, it excludes from the Partnership Agreement specific activities while their effective and cost-efficient implementation would require (i) significant operational synergies with activities implemented by the DIA, and (ii) the DIA's project infrastructure already in place in Mai-Ndombe (including its 4 bases and logistical means, expertise on safeguards and monitoring & evaluation etc.).** These activities include:
 - Activity 1.B(a)(iv) & (v) which will expand the scope of the Sustainable Development Plans (SDPs) and Sustainable Management Plans (SMPs) to cover biodiversity conservation and develop additional incentives for local communities to preserve their forests, and activities 1.B(c)(iv) & (v) which will support the implementation of SMPs including for two Local Development Committees (LDCs) to develop REDD+ sub-projects. The development and implementation of SDPs and SMPs are currently supported by the DIA (CAFI AF). The proposed activities will have to rely on the DIA's existing engagement with LDCs and technical dialogue with provincial authorities.
 - Activity 1.B(f)(ii) which will support the establishment of two community forest concessions managed by Indigenous Peoples (IPs) and provide incremental funding to current CAFI AF support to micro-projects for IPs. CAFI AF activities supporting IPs fall under the current Partnership Agreement with the DIA.
5. **Against this backdrop, and in line with government's request to the Bank dated September 10, 2020, it is proposed to restructure the project's to expand the scope of the Partnership Agreement to include GEF AF activities 1.B(a)(iv) & (v), 1.B(c)(iv) & (v) and 1.B(f)(ii) to ensure more efficient and cost-effective implementation through the DIA.**

II. DESCRIPTION OF PROPOSED CHANGES



- 6. **It is proposed to amend GEF Grant Agreement TFA9933 to no longer exclude activities 1.B(a)(iv), 1.B(c)(iv) & (v) and 1.B(f)(ii) from the Partnership Agreement.** Section B.1. of Schedule 2 to the current Grant Agreement would be deleted and replaced by the following: *“To facilitate the carrying out of Component 1(B) of the Project, except for sub-components 1.B(a) (vi) and 1.B(h), the Recipient, through the FIP Coordination Unit, has made the proceeds of the Grant available to a Delegated Implementing Agency under a partnership agreement entered into by the Recipient and said agency, under terms and conditions approved by the World Bank, as further described in the Project Implementation Manual (“Partnership Agreement”).”* All other provisions of the Grant Agreement TFA9933 that have not been amended would remain in full force and effect.
- 7. **In addition, another Amendment Letter is issued to revise CAFI Grant Agreement TFA5081 for coherence between financing sources and respective agreements,** including 1) the withdrawal schedule to isolate sub-component 1.B.f (financed by both TFA9933 and TFA5081) and 2) the description of activities.

III. SUMMARY OF CHANGES

	Changed	Not Changed
Institutional Arrangements	✓	
Implementing Agency		✓
DDO Status		✓
Project's Development Objectives		✓
Results Framework		✓
Components and Cost		✓
Loan Closing Date(s)		✓
Cancellations Proposed		✓
Reallocation between Disbursement Categories		✓
Disbursements Arrangements		✓
Disbursement Estimates		✓
Overall Risk Rating		✓
Safeguard Policies Triggered		✓
EA category		✓
Legal Covenants		✓
Financial Management		✓
Procurement		✓
Implementation Schedule		✓
Other Change(s)		✓



Economic and Financial Analysis		✓
Technical Analysis		✓
Social Analysis		✓
Environmental Analysis		✓

IV. DETAILED CHANGE(S)

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