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Report No: PAD606

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT AND
INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT
ON A

PROPOSED GRANT

IN THE AMOUNT OF US$16.5 MILLION
FROM THE STRATEGIC CLIMATE FUND

TO

BURKINA FASO

FOR A

FOREST INVESTMENT PROGRAM - DECENTRALIZED FOREST AND WOODLAND MANAGEMENT PROJECT

December 26, 2013

AFTN1
AFTSD

CURRENCY EQUIVALENTS
Exchange Rate Effective August 12, 2013

Currency Unit	=	USD
489 FCFA	=	USD 1
1 EUR	=	USD 1.3

FISCAL YEAR
July 1 – June 30

ABBREVIATIONS AND ACRONYMS

AfDB	African Development Bank
AFD	*Agence Française de Développement*
CAS	Country Assistance Strategy
CPS	Country Partnership Strategy
CDD	Community Driven Development
CIF	Climate Investment Funds
CILSS	International Committee Against Desertification in the Sahel / *Comité Inter-Etat de Lutte contre la Sécheresse au Sahel*
CLIM-GDDF	Climate Governance and Decentralized Sustainable Management of Forests
CO_2	Carbon Dioxide
CONEDD	National Advisory Council on Environment and Sustainable Development / *Conseil National pour l'Environnement et le Développement Durable*
CVD	Village Development Council */ Conseil villageois de développement*
DA	Designated Account
DAF	*Direction de l'Administration et des Finances*
DCMEF	Directorate of Public Procurement and Financial Commitments
DCIME	Competencies Development, Information and Environmental Monitoring Unit / *Division du développement des compétences, de l'information et du monitoring en environnement*
DDD	Directorate of Sustainable Development (SDD) / *Direction du développement durable*
DGCMEF	General Direction for Public Procurement and Oversight / *Direction générale du Contrôle, des Marchés et des Engagements Financiers*
DGESS	Director General of Studies and Sector Statistics
DGFF	General Direction for Forests and Fauna
DGM	Dedicated Grant Mechanism for Indigenous Peoples' and Local Communities
DGPEDD	General Directorate for Environmental Protection and Sustainable Development
DMP	Public Procurement Department
DREDD	Regional Director for Environment and Sustainable Development / *Direction régionale de l'environnement et du développement durable*
EC	European Commission
ESMF	Environmental and Social Management Framework
EU	European Union
FCPF	Forest Carbon Partnership Facility
FIP	Forest Investment Program
FM	Financial Management
GCCA	Global Climate Change Alliance
GDP	Gross Domestic Product
GDT/REDD+	Sustainable Land Management/REDD+ / *Gestion Durable des Terres/REDD+*
GEF	Global Environment Facility
GHG	Greenhouse Gas
IBRD	International Bank for Reconstruction and Development
ICB	International Competitive Bidding
IDA	International Development Association

IFN	National Forest Inventory / *Inventaire forestier national*
IPE	Poverty Environment Initiative / *Initiative Pauvreté - Environnement*
ISR	Implementation Status Report
LPDRD	Policy Letter on Decentralized Rural Development /*Lettre de politique de développement rural décentralisé*
MASA	Ministry of Agriculture and Food Security/*Ministère de l'Agriculture et de la sécurité alimentaire*
MDG	Millennium Development Goal
MEDD	Ministry of Environment and Sustainable Development / *Ministère de l'Environnement et du développement durable*
M&E	Monitoring and Evaluation
MRAH	Ministry of Animal and Fishery Resources/*Ministère des Ressources Animales et Halieutiques*
MRV	Measurement, Reporting and Verification
NCB	National Competitive Bidding
NGO	Non-Governmental Organization
NRM	Natural Resources Management
NTFP	Non-Timber Forest Products
ONEDD	Environment and Sustainable Development Observatory / *Observatoire pour l'environnement et le développement durable*
PAFASP	Agricultural Diversification and Productivity Project / *Programme d'appui aux filières agro-sylvo-pastorales*
PANE	National Action Plan for the Environment/ *Plan d'Action National pour l' Environnement*
PAPSA	Productivity and Food Security Project / *Projet d'Amélioration de la productivité et de la sécurité alimentaire*
PASF	Forest Sector Support Project / *Projet d'Appui au Secteur forestier*
PDC	Local Government Development Plans / *Plans de développement communaux*
PGDFEB	Decentralized Forest and Woodland Management Project / *Projet gestion décentralisée des forêts et espaces boisés*
PGFC/REDD+	Classified Forest Management Program/ REDD+/ *Programme de gestion des forêts Classées/REDD+*
PIM	Project Implementation Manual
PNGT	Community Based Rural Development Program / *Programme national de gestion des terroirs*
PNSR	National Program for the Rural Sector / *Programme national du secteur rural*
PPAAO	Agricultural Productivity Project for West Africa / *Projet de productivité agricole en Afrique de l'Ouest*
PPG	Project Preparation Grant
PROFOR	Program on Forests
PRSP	Poverty Reduction Strategy Paper/ *Cadre stratégique de lutte contre la pauvreté (CSLP)*
PTF-DRSAE	Technical and Financial Partners - Rural Development, Food Security and Environment Group/ *Partenaires Techniques et Financiers - Groupe développement rural, sécurité alimentaire, et environnement*
PVD	Village Development Plans / *Plans villageois de développement*
REDD+	Reducing Emissions from Deforestation and Forest Degradation
R-PP	Readiness Preparation Proposal
SCADD	*Stratégie de croissance accélérée et de développement durable*
SCF	Strategic Climate Fund
SP/CONEDD	Permanent Secretary of CONEDD / *Secrétaire permanent du CONEDD*
SILEM	Sahel Integrated Lowland Ecosystem Management Project
SLM	Sustainable Land Management
SYSCOA	West Africa accounting system
UNDP	United Nations Development Program
WB	World Bank

Vice President:	Makhtar Diop
Country Director:	Ousmane Diagana
Country Manager:	Mercy Miyang Tembon
Sector Director:	Jamal Saghir
Sector Manager:	Benoit Bosquet
Task Team Leader:	Hocine Chalal

BURKINA FASO
FIP- DECENTRALIZED FOREST AND WOODLAND MANAGEMENT PROJECT

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PAD DATA SHEET

Burkina Faso

FIP - DECENTRALIZED FOREST AND WOODLAND MANAGEMENT PROJECT (P143993)

PROJECT APPRAISAL DOCUMENT

AFRICA

AFTN1

Report No.: PAD606

Basic Information		
Project ID P143993	EA Category B - Partial Assessment	Team Leader Hocine Chalal
Lending Instrument Investment Project Financing	Fragile and/or Capacity Constraints [ ]	
	Financial Intermediaries [ ]	
	Series of Projects [ ]	
Project Implementation Start Date 22-Jan-2014	Project Implementation End Date 31-Dec-2019	
Expected Effectiveness Date 01-Jul-2014	Expected Closing Date 31-Dec-2019	
Joint IFC No		

Sector Manager	Sector Director	Country Director	Regional Vice President
Benoit Bosquet	Jamal Saghir	Ousmane Diagana	Makhtar Diop

Borrower: Government of Burkina Faso			
Responsible Agency: *Ministère de l'Environnement et Développement Durable*			
Contact:	Urbain Belemsobgo	Title:	FIP Program Coordinator
Telephone No.:	22670247804	Email:	ubelemsobgo@yahoo.fr

Approval Authority
Approval Authority Board/AOB Decision

Project Financing Data(in USD Million)

[ ] Loan	[X] Grant	[ ] Guarantee
[ ] Credit	[ ] IDA Grant	[ ] Other

Total Project Cost:	26.26	Total Bank Financing:	0.00
Financing Gap:	0.00		

Financing Source	**Amount**
Borrower	0.00
Strategic Climate Fund Grant	16.50
EC European Commission	9.76
Total	26.26

Expected Disbursements (in USD Million)

Fiscal Year	2014	2015	2016	2017	2018	2019	2020	0000	0000
Annual	0.50	2.00	3.00	7.00	8.00	4.00	1.76	0.00	0.00
Cumulative	0.50	2.50	5.50	12.50	20.50	24.50	26.26	0.00	0.00

Proposed Development Objective(s)

The project objective is to promote national development policies and support the definition and implementation of community-based natural resource management processes in 32, mostly rural, communes in Burkina Faso to strengthen sustainable local development practices and contribute to reducing GHG emissions from deforestation and woodland degradation.

Components

Component Name	**Cost (USD Millions)**
Component 1: Mainstreaming Climate Change and REDD+ into Sectoral Frameworks and Strategies	6.10
Component 2: Participatory Planning and Management of Forests and Woodlands	17.10
Component 3: Coordination and Information and Knowledge Sharing	3.10

Institutional Data
Sector Board
Environment

Sectors / Climate Change				
Sector (Maximum 5 and total % must equal 100)				
Major Sector	Sector	%	Adaptation Co-benefits %	Mitigation Co-benefits %
Agriculture, fishing, and forestry	Forestry	60	40	60
Agriculture, fishing, and forestry	General agriculture, fishing and forestry sector	20	60	40
Energy and mining	Other Renewable Energy	10	10	90
Public Administration, Law, and Justice	Public administration-Agriculture, fishing and forestry	10	90	10
Total		100		

☐ I certify that there is no Adaptation and Mitigation Climate Change Co-benefits information applicable to this project.

Themes		
Theme (Maximum 5 and total % must equal 100)		
Major theme	Theme	%
Environment and natural resources management	Climate change	40
Environment and natural resources management	Land administration and management	20
Environment and natural resources management	Other environment and natural resources management	20
Financial and private sector development	Micro, Small and Medium Enterprise support	10
Rural development	Other rural development	10
Total		100

Compliance
Policy

Does the project depart from the CAS in content or in other significant respects?	Yes [ ]	No [X]
Does the project require any waivers of Bank policies?	Yes [ ]	No [X]
Have these been approved by Bank management?	Yes [ ]	No [ ]
Is approval for any policy waiver sought from the Board?	Yes [ ]	No [X]
Does the project meet the Regional criteria for readiness for implementation?	Yes [X]	No [ ]

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

Legal Covenants

Name	**Recurrent**	**Due Date**	**Frequency**
project FM staff trained on disbursement procedures and IFR elaboration		01-Oct-2014	

Description of Covenant

Project FM staff will be trained on report-based disbursement procedures and IFR elaboration

Name	**Recurrent**	**Due Date**	**Frequency**
Purchase and operationalize an accounting software		01-Oct-2014	

Description of Covenant

An accounting software acceptable to the Bank will be purchased, installed and configured in order to record and manage efficiently disbursements under the project

Name	**Recurrent**	**Due Date**	**Frequency**
Endorsement of TOR for external auditor by supreme audit institution		01-Oct-2014	

Description of Covenant

The supreme audit institution in Burkina Faso will have to review and endorse the ToRs for the

external auditor to ensure consistency with national practices and rules.

