**PROJECT INFORMATION DOCUMENT (PID) APPRAISAL STAGE**

Report No.: 136006

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| **Project Name** | REDD+ Readiness preparation - Togo (P149942) |
| **Region** | AFRICA |
| **Country** | Togo |
| **Sector(s)** | Forestry (60%), Public administration- Agriculture, fishing and forestry (20%), General agriculture, fishing and forestry sector (20 %) |
| **Theme(s)** | Climate change (70%), Environmental policies and institutions (20%), Other rural development (10%) |
| **Project ID** | P149942 |
| **Borrower(s)** | Republic of Togo |
| **Implementing Agency** | Ministry of Environment and Forest Resources |
| **Environmental Category** | B - Partial Assessment |
| **Date PID Prepared/ Updated** | January 28, 2019 |
| **Date PID Approved/ Disclosed** |  |
| **Estimated Date of Board Approval** | N/A |

# Introduction and Context

## Country Context

With an area of 56,600 km2 and a population estimated at 7,552,318 inhabitants in 2015, of whom 51 percent are women and 60 percent are under 25 years of age (Togo's Population Outlook 2011-2031), Togo is a small country located in West Africa between Ghana, Benin and Burkina-Faso. The country is only 100 kilometers wide, creating a natural corridor that lends itself well to the country’s ambitions of becoming a transshipment hub and logistics platform for the West African subregion. Just over a quarter of Togo’s population lives in the wealthier, more industrialized coastal area where the capital city of Lomé is located. During the decades following 1980s, the country has faced a number of socio-economic troubles that led to the deterioration of economic and social conditions. As consequences, the level of poverty in the country increased significantly with 60% of the population living below the poverty line.

Poor people in Togo are more likely to be living in rural areas, working primarily in agriculture, and relatively isolated from markets and services. Just over three-quarters (77 percent) of poor people live in rural areas, which have a higher incidence of poverty (69 percent) compared to Lomé (35 percent) and other urban areas (38 percent). The incidence of poverty is highest in rural areas where three out of four households are poor against two out of five in urban areas. The most poverty-stricken regions are Savannah (91 percent), Central (78 percent) and Kara (75 percent). As one of the least developed countries (LDCs), the GDP of Togo was US$ 4.34 billion in 2013.

One of the main drivers of economic growth has been agricultural production, which accounts for approximately half of the country’s GDP and over 60 percent of employment. Togo’s real GDP growth has been positive and sustained since 2008, rising from an average of 4.3 percent over the 2008-2012 period to 5.5 percent over the 2013-2016 period, with a peak of 6.1 percent in 2014 (PND Togo, 2018-2020). Agricultural production has benefitted from good climatic conditions and recent initiatives that have led to an increase in the productivity of cereals, cash crops and livestock.

Seventy percent of Togo’s population depends heavily upon the country’s increasingly degraded lands for their subsistence and commercial agriculture activities. Most agriculture is subsistence in nature, performed using traditional practices and vulnerable to climate changes and market price fluctuations. Yields of major export crops (cotton, coffee and cocoa) have been declining, and meat and fish production are also low. There is a dearth of rural infrastructure and the existing infrastructure is poorly maintained, which together are a great constraint to growth. The agriculture sector is projected to be a major source of employment and growth in the country in the foreseeable future and one of the key means of fighting poverty.

Following the socio-political crisis of the 1990s, which resulted in the suspension of the cooperation with European Union and other donors, Togo ended up in recent years in a difficult socio-economic situation characterized by a deterioration of the economic situation (significant decline in the GDP growth rate) and a severe and growing poverty. The low revenue, the suspension of some assistance since 1993 and the absence of a program with Bretton Woods’ institutions resulted in the excessive weight of public debt, the reduction of public and private investment and the deterioration of social services (MEFP, 2003).

Togo’s non-poor population remains vulnerable to a variety of adverse shocks, including economic downturns, natural disasters, normal weather variability, and illness. In 2011, over 50 percent of households in the bottom three quintiles of the consumption distribution claimed that drought or badly timed rainfall had adversely affected them in previous year. Households also reported experiencing adverse price movements, crop and animal disease, floods, and illness of a household member in significant percentages. Soil degradation, high input prices, and weather shocks were reportedly more pronounced among poor people. Given such risks, approximately 22 percent of the population was recently estimated to have fallen into poverty as a result of temporary adverse shocks, and another 20 percent of the population was determined to be non-poor but vulnerable to falling into poverty. In 2015, 10 percent of people consume only 20 percent more than the poverty line, and 70 percent of the population lives on under US$3.10 per day (2011 Purchasing Power Parity, PPP).