Conditions

Name	Type
Recruit FM staff in the FIP Coordination Unit with qualifications acceptable to the World Bank	Effectiveness

Description of Condition

This includes a financial management specialist, two accountants

Name	Type
Develop and endorse a project implementation manual	Effectiveness

Description of Condition

A Project Implementation manual will have to be prepared and endorsed to provide detailed procedures for efficiently implementing the project. This PIM will cover both the WB and AfDB components of the FIP initiative in Burkina Faso

Team Composition

Bank Staff

Name	Title	Specialization	Unit
Marie Bernadette Darang	Information Assistant	Information Assistant	AFTN1
Hocine Chalal	Lead Environmental Specialist	Team Lead	AFTN1
Emmanuel Y. Nikiema	Sr Natural Resources Mgmt. Spec.	Sr Natural Resources Mgmt. Spec.	AFTN1
Lucienne M. M'Baipor	Senior Social Development Specialist	Senior Social Development Specialist	AFTCS
Maman-Sani Issa	Senior Environmental Specialist	Senior Environmental Specialist	AFTN2
Roch Levesque	Senior Counsel	Senior Counsel	LEGAM
Gwladys Nadine Isabelle Kinda	Program Assistant	Program Assistant	AFMBF
Loic Jean Charles Braune	Natural Resources Mgmt. Spec.	Natural Resources Mgmt. Spec.	AFTN1
Erik Reed	E T Consultant	Natural Resources Mgmt	AFTN1
Mamata Tiendrebeogo	Senior Procurement Specialist	Senior Procurement Specialist	AFTPW
Boubacar Diallo	Consultant	Consultant	AFTPW
Abdoulaye Gadiere	E T Consultant	Environmental Specialist	AFTN1
Edith Atioumoutio Zannou		E T Consultant	AFTMW

Tchoko			
Non Bank Staff			
Name	**Title**	**Office Phone**	**City**
Lakshara Die	Project Operations Specialist		

Locations

Country	**First Administrative Division**	**Location**	**Planned**	**Actual**	**Comments**
Burkina Faso	Boucle du Mouhoun Region	Boucle du Mouhoun Region	**X**		
Burkina Faso	Centre-Sud	Centre-Sud	**X**		
Burkina Faso	Est	Est	**X**		
Burkina Faso	Southwest Region	Southwest Region	**X**		

I. STRATEGIC CONTEXT

A. Country Context

1. **Burkina Faso has achieved significant and sustained economic growth over the last decade, but continues to face many challenges.** Average economic growth between 2003 and 2008 was over 5 percent per year, one of the highest in West Africa. However, this positive growth has not had a significant impact on poverty reduction or development outcomes. The country's per capita income of US$430 represents less than half the sub-Saharan average. High population growth rates—3.1 percent, also one of the highest in Africa—are projected to result in a doubling of the population in one generation. The demographic trend accelerates environmental degradation which reinforces the cycle of poverty, especially for rural populations who depend on the natural environment for their livelihoods.

2. **Persistent levels of poverty remain a stubborn challenge.** Despite political stability, a strong track record of government decentralization, and steady economic growth in recent years, Burkina Faso remains one of the poorest countries in Africa. Nationally, the poverty rate for the country is estimated at 43.9 percent, with the country ranked 181th of 187 countries in the UNDP Human Development Index (2011). Rural populations remain largely dependent on agriculture and continue to experience higher rates of poverty—50.7 percent of the rural population lives below the poverty line as compared with 23.7 percent in urban areas. Despite favorable public expenditure trends, Burkina Faso is unlikely to meet most of the Millennium Development Goals (MDG), particularly those related to literacy, health and sanitation.[1] Although expenditure in all three sectors has increased,[2] the education, health, water and sanitation sectors remain adversely affected by a marked urban bias combined with regional and, in some cases, gender inequalities.

3. **The economy is susceptible to fluctuations in international markets and climate shocks.** Burkina Faso's economy relies heavily on the performance of the cotton sector (23 percent of exports in 2009, 32 percent in 2008) and gold mining (42 percent of exports in 2009 and 53 percent in 2010). Despite the increases observed in gold and cotton exports the economy remains susceptible to fluctuating gold and cotton prices as well as to the impact of climatic conditions. Agriculture is a fundamental source of livelihood for a large portion of the population, representing 40 percent of GDP, and remains highly dependent on variable weather patterns. However, less than 18 percent of the land in Burkina is cultivable due to poor soil quality and recent droughts and desertification. In addition, the country has experienced deteriorating climatic conditions in recent years. The agricultural campaigns in 2008, 2009 and even 2010 were marked by significant flooding, followed by localized periods of drought which negatively affected the harvest and in turn resulted in an increase in basic food prices nationally.

4. **Agriculture (including livestock and agro-processing) remains the most obvious source of growth and poverty reduction in Burkina Faso.** Between 2001 and 2008, while growth in agriculture exceeded the national average, productivity remained stagnant. With the exception of the cotton sector, agriculture in Burkina Faso is characterized by widespread subsistence farming,

[1] Stratégie de Croissance Accélérée et de Développement Durable (SCADD), 2010. An MDG costing assessment conducted in 2008 demonstrates that attainment of the MDGs will require a threefold increase in spending, which will in turn require efficiency gains and better targeting of social service delivery.

[2] For example, in education, expenditures reached 5.6% of GDP in 2007 from 3.8% in 2000 and in health expenditures reached 1.8% of GDP in 2008 from 1.3% in 2000.

limited access of producers to both internal and external markets, and minimal involvement of agribusinesses. Rural agriculture development has traditionally relied upon unsustainable expansion of land area for cultivation (at a rate of 3 percent per year). In parallel, silvo-pastoral and agroforestry systems rely on well-functioning forest ecosystems for their health, productivity and existence. In a context of high demographic increase and scarcity of quality soil, access to land is identified as one of the major upcoming challenges for the country

5. **Local rural populations depend heavily upon the country's steadily depleting soil, water and vegetation resources.** Situated in the Sahel-Sahara region, Burkina Faso is particularly affected by soil erosion due to wind and water, loss of soil nutrients and bush fires. It is estimated that 34 percent of the territory has deteriorated as a result of anthropogenic factors, continuing at a rate of 105,000 to 250 000 hectares each year, while 74 percent of arid and semi-arid areas are affected by desertification or land degradation. Deforestation rate estimates range from about 0.2 percent per year to 1.5 percent per year. Deforestation is mainly caused by expansion of agricultural land, as well as grazing and over exploitation of forest resources (timber and non-timber products). The network of protected areas with endemic flora and fauna, covering about 14 percent of the territory, is also under pressure. Some areas, such as the PONASI (Po-Nazinga-Sissili) ecosystem, seem to be facing pressure at a much faster rate than elsewhere (overgrazing, agribusiness); these protected areas are used for different purposes such as hunting areas and game ranches, national parks, and ecological corridors. Local populations are unequipped to deal with climatic changes and, as demonstrated during the 2007 droughts and the 2009 floods, this has led to devastating damage and loss of life. Given that scientists have observed a rapid increase in the occurrence of severe weather and erratic climatic conditions, adaptation to climate change will be an increasing priority.

B. Sectoral and Institutional Context

6. **Sustainable management of natural resources is a cornerstone of the national plan to accelerate growth and sustain development.** After a comprehensive assessment of the ten-year implementation of the **Poverty Reduction Strategy Papers** (PRSP), Burkina Faso prepared a **Strategy for Accelerated Growth and Sustainable Development** (SCADD) through a participatory process that engaged a wide variety of stakeholders across the country. The strategy envisions the sustainable management of natural resources as a cornerstone of agricultural development, particularly through an increased pace of reforestation, exploitation of forest wealth and protection of wildlife resources. The **National Rural Sector Program** (PNSR) provides a cohesive framework for development objectives in rural areas to strengthen coherence and coordination among sectoral interventions in rural development. The PNSR specifically seeks to integrate livestock management, agriculture development and environment policies into a multi-sector programmatic approach to development. The PNSR is now the coordinating framework for programming and implementing the interventions in rural areas in Burkina Faso and therefore constitutes a clear institutional framework for the proposed interventions of this project.

7. **Forest resources are critical for livelihoods and the economy.** Forest-based economic activities, including making charcoal and selling forest products make up an important part of some rural households—over 25 percent in some cases—as well as contributing 5.6 percent of GDP. In addition, forests and woodlands provide important environmental and social services in relation to soil fertility, erosion control, watershed protection, and biological diversity (animals for pollen/seeds dissemination, etc.). Such services lead to indirect economic benefits and increase climate resilience at the landscape level. Forests and woodlands provide additional non-economic benefits to local populations (medicinal plants, hunting, fruits/mushrooms, etc.) that can alleviate the impacts of

drought and other climate related challenges. In particular, many tree species (shea tree, nere, gum arabic, etc.) that provide non timber products are traditionally preserved and exploited, mainly by women, which underscores the important role that women have to play in any strategy aiming at preserving forest resources.

8. **Trends show that the forest areas that face the greatest pressures also hold the most significant potential for carbon sequestration through avoided degradation or restoration.** Under the given definition nearly 12.9 million hectares (ha) are considered forested in Burkina Faso based on forest surveys from 2002, roughly 43 percent of the territory. Nearly two-thirds (⅔) of this forest cover—over eight (8) million hectares—is shrubby and woody savanna, and only four (4) million hectares have a designation of "classified forest"—registered forests that are under State management. While the results from the IFN survey in 2012/2013 are being finalized, trends observed between 1992 and 2002, the years of two (2) past forest inventories, provide an indication of trends in deforestation and especially forest degradation. Overall deforestation was estimated at approximately 105,000 ha/year (0.83 percent) and although it is difficult to assess, degradation was estimated to be at least 0.5 million ha/year. Over 70 percent of land cover change observed between '92 and '02 occurred in shrub savanna, primarily as a result of agricultural activities that led to over-harvesting and/or fallow areas that were not allowed enough time to regenerate. The result was land conversion and degradation to a point where land no longer naturally regenerated shrubs and trees that act as a more robust carbon sink.

9. **In addition to local development benefits, multi-use landscapes hold significant potential as carbon sinks.** The Forestry Code of Burkina Faso defines forests as "areas occupied by trees and shrubs, except those dedicated to or resulting from agricultural activities." Reference to forests and woodlands includes a variety of land tenure units such as wooded savanna and gallery forests. The first unique forest inventory was conducted in 1980. The results of a new inventory of forest cover and carbon content carried out in 2013(IFN) by Burkina Faso, with the support of the Government of Luxembourg, are being finalized and will provide a more accurate and up-to-date picture of the country's current forest cover. Previous reforestation and anti-desertification campaigns have demonstrated that mixed-use forests and woodlands hold significant potential as a carbon sink in Burkina Faso (e.g., planted areas almost tripled between 1999 and 2007). Considering the potential of multi-use dryland landscapes to sequester carbon is in line with the theory of change that the FIP is promoting; shifting away from a narrow perspective on the link between sustainable land management practices and improving rural poverty to a more dynamic and integral vision of sustainably managing landscapes to increase the condition of the poor and combat climate change. This dynamic vision of dryland landscapes provides a greater opportunity for scaling-up and expanding successful practices and shifting the country towards a "tipping point" of reduced GHG emissions.

10. **There is carbon sequestration potential below ground as well as above ground.** In Burkina Faso, soil organic carbon comprises a significant portion of the overall carbon sequestration potential of the vast areas of savanna and drylands. Research in similar dryland ecosystems indicates that carbon storage in litter and soils of dry forests can add up to nearly 1/3 of total system carbon (Vagen 2005). The experiences conducted in the Cerrado region in Brazil and the Miombo woodlands of Southern Africa have demonstrated that a landscape approach to natural resources management can significantly enhance the carbon sequestration potential of degraded rangelands and woodlands through integration of practices that include soil organic carbon. Carbon stock enhancement in the drylands and savannas of Burkina Faso will contribute further to climate change

mitigation through financing community driven development activities that reinforce local development and GHG sequestration.

11. **There is a need to address direct and indirect drivers of forest and woodland degradation simultaneously.** The continued loss of the country's forests results from a number of causes that can be classified as either direct or indirect drivers. Although these two categories are described separately, they are strongly interrelated and can only be effectively addressed through an integrated approach within the context of a broader development and climate change agenda that simultaneously addresses the direct (mostly at local level) and at the same time the indirect (at local and central level) drivers of deforestation.

12. **Direct drivers of deforestation and forest degradation** correspond essentially to different types of encroachment on forested areas:

- Livestock activities: cattle, goat and sheep husbandry;
- Agricultural expansion: mostly cotton production and food production (subsistence agriculture combined with population growth);
- Overharvesting of firewood due to increasing demand;
- Overharvesting of non-timber forest products;
- Bush fires;
- Gold mining.

13. **Indirect drivers** of deforestation and forest degradation result from a complex interplay between socio-economic, political, technological, and cultural factors, which leads to an environment conducive to the emergence of one or more direct drivers. Indirect drivers are related to:

- Economic and demographic factors: growth of impoverished rural populations who depend on forestry products for survival;
- Land management: delays in implementing land tenure reforms, insufficient tools for sustainable land use planning and management, insufficient enforcement;
- Technical capacities and knowledge: lack of capitalizing on good forestry and sustainable land management practices, weak control, lack of resource knowledge;
- Weak stakeholder capacity: at decentralized and central levels;
- Governance: difficulties in enforcing laws and regulations relating to the forestry sector; and
- Weak access to markets which makes it difficult for farmers to intensify production and pushes them to clear forest areas for cultivation.

14. **The Forest Investment Program (FIP) of the Climate Investment Funds (CIF) and Reducing Emissions from Deforestation and Forest Degradation (REDD+) program fill a critical gap in aligning forestry, climate change and national development plans.** Burkina Faso is one the eight pilot countries currently eligible to benefit from the FIP, a multi-donor trust fund aiming to support developing countries' efforts to reduce emissions from deforestation and forest degradation by providing financing for investments. Through the process of developing an Investment Plan for the FIP, Burkina Faso has started to assess the underlying causes of deforestation and forest degradation—a process also consistent with the approach promoted by the Forest Carbon Partnership Facility (FCPF)—and has defined the following pillars as the main axes for the national REDD+ strategy:

- Land use planning (targeting indirect drivers)—Land use planning in order to facilitate the most appropriate land use for each of the many different activities that take place in a rural setting (farming, livestock, forestry, agro-silvo-pastoral activities, mining, etc.);
- Security of land tenure (targeting indirect drivers)—re-enforcement of recent laws and regulations regarding the security of land tenure to provide an enabling environment for investments in improved land and forest management;
- Management of agro-silvo-pastoral systems (targeting direct drivers)—for the sustainable management of crop farming, livestock farming, and forestry within a sustainable land-use management system;
- Development of economic opportunities of non-timber forest products (targeting direct drivers), especially targeting women; and,
- Knowledge sharing and capacity-building (targeting indirect drivers)—for relevant ministries, the private sector, civil society, and educational and research institutions, harmonization of policies, and promoting good governance of natural resources, and forests in particular.

15. **The FIP in Burkina Faso will support national REDD+ efforts following the strategic pillars mentioned above to address both the direct and indirect causes of deforestation and forest degradation as part of a broader climate change agenda.** For that purpose, FIP resources will support two complementary projects that reinforce one another yet avoid duplication of effort: 1) this World Bank-executed project—Decentralized Forest and Woodland Management Project (PGDFEB) as well as; 2) the African Development Bank executed–Participatory Management of State Forests Project (PGFC/REDD+). This combined programmatic approach, as outlined in the FIP Investment Plan[3], will help overcome barriers that have hindered past efforts to promote integrated natural resource management as it will allow the FIP program in Burkina Faso to invest at the same time (i) in institutional capacity and forest governance, (ii) in forest mitigation measures and (iii) in activities outside the forest sector necessary to reduce the pressure on forests.

16. **FIP provides funding that can help move towards sustainable forest and land management at the landscape level and enable the country to address many challenges of implementing a national REDD+ strategy.** As outlined in the FIP investment Plan, FIP funding will allow Burkina Faso to move beyond pilot projects to implementation of a decentralized forest and woodland management program at a scale that has not yet been possible. Burkina Faso's commitment to the decentralization process ensures a process of sustainability, yet limited resources are spread among competing development priorities. In conjunction with the project implemented by the African Development Bank, FIP financing provides the resources for natural resources management at the village level that could help tip the balance towards broad uptake of sustainable forest and land management practices that will reduce pressures on forest resources across targeted landscapes. The project will include activities consistent with the recommendations of the REDD+ readiness process through the implementation of the R-PP[4]. FIP funding will allow Burkina Faso to engage in national level consultations that will ensure that interests and concerns of all relevant stakeholders are considered in any eventual REDD+ and/or climate change programs.

[3] More information about the relation of this project to the FIP Investment Plan for Burkina Faso is found in Annex 6, or find a copy of the FIP Investment Plan for Burkina Faso on the CIF website, www.climateinvestmentfunds.org.
[4] Readiness Preparation Proposal (R-PP) is a document designed to assist a country prepare itself for involvement in REDD+, under either the FCPF or the UN-REDD Programme.

17. **This innovative approach has helped Burkina Faso leverage additional financial resources**, in particular from the European Union. As a result, the project is fully blended with EU funding that supports climate change mitigation through the promotion of sustainable development and sustainable forest resources management. The project will also build synergies with other development partners that have invested in climate change and forestry such as Luxembourg, Sweden and UNDP (*see annex 9 for a list of on-going initiatives related to this sector*).

18. **In complement to this project, the FIP Dedicated Grant Mechanism (DGM) will support Indigenous Peoples and Local Communities to become effective partners in the ongoing dialog about climate change and REDD+**. The DGM is a program designed to be directly managed by a national committee consisting of representatives of Indigenous Peoples and Local Communities in FIP pilot countries. The DGM program in Burkina Faso is supported by a US$4.5 million (indicative) grant. The DGM will support Indigenous Peoples and Local Communities in various areas that increase their capacity to be active partners in national and international dialogues on REDD+, deforestation, forest degradation, climate change and other phenomena that threaten forest ecosystems. The DGM will be designed and implemented in a way that is consistent with and complementary to FIP investments.

19. **The World Bank has been an ongoing partner in forest resource management and rural development in Burkina Faso.** The World Bank and Burkina Faso have built a strong partnership on issues related to the forest sector, rural development and decentralization. The PGDFEB will build on experience gained from the Community-Based Rural Development Project (PNGT) within the framework of the National Program for Decentralized Rural Development, which covers all rural regions of Burkina Faso and is currently launching a third phase. Activities are concentrated in 3000 villages in 26 provinces, comprising about one-third of the national territory. Most PNGT funds are transferred to village communities through a Local Investment Fund (FIL), for community investments, following a participatory approach, with small projects implemented and managed by local communities. The Decentralized Forest and Woodland Management Project will build on the extended partnership between the World Bank and Burkina Faso in supporting the decentralization process with a concerted focus on strengthening land and forest management in the targeted intervention sites of this project.

C. Higher Level Objectives to which the Project Contributes

20. This project will contribute to answering the challenge of food security and poverty reduction while increasing the resilience to climate change and preserving forest resources through the promotion of sustainable forest and woodlands management in order to achieve beneficiary populations' sustainable livelihood and enhance the role of forests as carbon sinks. This objective is aligned with the Africa Strategy of the World Bank, particularly through the focus on vulnerability and resilience, as well as the corporate twin goal aiming at eradicating extreme poverty and boosting shared prosperity.

21. The objectives of the proposed project support the pillars laid out in the recently adopted Country Partnership Strategy (2013-16) and the overarching twin goals of reducing poverty and increasing shared prosperity. The objectives of the proposed project are strongly related to the third strategic themes supported by the current CPS consisting of reducing economic, social, and environmental vulnerabilities. Efforts to improve governance and ensure gender equity are also a focus of the CPS that is translated in this project. The proposed project is also in line with the four pillars of the SCADD: (1) accelerated growth; (2) human capital development and social protection;

(3) improved environmental governance and (4) cross-cutting priorities and themes. In addition, the project activities are closely aligned with the objectives of the PNSR: (i) sustainable national production of food; (ii) decreased malnutrition particularly amongst children aged between zero and five years; (iii) increased agricultural GDP; (iv) reduced rural poverty; (v) sustainable access to drinking water and sanitation for urban and rural populations and (vi) protection against the degradation of vegetation cover.

22. While aligning with the SCADD and PNSR, the project also aims at upgrading these national strategies and increasing the emphasis on REDD+, climate resilience and low-carbon development. Such an influence on the country's major development strategies may have a transformational impact over the long term.

II. PROJECT DEVELOPMENT OBJECTIVES

A. PDO

23. The Project objective is to promote national development policies, and support the definition and implementation of community-based natural resource management processes in thirty two (32), mostly rural, communes in Burkina Faso to strengthen sustainable local development practices and contribute to reducing greenhouse gas emissions from deforestation and woodland degradation

24. Specifically, this project aims to: (i) support climate change governance, particularly through the design of a national REDD+ strategy that is applied to institutional and legislative frameworks in different sectors and results in concrete investments in targeted zones; (ii) improve land use planning and economic activities around forest and woodland resources, with particular emphasis on the participation of women, who are the main actors in the exploitation of non-timber forest resources; and (iii) establish guidance, best practices and a structure of knowledge management around sustainable natural resource management as well as Climate Change mitigation and adaptation particularly through GHG emissions reduction.

25. The Decentralized Forest and Woodland Management Project will be referred by its acronym PGDFEB for the French *Projet de Gestion Decentralisée des Forêts et des Espaces Boisés.*

B. Project Beneficiaries

26. While the project will feed into a national climate change and REDD+ strategy, the primary beneficiaries will be community members and private sector actors in the targeted project sites (component 2). Rural communities and local authorities in 12 provinces and 32 communes (27 rural and 5 urban) will be the focus of activities that support community-level natural resource management, protection and rehabilitation of woodlands, timber and non-timber forest resources, wildlife, agro-forestry, alternative livelihoods and support to small and medium size enterprises. The target areas were selected by Burkina Faso on the basis of criteria such as sequestration capacity of forested areas including carbon stock enhancement, CO_2 emissions resulting from forest fires, opportunities for consolidating gains from prior interventions, security, existence of a leading cause

of deforestation/forest degradation and others.[5] The project will simultaneously work with community members and local authorities to build capacity and foster strategic partnerships (*See Annex 7 for a full list of communes*).

27. At the national level the project will also target officials in sectors where integrating climate change considerations is a critical component of developing a sustainable, climate friendly, development path. Officials in sectors such as Agriculture, Animal Husbandry, Environment, Energy, Sustainable Land Management, Mining and Water will all be vital partners for sustainable rural development and for creating a transformational and integrated approach to forest and woodland management for the FIP and as part of the broader REDD+ program.

28. **Focus on integrating gender dimension.** Women are an integral part of processing activities such as Non-Timber Forest Products (NTFP). Developing gender sensitive activities will allow women to play a significant role and strengthen their ability to earn income. The support and development of processing activities in which women have traditionally been involved can serve as a channel to encourage further participation. This added participation may be boosted through the support for small and medium enterprises.

29. **Inclusive and equitable process.** The participatory approach embodied in the local level selection and planning of activities is intended to diminish the potential for elite capture and provide a platform for including the perspectives of vulnerable groups. While the consultative process will place an emphasis on using established local institutions, development specialists that will be facilitating the participatory process at the local level will be trained to identify marginalized groups and to ensure that there is an appropriate platform for the inclusion of their concerns and perspectives.

30. Capacity building activities will support Government officials, decision-makers and technicians as they address gaps in the national framework for reducing greenhouse gas emissions as well as moving the country towards low-carbon development, and the implementation of a national REDD+ strategy (component 1). In this context, decision makers must be made aware of gender issues and the importance of specifically supporting women's economic activities as an instrument to stimulate forest protection and create an interest in reforestation. Institutions responsible for coordination and delivery of national REDD+ and climate change strategies, such as the Ministry of Environment and Sustainable Development, Directorate of Sustainable Development as well as the Advisory Committee on Environment and Sustainable Development will be specifically targeted.

31. A series of consultations will extend the discussion of REDD+ and climate change across the country. The lessons learned from the project are also expected to indirectly benefit nearly all of the 302 rural communes of Burkina Faso through application of best practices at the national level and through national level consultations (component 1.2 and section 2.C of the country's R-PP). Specifically, groups of beneficiaries will include regional territorial collectivities managed autonomously by regional councils with elected councilors; administrative entities that house the majority of decentralized public services; local communities, village populations and households, municipal councilors, Village Development Council *(Conseil Villageois de Développement - CVD)* representatives, civil society, service providers and decentralized technical services, as well as private contractors, NGOs, and Ministry staff as described in Burkina Faso's R-PP.