The primary sector is the largest provider of jobs in Togo. It uses about 70 percent of the labor force and is dominated by food production which account for over 60 percent of agricultural GDP. Production of annuity products (cotton, coffee and cocoa) contributes only to 12 percent. In general, agricultural production in Togo is characterized by (i) small size farms exploited by households with low income, (ii) low productivity and (iii) archaic methods of production. The secondary sector is dominated by extractive industries (phosphate and clinker) and the food and drink industries. Then there are the branches of energy and water, and finally those of building and public work. The high contribution of the tertiary sector to GDP (about 36 percent) is mainly due to the traditional importance of transit operations through the harbor of Lomé.

Disparities between Lomé and other cities and rural areas are great. The capital dominates other cities by its demographic, political, economic and socio-cultural weight. In fact, more than 60 percent of the country's urban population and nearly a quarter of the national population live in Lomé. All political and administrative powers, the majority of economic activities and more than half of school facilities are concentrated in Lomé while more than 90 percent of industries and commercial activities are located in the city and its surrounding areas. In urban areas, the incidence of poverty is 37 percent, corresponding to 20 percent of the poor.

The death of President Gnassingbé Eyadéma in 2005, followed by the election of his son President Faure Gnassingbé a few months later, marked an important milestone in the country’s recent history, as it would be followed by political negotiations to advance democratic reforms and lead to the return of development partners. Negotiations held in 2006 resulted in a Global Political Accord (GPA) signed by the ruling party and opposition led to free and fair legislative elections in 2007, with strong participation among opposition groups, and reforms in the military. This put the country onto a path of increased political and social stability and normalization of relations with international partners in a context of strong optimism.

Togo’s political ambition to increase the country’s forest cover to 30% by 2050 is inscribed in the 2013-2017 Accelerated Growth and Employment Promotion Strategy (*Stratégie de croissance accélérée et de promotion de l’emploi,* SCAPE), now succeeded by the 2018-2022 National Development Plan (*Plan national de développement*, PND) – which also recognizes REDD+ as a national development priority. REDD+ is also a critical component of Togo's Nationally Determined Contribution (NDC) to the United Nations Framework Convention on Climate Change’s (UNFCCC) Paris Accord. REDD+ is also supporting the implementation of the forest code and the national forest policy. In addition, given that the major drivers of deforestation come from agriculture and energy, REDD+ is synergetic with the National Program for Agricultural Investment and Food and Nutritional Safety (*Programme agricole de sécurité alimentaire et nutritionnelle*, PNIASAN) and the Program for the Promotion of Solar Energy (*Programme de valorisation de l'énergie solaire***,** PROVES).

## Sectoral and Institutional Context

*Context and drivers of deforestation and forest degradation*: Togo has been assessed to have one the world’s highest level of forest loss relative to forest area (5.1 percent between 2000 and 2010) and is thus classified as a low forest cover-high deforestation (LFHD) country. The REDD+ process in Togo aims to curb this trend so that a key portion of these remaining forests can subsist and survive the national forest transition. Togo has integrated REDD+ into its National Development Plan, recognizing the important contribution of forests and trees outside forests to biodiversity, society and economic growth. Deforestation and forest degradation in Togo are a result of overlapping factors interacting at the global, regional and local level, of which some are ‘direct’ drivers of deforestation, like agricultural expansion, infrastructure development, and wood harvesting. Interacting with these, are several ‘indirect’ drivers, institutional and location-specific factors, often associated with economic growth, demographic change, policy incentives in other sectors (i.e., land use and energy) and technology changes; and political and socio-economic factors like poverty, migration, and land tenure and use rights (Geist and Lambin 2002).