[5] See joint preparation mission Aide Memoire on FIP website.

32. **An innovative approach with long term impact.** The PGDFEB project will achieve transformational and sustainable changes in forest and woodland management through its strong focus on rural development and land use planning. At the national level, the project will promote and disseminate REDD+ and climate change concepts and define a national REDD+ strategy that focuses on land use planning and land tenure and will influence the national development plans. At the local level, the project aims at helping targeted communities plan their development with a landscape approach, focusing on the development of a territory and not just on specific sectors. The project is expected to reach its objective of transformational change through a strong focus on:

- Community ownership—the main investments will occur after a 12-month participatory process that will be launched before the project is approved through a Project Preparation Grant. The project is hiring facilitators that will be based in the villages and work daily with the communities;
- Resource concentration in target areas (in coordination with AfDB project)—the project will help the targeted communities adopt development paths that will lower carbon emissions while ensuring that adequate resources are available to help these communities reach a "tipping point";
- Moving improved management of drylands and savanna out of the silo of land management and into the mainstream of climate change mitigation to encourage more rapid and widespread scaling up;
- Strong focus on gender—the project will support gender sensitive activities, such as promotion of NTFP collection and sale (as well as other productive activities) that mostly rely on women.

33. In addition, while using the classic approach of a CDD-project, the project is innovative in other aspects:

- The project will rely on innovative techniques for participatory mapping and extensive consultations with the communities (over a longer period than in similar projects) to define the long term impacts of their development path. Such an emphasis will support ownership of the process by beneficiaries and the sustainability.

- The project will strengthen the decentralization process that has shifted responsibility for natural resources management to local representatives.

- The project will have an impact both at the local level and at the policy and strategic level.

- The approach is flexible with the potential to be adapted to the diverse circumstances that exist in the different villages and communes.

- An independent observer will monitor social dynamics and livelihood changes through annual assessments. This strong focus on social trends (stakeholder political economy, analysis on how negotiations are organized within the beneficiary community, how conflict are resolved, etc.) by an independent entity is one of the major innovations of this project. This dynamic takes on increased importance with the need for further understanding of the social aspects of REDD+. This independent observer will also act as a mediator to identify and potentially prevent conflicts.

C. PDO Level Results Indicators

34. The PDO will be measured through the following outcome indicators:

(a) Indicator 1: The next national development strategies (post 2015 SCADD and PNSR equivalent) include sound objectives for REDD+ and the use of climate resilient agricultural practices.
(b) Indicator 2: Effectiveness of sustainable natural resource management plans in targeted villages (this will be measured by percent (%) of local villages where FIP investments support activities).
(c) Indicator 3: Reduced emissions from deforestation and forest degradation relative to the 2012 reference emissions level based on the comprehensive IFN forest carbon inventory[6].
(d) Indicator 4: People in targeted forest and adjacent communities with increased monetary or non-monetary benefits from forests (number) (% of which is female (estimated)) (Core Indicator). "People" is restricted to the people (or entities) whose development practices follow the implementation of FIP project activities, through direct support or knowledge sharing.

III. PROJECT DESCRIPTION

A. Project Components

35. The Decentralized Forest and Woodland Management Project is designed to implement an integrated, inclusive community forest and woodland management approach that is based on improving livelihoods and reducing poverty while simultaneously enhancing carbon sequestration potential.

36. **Component 1: Mainstreaming Climate Change and REDD+ into Sectoral Frameworks and Strategies** (*Combined FIP/EU Budget: US$6.1 million*). This component will support the adoption of a REDD+ approach that incorporates climate change adaptation and mitigation into sectoral frameworks, policies, activities and investments based on a broadly informative, gender sensitive and consultative process. This component will focus on improving climate governance and the country's readiness for REDD+, consistent with the approach outlined in the R-PP that Burkina Faso submitted to the Forest Carbon Partnership Facility in July 2013.

37. **Sub-Component 1.1: Development of a National REDD+ Strategy** (*Combined FIP/EU Budget: US$2.1 million*). This sub-component will support the process of developing a national REDD+ strategy that will serve as a strategic plan for addressing gaps in the national framework for reducing greenhouse gas emissions as well as moving the country towards a climate resilient low-carbon development path. The development of a national REDD+ strategy will strengthen the institutional framework that will enable local populations, particularly women, to fully participate in

[6] This project will focus on avoided emissions generated by activities that would aim at decreasing forest and woodlands degradation and deforestation. Although activities aiming at increasing the stock of carbon (typically afforestation/reforestation), however since it is not known in advance how much of this type of activities will be financed, because of the “demand-driven” nature of the approach, it was found preferable for the project to “commit” to an avoided/reduced emissions target. However carbon stock enhancement will be monitored during project implementation as relevant activities are financed.

the planning and implementation of sustainable forest and woodland management initiatives (through forest/woodland management planning processes). The national REDD+ strategy will build upon knowledge gained during the extensive consultations as part of the FIP/R-PP process as well as tap into long-term engagement with local stakeholders around issues of natural resource management. The national REDD+ strategy will incorporate findings from the strategic environmental and social impact assessments that will be carried out in parallel and linked to the consultations in sub-component 1.2. The areas of intervention identified as priorities in the initial national REDD+ strategy have guided the definition of the direct investments to be financed in sub-component 2.2, as they address specific drivers of deforestation and forest degradation.

38. **Sub-Component 1.2: Broad Awareness-Raising and Consultations Related to REDD+ and Climate Change** (*Combined FIP/EU Budget: US$2.5 million*). Consultations will be carried out targeting political as well as civilian stakeholders on issues of climate change and REDD+. As outlined in the R-PP (section 2), consultations will be conducted in a series of waves to address different stakeholders and different issues. As the economic base for non-timber forest products is linked to the participation of women, the consultations will include a strong focus on gender sensitivity. At the political levels consultations will include decision makers in specific sectors to share information as well as learn about how a national approach to climate change and REDD+ can be translated into actions that are sector-specific. At the sub-national and local levels, especially at the village level, engagement of stakeholders will focus on the establishment of the necessary organizational arrangements and consultation processes for the development of a national REDD+ strategy. Consultations under this sub-component will inform the development of the REDD+ strategy under sub-component 1.1. Consultations will be geared towards ensuring consistency between local investments (micro-project oriented) and national reforms (aiming at improving the institutional framework and the governance/control) and also ensuring that development priorities at the national level reflect local level needs. Where relevant, consultations will be coordinated with the Dedicated Grant Mechanism.

39. **Sub-Component 1.3: Strengthening Burkina Faso Climate Governance and Resilience** (*Combined FIP/EU Budget: US$1.5 million*). This sub-component seeks to improve the influence of the responses to the climate challenges within the national development strategy – in particular for the rural development. More precisely, the project will support activities leading to integrate the REDD+ and Climate Change resilience concepts into the next national development strategy (post 2015 SCADD equivalent) and rural Development strategy (post 2015 PNSR equivalent). It will also strengthen the capacity of the institutions responsible for coordination and delivery of national REDD+ and climate change strategies, such as the National Advisory Committee on Environment and Sustainable Development (CONEDD) and the MEDD. This sub-component will support actors by strengthening their capacity to fulfill their mandates, and to assure coordination and effective forest and woodland governance. Support will target key sectors such as Rural Development (Agriculture, Animal Husbandry, and Environment as in the PNSR), Energy, Sustainable Land Management and Mining where the most pertinent drivers of deforestation (uncontrolled bushfires, agriculture production, fuelwood production, and increasingly mining) can be most effectively mitigated. While water related issues are not considered key drivers of deforestation and forest degradation the water sector will also be targeted as a key sector of an integrated approach to sustainable forest and woodland management. Particular emphasis will be on supporting local capacity for community forest management activities linked to REDD+ and climate change. Several technical, legal and financial studies will also be initiated to deepen the understanding of certain relevant aspects of REDD+ and climate change in the country. The sub-component will support the institutions and networks that provide environment and climate related data and information.

40. **Component 2: Participatory Planning and Management of Forests and Woodlands** (*Combined FIP/EU Budget: US$17.1 million*). This component will directly target the drivers of deforestation and forest and woodland degradation by focusing on activities that reduce pressures on forests and woodlands in 27 rural communes and five urban communes in areas outside of targeted classified forests. This component will provide investments for the management, protection, and rehabilitation of woodlands, timber and non-timber forest resources, wildlife management, agro-forestry, alternative livelihoods and support to small and medium sized enterprises. The activities in target communes are part of the integrated response to the direct and indirect drivers of deforestation that are most pertinent in the diverse regions of the project's intervention. Through the integration of socio-economic development and environmental issues, these investments are well aligned with the strategic axes of the PNSR and SCADD. Investment plans will be defined in each village through an extensive participatory process that will be launched several months before the project is effective through the Project Preparation Grant. An Intervention Fund for the Environment (FIE) is being introduced in the Environmental Protection Law as an instrument to finance the implementation of the environmental strategy of Burkina Faso. The eventual establishment of the FIE will be a means, for ensuring longer term funding for sustainable forest and woodland management that is formally integrated into local development plans and that are not just temporary project components.

41. **Sub-Component 2.1: Support Land Management Capacities of Local Communities** (*Combined FIP/EU Budget: US$7.0 million*). This sub-component will support the planning capacities of stakeholders at the local level (commune and village) including local governments, institutions, civil society, associations, CVD and private sector organizations, in continuation of the initial work performed with the Project Preparation Grant. Activities include the development of strategies and investment plans for sustainable forest and woodland management. Additionally, planning and management capacities will be strengthened with regard to economic use of non-timber products, conflict resolution, land use planning and mapping, wildlife resources, information/education/communication and others that will be specified as priorities at the target sites are identified.

42. **Sub-Component 2.2: Investing in Activities that Reduce Deforestation and Improve Management of Forested Land** (*Combined FIP/EU Budget: US$10.1 million*). This sub-component will be based on a Community and Gender Driven Development approach where investments target activities that support local development (at the village and commune level) and also enhance forest and woodland management and carbon sequestration potential. Activities for land use management would reduce conflicts among forest resource users and reduce human-induced pressure on natural forests and woodlands. Participatory planning methodologies for forests and natural resource management will be integrated into the process of preparing the Local Government Development Plans (PDC - *Plans Communaux de Développement)*. The formal integration of the activities into local development plans will provide a substantive basis for the continuity of more sustainable forest and woodland management.

43. The activities envisaged under this sub-component would include, among others: support to the development of traditional forest products (timber and non-timber); professional training for associations with a focus on youth and women; and the creation of sustainable alternative job opportunities for people living near forests and woodlands. Activities under this component target considerable private sector involvement in improved forest management and utilization. This would include capacity building of actors in forest related value-chains such as karité (shea nut) and charcoal and fuelwood production, bee-keeping, wood collection/harvesting, gum Arabic harvesting,

construction timber, and others. About 80 percent of the financing for this sub-component will directly be used as local investment and will be implemented either directly by the commune, through MoUs with the decentralized technical administration or through sub-grants signed with implementing agents (such as local NGO, farmer's association or local private entity). The rest is reserved for control, impact monitoring and independent review/assessments. The above activities will be identified through a participatory process facilitated by local project staff. Innovative instruments such as participatory mapping will ensure an inclusive and equitable process.

44. To improve local governance and investment management, specific actions will aim at increasing transparency and participatory engagement in financial processes. A system for collecting feedback from the beneficiaries on implementation effectiveness will be deployed in each of the target communes in order to improve ownership, awareness and social control by stakeholders from the villages and communes.

45. **Component 3: Coordination and Information and Knowledge Sharing** (*Combined FIP/EU Budget: US$3.1 million*). This component will provide resources for the support of REDD+, FIP and climate change at the programmatic as well as project levels. Resources will support integration of national and project level initiatives and will support the integration of knowledge and lessons into further strategic development as well as the dissemination of lessons across international, national, sub-national and local levels.

46. **Sub-Component 3.1: Program Coordination, Lesson Learning, Knowledge Management and Analysis of FIP Program Results** (*Combined FIP/EU Budget: US$1.0 million*). This sub-component will support programmatic and inter-sectoral coordination. Throughout the implementation of the different components a range of integrated activities aim at gathering, managing and sharing information on the lessons learned (especially in terms of procedures, methodologies, funding needed, techniques and best practices, synergies and partnerships). These activities will support an internal dynamic of learning by doing, promote timely integration of lessons learned into the design and implementation of investments and projects, accelerate the replication and the scaling up of successful outcomes, promote the representation of women, and serve as a conduit for the mobilization of additional financial resources. Program coordination, knowledge sharing, and lesson learning for various REDD+ and climate change activities will integrate the EU focus on rural development and forestry issues in the context of climate change. The project will support national capacity to generate lessons, information, data and knowledge including the National Office for Environment and Sustainable Development (ONEDD)—which remains to be formally established.

47. **Sub-Component 3.2: Project Coordination and Fiduciary Management** (*Combined FIP/EU Budget: US$2.1 million*). This sub-component will finance all the activities related to coordination at the project level, including reinforcing the institutional capacities of the implementing agencies related to procurement, financial management and fiduciary reporting. Implementation arrangements will be fine-tuned during project preparation, in collaboration with the other related projects to avoid duplication of efforts. A monitoring and evaluation system will be established for all activities under the program using a number of measurable, objective indicators that are established in advance and implemented by a national coordination unit. This system would allow for generating knowledge regarding changes in the status of forests and in land use more broadly, and for assessing the approaches of forest utilization and the socio-economic and environmental impacts of investments on local livelihoods, forest resources, and productivity both at local and national level. This sub-component will be based on synergies with the African

Development Bank project and other donor's initiatives such as the comprehensive capacity strengthening efforts form the Luxemburg/Sweden funded PASF project.

B. Project Financing

Lending Instrument

48. The lending instrument will be an Investment Project Financing (US$16.5 million) with grant resources from the Strategic Climate Fund fully blended with a grant from the European Union (€7.3 million, approximately US$9.76 million). Cost sharing has been agreed with African Development Bank and other development partners as part of the FIP programmatic approach and in line with the PASF which encourages donor coordination, to avoid duplication of effort and to maximize the impact of financial resources. Part of the Project Preparation Grant will be dedicated to funding positions that will continue throughout the life of the project.

49. Counterpart funding from Burkina Faso will be 10 percent of the overall FIP funding. This contribution will be both in cash and kind.

C. Project Cost and Financing

Project Components	Project Preparation Grant (PPG)[7]	FIP Financing (US$m)	EU Financing (US$m)	Borrower Financing (US$m)	Project cost (US$m)
1. Mainstreaming Climate Change and REDD+ into Sectoral Frameworks and Strategies	**.09**	**3.82**	**2.26**	**0.4**	**6.2**
2. Participatory Planning and Management of Forests and Woodlands	**1.03**	**10.73**	**6.34**	**0.3**	**18.1**
3. Coordination and Information and Knowledge Sharing	**0.38**	**1.95**	**1.16**	**0.3**	**3.5**
Total Financing Required	**1.5**	**16.5**	**9.76**	**1.0**	**28.76**

[7] The PPG is presented separately because it is a separate line of funding provided by the donor, the FIP. The PPG will be used to launch strategic activities that are part of the project activities. More information is found in Annex 6.

Parallel Financing (US$ million)[8]

- Luxembourg - Sweden - Swiss/FAO - AFD - PNGT project (IDA, GEF, Burkina Faso, local communes in B.F.) - FCPF	28.00 5.00 10.00 93.41 3.8	Cash and in kind
Parallel Financing Total:	140.21	

Linkage with the R-PP cost structure:

50. Part of Component 1 will finance specific activities from the R-PP, in close coordination with the AfDB and the expected additional financing from FCPF[9]. The detail of the linkages between the various sources of financing is provided in the table below[10].

[8] The parallel financing indicated here target the same long term objectives as this project.
[9] At the date of this Project document, the decision regarding participation of Burkina Faso to FCPF had just been made by the FCPF Participants Committee and the nominal amount awarded for REDD+ Readiness activities is US$3.8M however this is still being finalized.
[10] Because the FIP will be implemented over 5 years while the R-PP only plan the financing for 3 years, the amounts may sometimes slightly differ.

('000 USD)	Amount in R-PP			DFWMP budget (PAD)	
	Total	**FCPF**	**FIP**	**Total amount**	**Within sub-component**
1a- Organizational arrangements	930	100	830	880	Sub-component 1.1 – Development of a National REDD+ Strategy
1b-Initial consultations	-	-	-	-	
1c- Consultation and Participation plan	2427	-	2427	2482	Sub-component 1.2- Broad Awareness raising and consultations related to REDD+ and climate change
2a- Analysis of drivers of deforestation	-	-	-	-	
2b- Strategic options for REDD	1650	350	1300	1300	Sub-component 1.1- Development of a REDD+ Strategy Sub-component 1.3- Strengthening Burkina Faso Climate Governance and Resilience
2c- REDD implementation framework	200	200	-	-	
2d- Social and Environmental Impacts	115	40	75	75	Sub-component 1.1- Development of a National REDD+ Strategy
3- Development of baseline scenario	610	-	610	AfDB	
4a- Development of MRV system	870	60	810	AfDB	
4b- Monitoring of co-benefits system	560	500	60	60	Sub-component 1.3- Strengthening Burkina Faso Climate Governance and Resilience
6- Monitoring Plan and Framework	300	300	-	-	
Total	**7,662**	**1,550**	**6,112**	**4,797**	

D. Lessons Learned and Reflected in the Project Design

51. As noted during the FIP Investment Plan preparation process, Burkina Faso has over 30 years of experience in local participation, participatory forest management and capacity building (in awareness raising, production, sustainable land management, poverty reduction and project management and coordination). This experience forms a solid foundation for REDD+. In the area of forest protection and land use management, the most important projects are funded through bilateral and multilateral programs. Several projects and programs supported by the private sector and civil society organizations also provide useful experience in woodland management.

52. **Lessons learned from previous projects** showed the necessity to focus concomitantly on

the direct and indirect factors that lead to deforestation and forest degradation to ensure sustainable results. Previous experience also highlights the need to focus simultaneously on local investments, legal/institutional framework, and on capacity building to deliver transformational impacts. These lessons influenced the way the FIP Program is designed particularly the roles assigned to AfDB and World Bank supported projects as well as the project design (component 1 focus on strategic/policy and institutional levels, component 2 focusing on investments at the ground level). As such, the FIP project focuses both on enabling activities – such as capacity building, knowledge sharing mechanism or improvement of the regulatory framework– and on target pilot investments that would emerge from an informed demand-driven approach.

Selected lessons that inform specific aspects of the proposed Project are summarized below:

53. ***Municipality capacities to develop local regulations***: A key lesson from other projects is that Municipalities are now familiar with the development of local regulations, after capacity building. As the process requires technical expertise and financial resources to complete, FIP is well placed to strengthen that capacity.

54. ***Parklands potential for carbon sequestration***: Renewed interest in the agroforestry parklands and strategies for their studies stem from a collaborative project implemented by ICRAF (World Agroforestry Center) and Sahelian national research institutes, known as the agroforestry research network SALWA (Semi-Arid Lowlands of West Africa). In 1993, SALWA organized an international symposium in Ouagadougou on the Sahelian agroforestry parklands. Impressive regeneration may be achieved in farmlands and fallow lands/rangelands by innovative farmers. Thus, identifying and supporting such farmers will enhance tree cover through natural regeneration

55. ***Agroforestry potential***: Research has supported the production of agroforestry technologies whose dissemination needs to be expanded. Soil and water conservation practices, fertility management, best fit species and plantation techniques for live fences and for fodder production are directly relevant to delivering livelihood and carbon stock enhancement outcomes. Benefits of the tree species *Faidherbia albida* have been well documented. For example *F. albida* parklands are widespread in many regions of Burkina Faso and the tree is well valued throughout its entire range, providing justification for investments in *F. albida* parklands. However, such a development has never been possible at scale for various reasons, including the lack of infrastructure (tree nurseries), the difficulties of plantation (timing and weather constraints), and the need for the farmer to have a clear view of their risks and benefits before switching from one agriculture system to another—in such extreme and demanding environmental considerations, farmers are often risk adverse since the consequences could be livelihood-threatening.

56. Projects that are directly related to FIP objectives and were used to define the project investments are the following:

- Second National Territorial Development Program (PNGT-2), this national program covers all rural regions of Burkina Faso. Activities are concentrated in 3000 villages in 26 provinces, comprising about one-third of the national territory. Most funds are transferred to village communities through a Local Investment Fund (FIL), for community investments, following a participatory approach, with small projects implemented and managed by local communities. A third phase of PNGT was approved last year and will expand the PNGT support to all rural communes. PNGT structure and experience has been a key ingredient for the institutional arrangements of the FIP project considering the CDD approach it embodies.

- National Program for Decentralized Rural Development (PNDRD), of which the second phase is currently under preparation, covers all 302 rural municipalities. It supports local capacity building initiatives in planning, financial management and development. The second phase will also focus more on harmonizing and coordinating local participatory approaches and will support the scaling up of natural resource management initiatives.
- Sahel Integrated Lowland Ecosystem Management Project (SILEM) supported the sustainable improvement in the productive capacity of rural resources (natural, physical, human, and financial) in selected sub-watersheds. It aimed at providing local governments and rural communities with adequate capacity and incentives for improving the natural resource base, thereby reducing poverty and vulnerability. Financed activities included local capacity building for integrated ecosystem management (IEM), awareness building, and training on IEM concepts, land/water use planning, and environmental issues, in addition to the development of watershed management committees. Institutional capacity building helped create an adequate policy environment, support civil society groups, and decentralized government institutions. A local investment fund has also been developed, for village and inter-village subprojects for watershed management.
- The Energy Services Access Project (PASE) has a component called "Participatory community management of forest development" which aims to contribute to the management and supply of wood energy sources as well as to alternative energy sources.
- The Agricultural Diversification and Market Development Project (ADMDP / PAFASP) supported private sector organizations and commodity associations in strengthening their ability to plan and implement sound development strategies. It mostly aimed at improving agro-sylvo-pastoral supply chains performance, and realized direct financing of demand driven micro-projects.
- The Forest Sector Support Project (PASF) is specifically focused on supporting the institutional management of the forest sector as well as through projects. The improved institutional capacity will be strongly reinforced through the FIP, particularly in the management of classified forests, the focus of the complementary PGFC/REDD+ project.
- The International Committee Against Desertification in the Sahel (CILSS) through the support provided by the GCCA holds significant potential for collaboration, especially in areas related to research, learning laboratory, capacity building, management of carbon finance projects and others.
- The Poverty Environment Initiative (IPE) is focusing on the links between Poverty and the Environment within the context of climate change and will be have important lessons and potential for linkages to the PGDFEB project through components one (1) and three (3).

57. The Intervention Fund for the Environment (FIE) is in the process of being established as a mechanism to finance the national environment strategy. The mechanism could be used to eventually finance FIP projects, as well as other related projects. In addition, the project will benefit from, as well as strengthen, the achievements of many projects and micro-projects implemented by UNDP, national NGOs (such as NATURAMA, GEF/NGO Burkina Faso, the Network MARP/Burkina Faso, Women Forestry Fellowships in Burkina Faso/AMIFOB, etc.), and international NGOs (such as TREE AID, Christian Aid, AZN/Terre verte, Agroforestry and Forestry Promotion Association APAF, SOS Sahel, New Tree, etc.) and civil society associations operating in various fields related to natural resource management, to the establishment of management agreements with forest user organizations, to information and to the sustainable development education, the promotion of active

research, the participatory planning methods and the production, and the marketing of forest products.