The challenge of the strong deforestation and degradation trend of Togo’s forests offers a unique opportunity to formulate a REDD+ strategy as a comprehensive approach to rural development, integrating mitigation as well as adaptation to climate change. There is great political ambition to increase forest cover across the territory expressed in national policy and strategy documents. With this backdrop, the Ministry of Environment and Forest Resources associated itself with the REDD+ process supported by the Forest Carbon Partnership Facility (FCPF), administered by the World Bank. This process is participatory in accordance with a holistic approach that takes into account all socio-economic and ecological aspects while putting people at the center of all interventions. Togo’s REDD+ process aims to achieve four main outcomes: (1) a functioning institutional framework and qualified national expertise developed to drive the REDD+ process; (2) reliable studies are conducted and quality reports produced to inform the development of the REDD+ Strategy; (3) a REDD+ strategy is validated through concerted action by all the stakeholders concerned; and (4) an effective system is established for the monitoring and evaluation of the development of forest resources at the national level.

Institutional and Policy framework for REDD+: On April 2014, the Ministry of Environment and Forestry Resources (MERF) enacted a decree (Ministerial Order NO 093/MERF) setting the creation, composition and attribution of National REDD+ Committee. The latter is created within the MERF and encompasses the representatives of thirteen ministries, civil society organizations and those of technical and financial partners.

Currently under implementation by the Ministry of Environment and Forest Resources (MERF), the original grant of US$3.8 million, under implementation, is progressing well. In September 2017, Togo self-assessed its REDD+ Readiness Preparation process using the FCPF REDD+ Readiness Assessment Framework’s evaluation criteria and submitted the results to the 24th meeting of the FCPF Participants Committee (September 2017) through a Mid-Term. The Mid-Term Report (MTR) identified the remaining gaps and associated financial needs to complete the REDD+ Readiness Preparation process, resulting in Togo’s request for an additional US$ 2.93 million from the FCPF. The request was approved by the FCPF Participants Committee on September 27, 2017, subject to the availability of funds which were later confirmed by the FCPF Secretariat on February 13, 2018 and subject to World Bank due diligence.

Since the start of operational activities in October 2015, Togo has been implementing REDD+ Readiness activities as defined in its Readiness Preparation Proposal (R-PP) with the support of three programs: (i) the ongoing REDD+ Readiness Preparation Project (P149942) funded by the FCPF (original grant), covering a period of 2015-2018; (ii) the Readiness and Rehabilitation of Forests in Togo REDD+ support program ("ProREDD") funded by the German government and implemented by GIZ, covering an initial phase for the period 2014-2016 and a second phase for the period 2017-2019; (iii) the Integrated Disaster and Land Management Project (IDLMP) funded by the World Bank (P123922), covering the period 2012-2017; as well as a contribution from the Togolese government. The total cost of Togo’s R-PP was identified as US$ 6.88 million, of which US$ 5.80 million were received from these sources. Following Togo’s self-assessment of progress at mid-term in July 2017, the updated total cost of needs to complete the REDD+ Readiness process was estimated at US$ 2.93 million[[1]](#footnote-1).

**Consistency with Togo’s Country Partnership Framework (FY17-FY20)**. The AF activities are consistent with the FY17-FY20 Country Partnership Framework (Report No. 112965-TG). The Country Partnership Framework identifies governance as a foundational and cross cutting theme, to which the project is contributing by strengthening institutions and citizens engagement. In addition, the project contributes to: (i) CPF Focus Area 1 (Private Sector Performance and Job Creation) through productive activities in the forest, agriculture and energy sectors; and (ii) CPF Focus Area 3 (Environmental Sustainability and Resilience) through strengthened management of productive natural resources and resilience and adaptation to climate change. Focus Area 3 contains specific indicators to increase the forest area brought under management plans and to increase the area covered by monitoring system for land use vegetation and carbon.

The World-Bank is supporting the government of Togo by financing some synergetic projects with REDD+ such as the IDLM (P121152), which has strengthened institutional capacities to manage land degradation while promoting sustainable land management practices, and the West Africa Coastal Areas Resilience Project (P162337) which will finance investments to protect vulnerable areas from coastal pressures. The latter project will promote conservation of sensitive coastal ecosystems and introduce sustainable land management practices and alternative income generating activities to reduce ongoing land degradation and pressure on natural ecosystems in the coastal zone. The West Africa Agricultural Productivity Program (P158983), of which Togo is a part of, as well as the Agriculture Sector Support Project (P159637) and Togo Energy Sector Support and Investment Project (P160377) will take into account the environment in the project measures to reforest the degraded vegetation cover during construction, in addition to environmental and social monitoring.

# Proposed Development Objective(s)

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The development objective is to reinforce the Republic of Togo’s capacity to design a socially and environmentally sound national strategy to reduce emissions from deforestation and forest degradation.