58. In addition the project will use the consultation platform set-up among Technical and Financial Partners active in Burkina Faso (Rural Development, Food Security and the Environment group (PTF – DRSAE)).

IV. IMPLEMENTATION

A. Institutional and Implementation Arrangements

59. The FIP program will be developed in line with the government policy on development projects executed in Burkina Faso (DECRET N°2007-775/PRES/PM/ MEF). FIP investments in Burkina Faso will be administered through the creation of a single project with three (3) sources of financing (WB, AfDB and EU) as a Category A project—a project or program executed under direct control of the Public Administration. The approach is one of integrating project management into existing government structures rather than creating parallel project management units (PMUs).

60. Both AfDB and WB projects will be structured according to the following three-tiered approach: one component devoted to activities building core capabilities, improving forest governance and preparation for a future REDD+ mechanism following the structure outlined in the R-PP; a second component devoted to investment activities in the identified areas (including capacity building activities that are directly related to investments); and a third component devoted to execution, communication and knowledge management.

61. The projects of the World Bank/European Union and African Development Bank will be coordinated by a single FIP Coordination Unit, embedded in the Ministry of Environment and Sustainable Development (MEDD), to ensure strategic coherence, increased effectiveness and efficiency and increased potential for positive long-term impact.

62. **Program Oversight and leadership** will be the responsibility of the MEDD, and specifically under the operational guidance of the Secretary General. A **REDD+/FIP Focal Point** will be in charge of the strategic supervision of the program and will report directly to the Minister. The FIP Coordinator and REDD+/FIP Focal Point will spearhead the national REDD+ agenda and at the national level in the context of a broader strategy to address climate change. In addition, the FIP Coordinator and Focal Point, in close collaboration with SP-CONEDD, will promote and share the experiences of Burkina Faso related to REDD+, climate change and other related topics at the international level.

63. The single **FIP Coordination Unit** within the MEDD will be responsible for overall management and coordination for the implementation of activities and projects of the FIP program, including the activities of the African Development Bank. The **FIP Coordination Unit** will be led by a **FIP Program Coordinator**. One technical assistant will work with the REDD+ Executive Committee and supervise the implementation of the Component 1. Another technical assistant will work with the communes and supervise the implementation of the Component 1.

64. The FIP Coordination unit will include the following dedicated staff (recruited or designated from the MEDD) at the central level to cover the common functions shared by the two projects PGPFC/REDD+ and PGDFEB[11]:

- Procurement specialist (external recruitment, paid by WB);
- A civil servant as procurement assistant (paid by AfDB);
- Financial specialist (external recruitment, paid by WB);
- One Accountant to cover AfDB project (paid by AfDB) and one accountant to cover WB project (paid by WB);
- Specialist in Monitoring and Evaluation (civil servant designated by the Ministry, paid by AfDB);
- Communication specialist (civil servant designated by the Ministry, paid by AfDB);
- Social scientist (external recruitment, paid by WB) that will give a particular attention to the gender agenda.

65. **Fiduciary management:** Fiduciary, procurement, administrative and financial responsibilities will be overseen by the FIP Coordination Unit and processed by the dedicated personnel through the established procedures of the MEDD under the responsibility of the FIP Program coordinator. Ministry level Director of Financial Management (DAF), Procurement Director (DMP), Control of Public Procurement and Financial Commitments Directorate (DCMEF), and ultimately MEDD General Secretary will be responsible for the control of the compliance with national regulation and the endorsement of the fiduciary management. As such, they will approve the conclusions of financial reports, audits and procurement selection processes. Their precise role will be described in the Project implementation Manuel (PIM to be finalized before project effectiveness). The PIM will also describe in detail the fiduciary responsibility and the required expenditure justification documents for the implementation of the Sub-Grants.

66. **Technical management:** Director General of Forest and Fauna (DGFF), Director General of Studies and Sector Statistics (DGESS), and ultimately MEDD Secretary General will be responsible for the control of the compliance of project activities and the technical and strategic decisions. As such, they will review and/or endorse any technical or strategic report that would be produced by the project.

67. Component 1 will be implemented with the support of a technical assistant specialized in REDD+ and consultation processes (external recruitment). During implementation of the Project Preparation Grant, a **Special REDD+/ Sustainable Land Management (SLM) Consultative Platform,** will be created as a specialized Commission of the National Advisory Committee on Environment and Sustainable Development (CONEDD), or any other structure that replaces it, and will serve as the consultative body to oversee the elaboration of the national REDD+ strategy and more generally the implementation of the REDD+ readiness activities. The Consultative Platform will ensure multi-sectoral coordination as reflected in its composition and also ensure the appropriate level of political commitment. As defined in the R-PP, the Consultative Platform will be comprised of representatives from government ministries, development partners, NGO, local communities, the private sector and others. A **REDD+ Executive Committee** in coordination with the FIP Coordination Unit will be responsible for the functional tasks of the consultative body (in accordance with R-PP, Section 1).

[11] The reference to personnel being paid by the WB or AfDB refers to the respective institution through which FIP financing resources will be channeled for this purpose.

68. A **FIP Steering Committee,** chaired by the General Secretary will be responsible for the functional tasks of the consultative body. The Steering Committee will also serve as the REDD+ Executive Committee until the REDD+ strategy is adopted and its oversight body established.

69. Component 2 will also be implemented with the support of a technical assistant specialized in innovative approaches to rural development, local planning (external recruitment). The technical assistant will coordinate a technical team - based in the communes/villages (8 facilitators), while the other experts (land management, livestock management, land tenure, agronomy) will provide advisory support in all the project areas-(external recruitments).

70. For component 2, the day-to-day implementation and contract management will rely on local governments at the commune and village levels. Local sub-projects, depending on the activity, focused on integrated development will be supervised by local Government officials (mayors and municipal council members), local communities, NGOs, interest groups, private sector operators and specialized technical services. Field-based specialists will be responsible for working with rural communes and villages, and the villages themselves will be responsible for the process of developing participatory land-use mapping and identifying and implementing priority investments that would come out of the participatory planning process. The approach is one that is flexible, building on existing platforms and initiatives where they exist while remaining adaptable to the different circumstances in each village. Decentralized authorities at the Regional and commune levels, such as mayors, will be involved in overseeing the implementation of activities with the support of, and under a protocol agreement with, the Regional Directorate for Environment and Sustainable Development (DREDD). Regional and commune level authorities will work collaboratively with villages in the implementation of investments. The Regional Dialogue Committee (*Cadre de Concertation Regional*) for each of the four (4) target zones will act as a local steering committee and monitor FIP program activities for both World Bank and African Development Bank projects, see *Annex 3 for a diagram of the Implementation and Institutional Arrangements.*

B. Results Monitoring and Evaluation

71. Project monitoring and evaluation (M&E) will serve to: (a) monitor and report on implementation progress as agreed in semi-annual work plans and related budget plans; (b) proactively identify implementation gaps over the course of project implementation that require corrective actions; and (c) assess and report on the achievement of planned outputs, outcomes and impacts as per Results Framework established for the project (*See Annex 1*).

72. The M&E system will be based on the Results Matrix and will focus on tracking project results and providing gender-disaggregated data whenever possible. A solid baseline will be established from studies and surveys financed by the Project Preparation Grant.

73. The FIP Coordination Unit will be responsible for data collection and upstream reporting of monitoring information and overall progress towards achieving results to the FIP Steering Committee and the World Bank on a semi-annual basis.

74. The M&E system will rely on the M&E Specialist for M&E reporting. Further, the Technical Assistants recruited to support the implementation of the different sub-components will contribute to data collection. At regional level, Local Development Facilitators (8 staff based in the targeted communes) will enhance the capacity of the communes and assist them to ensure timely submission of data to the national level.

75. In addition, as an extension of the M&E functions, the project will contract an external independent evaluator over the lifetime of the project, charged with both analyzing the social dynamics at local level and interacting with the communities as an independent mediator in case of local conflicts. These functions will overlap with an extended grievance and redress mechanism that will be detailed in the Project Implementation Manual (to be finalized). The social reviews will be carried out by an independent evaluator and mediator in conjunction with a local team of experts, in close collaboration with a local university of sociologic laboratory. The independent observer will be hired to carry out two functions: 1) to carry out regular visits and consultations to the communities in the target project areas and; 2) to carry out initial dispute resolution. As the activities of the observer will bring her/him regularly to the communities s/he will be well placed to identify conflicts early on based on trust s/he will build with community members. If the conflicts prove to be beyond her/his capacity s/he will be supported by the local authorities that will be part of capacity building. As a national Grievance Redress Mechanism (GRM) will be part of an eventual national REDD+ strategy this independent observer may provide an initial response or reference for the GRM. At this stage it is not foreseen to have any conflicts of interest between these two roles. The analysis to be carried out will allow the project to evaluate the level of ownership and the satisfaction of the population on the field. Other independent project reviews will be conducted at mid-term and a project impact assessment at the end of the Project. Cost for collection of monitoring information is embedded in the cost of implementing the Project activities.

76. Specific elements of the M&E system will include: (a) technical, procurement and financial management audits; (b) analysis of project intermediate effects and the strength of the participatory NRM process at local level (analysis provided by the independent mediator following the project over its lifetime); (c) impact evaluation of living conditions including changes in income; (d) use of participatory M&E tools at the communal and village level. The carbon impact will be monitored using proxies and will rely on both on the results from the second National Forest Inventory (IFN) and the MRV system set-up under the AfDB project.

77. The European Union will establish an M&E system for the FIP Program that will be directly managed by the EU Delegation based in Burkina Faso. The M&E system managed by the EU should be launched in mid-2014 and will involve a review every six months over a two-year period. The EU M&E system will bring an outside perspective to the entire FIP Program with a particular focus on components one (1) and three (3). The M&E system will report findings to the European Union Delegation in Burkina Faso and the World Bank.

C. Sustainability

78. The sustainability of the project will depend on many factors, including: (i) Government commitment to improve forest and woodland management; (ii) integration of environmental sustainability into investments and planning at national, sub-national and local levels; (iii) Government commitment to effective decentralization and further devolution of competencies and resources to local governments; (iv) community engagement and ownership of local forest and

woodland management activities; (v) effective participation of women in the process and implementation; (vi) quality of local investments; (vii) strengthened capacity of local governments to generate their own revenue; (viii) land security to protect investments; (ix) strengthened capacity of local actors including communes, decentralized technical services and civil society to manage local forests and woodlands; and (x) social cohesion and effective resolution of local conflicts.

79. *Policy sustainability.* Prospects are strong, given government commitments to sustainable natural resource management and to the process of decentralization and land reform that are expressed in recent policy statements, detailed action plans, legislative commitments and recent organizational changes in national ministries. The primary policy challenge is to ensure the integration of climate change into development planning in a way that interweaves resilient low-carbon development with economic growth. A further challenge is to continue coherent implementation of the decentralization process. The project intends to strengthen national level policy on REDD+ and climate change through a multi-sector programmatic approach that integrates sectoral dimensions to reducing pressures on forests and woodlands and increasing carbon sequestration potential. The project intends to deepen and strengthen the processes already underway and should play a significant role in securing the gains that have already been made, in particular through strengthening local level capacity for sustainable forest and woodland resource management and supporting socio-economic and revenue-generating investments.

80. The current Country Assistance Strategy is based on two strategic themes, namely (1) minimizing economic vulnerability and promoting growth through economic transformation and (2) promoting shared growth through effective social service delivery, and two cross cutting issues related to governance and demography. This proposed project is aligned with both strategic pillars and with the cross-cutting issue of governance. This project was prepared during the final stage of implementation of the 2013-2015 CAS and is fully consistent with it. The project is also fully consistent with the new CPS (country Partnership Strategy) for the country submitted to the Board of World Bank in September 2013. It is to be noted that the new CPS is closely aligned with the SCADD (2011-2015).

81. *Sustainability of management and oversight capacity.* The project works within the existing governance and procedural frameworks to further empower national, sub-national and local actors with capacity to manage and oversee local development in the future. Capacity building activities will also promote participation, inclusion, good governance and effective conflict resolution to strengthen community ownership of natural resource management, citizen management and social accountability.

82. The project will seek to develop synergies and improve the impact of existing and future World Bank-financed projects as well as build synergies with other operations related to natural resource management, rural development, and the decentralization process. In addition to the close collaboration with partners from the African Development Bank and the European Union on the FIP, the project will seek to build synergies as follows:

a. The project will also ensure linkages with the third Community Based Rural Development Project that seeks to empower rural communities in leading their own local development process through community development plans that are adopted through a participatory process driven by democratically elected bodies. PNGT will support local governments and populations with capacity building and resources to support rural development investments. It is also expected that the extensive financial and technical support that these projects will

bring will catalyze decentralization processes and create an environment that is conducive to further policy reform.

b. The project will build on the positive experiences of environmental and forest resources management initiatives at the national and local level (*see annex 9 for a list of relevant initiatives*). The national REDD+ initiatives will build directly on the data and information collected through the National Forest Inventory project (IFN 2) as part of the national reference level for REDD+. The inventory will provide a detailed basis for land-use mapping and sustainable resource development that will be a key facet of communal development plans that incorporate sustainable forest and woodland usage. The project will also build on the programmatic approach to forest management from the Forest Sector Support Project (*Projet d'Appui au Secteur forestier-(PASF)*) its support for good practice in agroforestry, rehabilitation of degraded lands and sustainable forest management.

c. The project will also build on the complementary Bank-supported projects that intervene in the rural sector: (i) the Agricultural Diversification and Productivity Project (*Projet d'Appui aux Filières Agro-Sylvo-Pastorales* (PAFASP)); (ii) the Agricultural Productivity Project for West Africa (*Projet de Productivité Agricole en Afrique de l'Ouest* (PPAAO)); and (iii) the Productivity and Food Security Project (*Projet d'Amélioration de la Productivité et de la Sécurité Alimentaire* (PAPSA)).

d. The project will be complementary to the land tenure management improvement project in the "*Boucle du Mouhoun*" Region supported by the *Agence Française de Développement* (AFD). The project aims at supporting growth and poverty reduction in rural areas by clarifying and securing land tenure and the promotion of sustainable natural resources management. Operational complementarity and exchange of experiences will be sought with this project. For example, although the project will use the structure of the PNGT to channel funds to communes, the use of the "permanent Fund for local government development" (FPDCT) to channel investments to the communes may have provided important experiences to learn from. The two projects have defined (i) the articulation between the two projects as there is an overlap for several communes and (ii) the possible operational partnership following an assessment of their respective financial management scheme.

e. To avoid overlap and ensure adequate regional coverage, the project will take into account the activities of other development partners, including the support for rural land security for which certain rural communes are already being supported with projects financed by the Millennium Challenge Account (MCA), *l'Agence Française de Développement* (AFD), *le Fonds International pour le Développement de l'Agriculture* (FIDA), GIZ, DANIDA and OXFAM. Activities in REDD+ and land degradation are already being coordinated within the GEF Country Partnership Program for Sustainable Land Management (CPP/SLM), while other projects in the process of development target climate change adaptation. Development partners in each of the targeted intervention zones will be consulted, such as the UNDP/GEF activities in *Boucle de Mouhoun* to learn from successful practices, avoid pitfalls and increase the potential for sustainable improvements.

83. *Fiscal sustainability.* As a means for addressing the challenge of financing environmental and forest management investments, Burkina Faso has introduced the principle of an FIE in the Environmental Protection Law. The FIE is a financial instrument that is destined to become the channel of choice for financing the implementation of the environmental strategy of Burkina Faso.

The FIE is currently under preparation and the tax mechanism through which it would be funded, although it has not yet been defined, its guiding principles have already been approved. Luxembourg and Sweden, through the PASF project, are currently supporting the government in launching the basket fund and the FIE within a three (3) year period. While it is not initially planned to use this FIE for channeling the FIP financing, if the fund's overall operational arrangements are acceptable AfDB and WB will consider whether FIE would be an appropriate vehicle for channeling FIP funds.

V. KEY RISKS AND MITIGATION MEASURES

A. Risk Rating Summary

Risk	Rating
Project Stakeholder Risks	
- Stakeholder Risk	Moderate
Implementing Agency (IA) Risks (including Fiduciary Risks)	
- Capacity	Substantial
- Governance	Moderate
Project Risks	
- Design	Substantial
- Social and Environmental	Moderate
- Program and Donor	Low
- Delivery Monitoring and Sustainability	Substantial
- Implications due to decentralization process	Substantial
Overall Implementation Risk	Substantial

B. Overall Risk Rating Explanation

84. The proposed overall risk rating for the implementation stage of this Project is substantial. While there is a strong commitment from Burkina Faso to the process of decentralization, there are significant capacity needs at the national and commune level that will need to be met for effective implementation. Further to the innovative and broad approach, taken at targeted sites, land use planning and management will need the participation and agreement of a broad range of actors who have competing interests over forest and woodland resources. Measures to address these concerns are built into the project, nevertheless the challenges are significant.

VI. APPRAISAL SUMMARY

A. Economic and Financial Analysis

85. The following developments will be presented in two parts: i) the first part is an attempt to estimate the benefits of the project by comparing the "with" and "without" project scenarios based on explicit assumptions on the potential carbon sequestration potential of the project and the livelihood improvement expected from the project; ii) the second part is an attempt at a cost-effectiveness approach based on a linear combination of three parameters, i.e. cost of given project interventions, carbon sequestration potential and livelihood improvement. Annex 8 includes more details on both approaches.

a. Economic and Environmental Context

86. Burkina Faso is characterized by significant development challenges. Despite average economic growth of over five (5) percent between 2003 and 2008, per capita income of US$ 430 represents less than half the sub-Saharan average. Despite considerable attention devoted to poverty alleviation in national development programs, poverty indicators are deteriorating: the incidence of poverty increased from 45 percent in 1994 to 47 percent in 2003 (INSD, 2003). The same trend is seen for malnutrition[12]: from 30 percent in 1993 to 34 percent in 1999, 35 percent in 2003, and 37 percent in 2006 (WDI, 2010). According to the Human Development Index for 2010, Burkina Faso ranks 181st out of the 187 countries ranked (UNDP, 2011)[13]. Rural populations remain largely dependent on agriculture as source of income and to sustain their livelihood. Rural areas also continue to experience higher poverty rates with 51 percent of the rural population living below the poverty line as compared with 24 percent in urban areas (some publications even state that 90 percent of the rural population is at poverty line)[14]. In a 2002 survey, 51 percent of the population was estimated to be severely food insecure[15].

87. High population growth rates – generally reported to be above three (3) percent[16] and one of the highest in Africa – result in a doubling of the population in one generation. Accordingly, 65 percent of the population is below 24 years old. Urbanization growth rates are reported to be double of population growth rates[17], with some assessment reporting numbers reaching up to 11 percent[18] per year.

88. Without appropriate policy and regulatory frameworks in place that are supported by public investments addressing drivers of change and transformational processes, these demographic trends are expected to accelerate environmental degradation and poverty, especially in rural areas. The reliance on natural resources yet the lack of appropriate policies to incentivize sustainable management leads to the continuous degradation of the natural environment. Burkina Faso is particularly affected by soil erosion due to wind and water, loss of soil nutrients and bush fires. It is estimated that 34 percent of the territory has deteriorated as a result of anthropogenic factors, continuing at a rate of 105,000 to 250 000 hectares each year, while 74 percent of arid and semi-arid areas are affected by desertification or land degradation.

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[12] Measured as the percentage of population under the age of 5 that is more than two standard deviations from the median of the international population for
weight/age
[13] Compare: Sanfo and Gerad (2012)
[14] http://www.spconedd.bf/spip.php?article57
[15] http://jn.nutrition.org/content/136/5/1431S.full.pdf
[16] https://www.cia.gov/library/publications/the-world-factbook/geos/uv.html
[17] Ibid
[18] http://www.nationsencyclopedia.com/economies/Africa/Burkina-Faso.html

89. The degradation of natural resources in Burkina Faso is amplified by climate change with considerable impacts on the economy and livelihood situation, especially in rural areas. Rural households who depend on agricultural activity for subsistence face large income shocks originating from weather fluctuations. In the absence of formal insurance markets households can hardly protect themselves against these shocks. Informal risk mitigating and risk coping strategies set up by farmers only afford a partial protection against income risk. Local populations are not adequately equipped with adaptation tools to deal with these climatic changes and, as demonstrated during the 2007 droughts and the 2009 floods, this has led to devastating damage and loss of life.

b. Scope of the Economic Analysis

90. **Against the backdrop of the severe economic and environmental challenges prevailing in Burkina Faso, the benefits anticipated by the project are multiple**. Benefits can be broadly categorized using different criteria, for example, by environmental and livelihood (poverty) benefits as well as marketable and non-marketable benefits. Table 1 in Annex 8 lists a tentative selection of possible, immediate benefits that will be generated by the project.

91. **For the quantitative analysis, and in line with the project objectives for the proposed Decentralized Forest and Woodlands Management Project, two principle benefit categories are considered: carbon sequestration and livelihood benefits**. While the quantification of carbon benefits will be achieved by applying a carbon price per ton of carbon, the livelihood benefits are calculated using the current poverty line for rural areas as the benchmark. As this approach only considers a small subset of possible project benefits, total benefits are likely to be much higher. However, given the difficulties with respect to a credible monetization of these benefits, only a qualitative analysis is attempted here. This also increases the robustness of the analysis as any variability of the quantitative results could be compensated or buffered by the non-quantified project benefits.

92. **Given the overall project context, the consideration of the "with" and "without" project situations is an important factor for this economic analysis**. Taking account of the current situation, and the fact that the environmental as well as livelihood situation in the project areas is likely to continue to decline[19], even a slowing but continuing of an already negative trend represents a project benefit. For example, a slowing but continuing deforestation and forest degradation trend is a benefit that can be quantified by the amount of incremental carbon that is not emitted into the atmosphere compared to the "without" project situation. Likewise, if household incomes can remain stable under a "with" project scenario compared to a possible negative trend due to declining agricultural productivity, deforestation, climate change, and other possible impact factors, this also represents an incremental benefit achieved by the project.

93. **The economic analysis is constrained by the multitude of project sites, the socio-economic and environmental heterogeneity among these sites, the geographical disparity of socio-economic and environmental parameters and developments, and a significant lack of detailed micro-level data.** Against this low baseline, the data situation is best for data on forest cover and deforestation allowing an approximate modeling of assumed carbon benefits. In contrast,

[19] Sanfo and Gerard (2012) also describe such a negative trend for rural areas of Burkina Faso despite overall economic growth measured in GDP per capita for the country at macro-level.

livelihood and poverty benefits assumed to be generated by the project require a much higher degree of approximation. Using present day income data of rural households in rural areas in Burkina Faso, incremental benefits achieved by the project are then approximated as a percentage average increase above this benchmark. Such a percentage increment would also represent a situation where the project benefit is generated by a slower decline of the income situation compared to the without project situation. Any additional benefits from carbon stock enhancement are not explicitly taken into account as it is difficult to estimate for this project because of the demand driven approach which implies only considering financing activities that have been vetted by local stakeholders through a meaningful and informed consultation process. However it is likely that carbon stock enhancements activities will be implemented, adding then to the climate mitigation benefits of the project, and they will be properly monitored and reported upon as part of the M&E system.

c. Discussion

94. **Through a community based approach, the proposed Decentralized Forest and Woodlands Management Project generates multiple benefits of which carbon and livelihood benefits were used to assess the economic feasibility of the project**. Economic values generated through other benefits were not considered for the simulation due to a lack of data availability. In addition, for assessing the economic feasibility of the project, very low and conservative benefit increments were assumed between the "with" and "without" project situations.