## Key Results

**The results of the original grant remain valid for the AF**, these are:

1. Institutions strengthened at national, regional, and districts levels effectively coordinating and implementing REDD+ readiness with a grievance and redress mechanism operational.
2. A National REDD+ Strategy incorporating SESA outcomes and recommendations is prepared in consultative manner and validated by national stakeholders. An Environmental and Social Management Framework (ESMF) for managing potential social and environmental risks of agreed REDD+ strategy options is prepared and validated including a benefit sharing options.

The following are results indicators specific to the AF and will be reflected in the results framework:

1. Interventions for the National REDD+ Strategy are defined, including approaches to mobilize resources for their implementation;
2. A national Forest Reference Emissions Level (FREL) is established:
	1. the Second National Forest Inventory is conducted;
	2. a historical analysis and quantification of past deforestation is conducted.
3. Monitoring systems for forests and safeguards are established:
	1. a Measurement, Reporting, and Verification (MRV) system for REDD+ is designed;
	2. a National Forest Monitoring System (NFMS) is designed;
	3. an Information System for Safeguards, Governance and Multiple Benefits is designed.

# Preliminary Description

## Concept Description

The proposed additional grant would enable Togo to complete the REDD+ Readiness process at national-level as defined in its Readiness Preparation Proposal (R-PP) submitted to the Forest Carbon Partnership Facility (FCPF).

Specifically, the AF will: (i) ensure the operation and reinforce the capacities of the national REDD+ management bodies[[2]](#footnote-2) to provide political and technical guidance to the development of the REDD+ Strategy; (ii) reinforce the capacities and organization of the main stakeholders[[3]](#footnote-3) for a more effective participation in the development and implementation of the REDD+ Strategy; (iii) finalize the REDD+ Strategy with a detailed action plan and budget for implementation; (iv) enhance the efforts to consult, validate and disseminate the REDD+ strategy at local levels; (v) develope a Measurement, Reporting and Verification (MRV) system for REDD+; (vi) ensure the integration of REDD+ into sectoral strategies and measures; (vii) prepare the Government of Togo to access available funding from REDD+ mechanisms.

# Safeguard Policies that might apply

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| --- | --- | --- | --- |
| **Safeguard Policies Triggered by the Project** | **Yes** | **No** | **TBD** |
| Environmental Assessment OP/BP 4.01 | ✖ |  |  |
| Natural Habitats OP/BP 4.04 | ✖ |  |  |
| Forests OP/BP 4.36 | ✖ |  |  |
| Pest Management OP 4.09 | ✖ |  |  |
| Physical Cultural Resources OP/BP 4.11 | ✖ |  |  |
| Indigenous Peoples OP/BP 4.10 |  | ✖ |  |
| Involuntary Resettlement OP/BP 4.12 | ✖ |  |  |
| Safety of Dams OP/BP 4.37 |  | ✖ |  |
| Projects on International Waterways OP/BP 7.50 |  | ✖ |  |
| Projects in Disputed Areas OP/BP 7.60 |  | ✖ |  |

# Financing (in USD Million)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Total Project Cost: | 2.93 | Total Bank Fin | ancing: | 0.00 |  |
| Financing Gap: | 0.00 |  |  |  |
| **Financing Source** |  | **Amount** |
|  Borrower |  | 0.00 |
|  Carbon Fund |  | 0.00 |
|  Readiness Fund of the Forest Carbon Partnership Facility |  | 2.93 |
|  Total |  | 2.93 |

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1. Detailed information on progress achieved under the original grant and the rationale for additional funds are contained in Togo’s Mid Term Progress Report (MTR) and Request for Additional Funding to the FCPF: <https://www.forestcarbonpartnership.org/sites/fcp/files/2017/July/RMP-Final-12Juillet_version_rev30Aout_EN.pdf> [↑](#footnote-ref-1)
2. The REDD+ National Committee, the REDD+ National Working Group and the REDD+ regional focal points in the country’s five regions. [↑](#footnote-ref-2)
3. The National Council of Civil Society Organizations for Sustainable Development (CNODD); the producer organizations represented by the Togolese Coordination of Producer Organizations (CTOP); the youth represented by the National Youth Council (CNJ); and the women represented by the Togo REDD+ Women's Consortium (CF-REDD+ Togo). [↑](#footnote-ref-3)