95. **The results demonstrated that with a high probability the overall project results will be economically feasible, hence the project should be supported.** However, it is noted that overall project results are highly dependent on the monetization of carbon sequestration and avoided CO_2 emissions. Livelihood benefits as modeled in this economic assessment have a smaller impact on overall project results. Compared to the significant development challenges in Burkina Faso, especially in the rural areas targeted by the project, livelihood benefits in a "without" project scenario are expected to deteriorate further and the incremental livelihood benefits assumed for this project are deliberately conservative adding to the robustness of the analysis.

d. Introduction of a cost-benefit indicator approach

96. One way to assess the impacts of interventions on the ground in spite of limited data is from a cost-effectiveness point of view. In order to capture the cost-effectiveness of the interventions likely to be financed under this essentially demand-driven project, an overall FIP Index is proposed. This Index is the result of a linear combination of the three parameters of significance from the point of view of the project objectives; the cost, the carbon sequestration potential (estimated through a 0 to 10 index) and welfare index (also measured on a 0 to 10 scale). The FIP Index, measuring the overall consistency with project objectives, is then the result of weighing the parameters mentioned above. *Annex 8 shows a few examples of activities likely to be requested by local populations and their estimated unit cost as well as a sample calculation of the FIP Index*. The index would be a means for comparing different proposed investment activities. Activities would be focused on NRM and would develop different "weights" with regards to the cost, carbon sequestration potential, and welfare as agreed through consultations with the different stakeholders involved.

$$[\boldsymbol{FIP\ Index}]_i = 100 \times \left[\begin{array}{c} \left(a \times \frac{Cost\ Activity_{max} - Cost\ Activity_i}{Cost\ Activity_{max}}\right) + \\ \left(b \times \frac{Carbon\ sequest.Index_i}{Carbon\ sequest\ Index_{max}}\right) + \\ \left(c \times \frac{Welfare\ Index_i}{Welfare\ Index_{max}}\right) \end{array} \right]$$

97. Of course, the choice of the coefficients a, b and c as well as the activity specific carbon sequestration index and welfare index might appear arbitrary. In fact the value of these parameters will be established through consultations with stakeholders which will approximate their societal optimal values. For the sake of demonstration annex 8 contains a table of potential interventions that the project could finance as well as the values assigned for the two carbon and welfare indices, the FIP index for each of these interventions will be calculated based on the following tentative (for demonstration only) values: a=0.2,b=0.4 and c=0.4 (the sum of the coefficients a, b and c being of course equal to 1).

98. It is proposed that this index is calculated for each activity submitted by stakeholders. In case more activities are submitted than can be financed, this Index could be used to prioritize the activities to be financed. Also this formula could be used by mid-term and/or completion in order to assess the extent to which the project has achieved its objectives.

B. Technical

99. The main technical aspects of the proposed project are as follows:

100. Component 1: The development of a national REDD+ strategy is a key step in Burkina Faso's commitment to reducing greenhouse gas (GHG) emissions that contribute to climate change through avoided deforestation and forest degradation. The development of a national strategy will provide a framework of actions and policies to set the country on a climate resilient, lower carbon emitting development path.

101. The R-PP that Burkina Faso has revised for final submission to the Forest Carbon Partnership Facility is a common vision of the role REDD+ will play in national development. The plan articulates a clear plan, budget and schedule that will lead to real and verifiable GHG emissions reductions through avoided deforestation and forest degradation. The different components of the R-PP are related specifically to the management of REDD+ but align strategically with the country's climate change and sustainable development strategies.

102. The R-PP addresses specific technical and social issues that are critical elements of a REDD+ program including: organizational set-up, consultations, strategic options for REDD+, implementation framework, environmental and social impacts, the development of a baseline scenario, methodology for quantifying avoided GHG emissions, monitoring and evaluation including co-benefits among others. Using the guidelines set forth by the FCPF ensures that Burkina Faso is responding to one of the pre-eminent international programs on reducing emissions from deforestation and forest degradation.

103. The FIP Sustainable Forest and Woodlands Management Project is complementary to the

strategy laid out in the R-PP as well as the country's national strategies for climate change. The project addresses two of the major components of the R-PP: 1) organization and consultation and; 2) development of a national REDD+ strategy. The project being supported by the African Development Bank will support two other components of the R-PP: 1) development of a baseline scenario and; 2) measurement, reporting and verifications systems.

104. Component 2: The participatory land-use mapping that will be used throughout the project focuses on allowing target groups (particularly women) to autonomously and collectively design solutions to a common issue of sustainable land and forest management, assess and then improve the solutions. This process of local empowerment supports Burkina Faso's commitment to decentralization, including the decentralization of sustainable natural resource management.

105. The approach to participatory methods of natural resources management has been in practice for over 15 years, and is exemplified by the POAS Companion Modeling taken by a local community in Senegal with the support of IFAD and CIRAD[20]. The approach uses a series of role playing activities to test NRM strategies while focusing on short and medium term potential effects that allows participants to pursue autonomous learning after the group exercise is over and then revisit the exercise and group learning at a later date based on the gained experiences.

106. The practice is based on a principal allowing participants to come up with solutions on their own, with only minor guidance, and not on pre-conceived management plans designed by someone living outside of the target communities.

107. Maps at the scale of local villages are developed as a part of the target groups' exercise and serve as basis for future management that can be adapted if/when circumstances change without the need for outside intervention.

108. This participatory mapping exercise will start through the Project Preparation Grant – when the project will actually be launched. It is expected that discussions in the communes would have been ongoing for about a year. Those plans will define the new development path chosen by the community to reduce the pressure on the forest and woodlands. Project financing will support the implementation of those plans and any activity consistent in this plan could be eligible – it could be investments that would directly reduce the pressure on forests (plantations, forest gazetting/ creation of conservation zones, agriculture intensification, etc.) or have an indirect impact (promoting NTFP, agreeing on land use rules, developing new activities as a trade-off for a conservation zone, etc.). Therefore, the impact on deforestation and forest degradation will only be assessed at the commune/village level – it would not be relevant to attribute an impact in terms of carbon for each single activity nor to have a pre-established restrictive list of allowed activities.

C. Financial Management

109. In accordance with the Financial Management Manual for World Bank-Financed Investment Operations that became effective on March 1, 2010, the Financial Management arrangements of the FIP development project have been reviewed to determine whether it is acceptable to the Bank. At

[20] D'Aquino, Patrick and Papazian, Hermine, 2012. *Final evaluation report-Impact analysis of Companion Modeling approach: The 'Plan d'Occupation et d'Affectation des Sols (POAS)' operation in the rural community of Ross Bethio in Sengal,* IFAD-CIRAD.

the present time, the FIP Coordination Unit is not yet implemented. According to the concept note of project, the project will be classified as an "A" type project under the Burkinabe national law regulating project implementation. This implies that the project will be administrated and managed by permanent government bodies as much as possible. It is critical that appointment of a project financial team meet requirements of the Bank, notably:

a) The overall FM risk at preparation is considered as **substantial**. The proposed financial management arrangements including the mitigation measures for this project are considered adequate to meet the Bank's minimum fiduciary requirements under OP/BP10.00.
b) As a result of the financial management capacity constraints, the dated covenants for this project are : the implementation of Project Implementation Manual by effectiveness, the appointment of FM staff (composed of a Financial Management Specialist, and two accountants) with adequate and relevant experience and all familiar with Bank FM procedures by effectiveness, the amendment of the terms of reference and the contract of the external auditor by the supreme audit court within three months after effectiveness.
c) It is also recommended to train the FM staff within three months after effectiveness, and to purchase accounting software with all modules (general accounting, cost accounting, monitoring and evaluation, fixed assets management, preparation of withdrawal applications, interim financial reports and annual financial statements) within three months after effectiveness.
d) FM arrangements are included under Annex 3.

110. For Component 2, the fiduciary responsibility will remain at central level, even if the communes will engage funds and disburse on behalf of the project. Therefore, the project will sign Memorandums of Understanding with the Communes that will detail the responsibilities and the requirements in term of procurement and financial management. Disbursement will be supported by the regional representations of the Public Treasury. Eight (8) internal auditors, recruited by the project, will support the communes and the regional Treasuries for bookkeeping and financial management archiving. The Project Implementation Manual will include the details of the financial management procedures for this component.

D. Procurement

111. Procurement for the proposed Project would be carried out in accordance with the World Bank's "Guidelines: Procurement under IBRD Loans and IDA Credits" dated January 2011 and Guidelines: Selection and Employment of Consultants by World Bank Borrowers" dated January 2011, and the provisions stipulated in the Financing Agreement. "Guidelines on Prevention and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 and updated January 2011, shall apply to the project.

112. A single FIP Coordination Unit within the MEDD will be responsible for overall management and coordination for the implementation of activities and projects of the FIP program, including the activities of the African Development Bank (AfDB). A procurement specialist with strong experience in the WB and the AfDB will be recruited and placed in the FIP Coordination Unit; he will be responsible for conducting procurement activities under FIP financing. To reduce the workload, it is proposed to appoint a procurement assistant with a minimum of knowledge in the donor's procedures. The DMP will continue to play his role of supervisor.

113. The assessment found that the DMP has a limited number of staff with no experience in the WB and the AfDB procedures and lot of delays in contract approval. In order to allow the DMP to efficiently play their role, it is proposed to train the director and other staff in the donors' procedures and put in place an efficient tracking system.

E. Social (including Safeguards)

114. The impacts of the project on the target population are expected to be positive because of the demand driven approach that this project will follow. Consultations will be carried out with local populations in the target areas and the preparation of each activity will be based on a participative process that will ensure that all stakeholders will be able to express their views. The project team will include a social expert to monitor the implementation of the safeguard plans, especially the restriction of access. As part of a more extended grievance and redress mechanism that will be detailed in the Project Implementation Manual (to be finalized), the project will contract an external independent evaluator over the lifetime of the project, in charge of both analyzing the social dynamics at local level and interacting with the communities as an independent mediator in case of local conflicts.

115. Land issues are very sensitive in the current context of Burkina Faso and the Bank has extensively reviewed the implication of land based intervention in the context of the FIP. In some instances, there are real tensions between farmers and herders over access of cattle to water holes or grazing fields. In some of the proposed activities it might happen that this question of cattle passage will have to be negotiated between the parties. There is currently a structured approach to reach these agreements and reconcile differing points of view; these are the land charters (*chartes foncières*). The project will use this existing process in order to reach a consensus. In case of irreconcilable disagreement the project will not finance the corresponding activity.

116. From a safeguards point of view, it is clear, because of the nature of the project, that no involuntary resettlement of population will be provoked by the activities financed by the project, but because of the access question described above, the safeguards policy of the world Bank (O.P. 4.12) is triggered, with, in this case, the appropriate safeguards instrument being a Process Framework. This Process Framework will describe the steps to identify and possibly resolve any situation of restriction of access that may appear.

117. Specific attention will be given to gender issues. The Social Specialist will coordinate all the project gender-related activities. The Social Specialist will also elaborate a specific road map for an explicit focus on the gender aspects in the project and will report to the Steering Committee on a regular basis on this road map.

F. Environment (including Safeguards)

118. No significant negative environmental impacts are expected from this project as its intention is to promote sound natural resources management and improve animal and vegetal biodiversity. The project will lead to significant positive impacts through improved soil and water conservation, increased tree/shrub/grass cover and reduced deforestation and forest degradation. However it is recognized that despite this virtuous intention it is necessary for the sake of the environmental integrity of the project to follow a structured assessment process to ensure that no activities will have

unintended consequences on the environment.

119. A compliance monitoring process will be implemented through the recruitment of an external consultant every year. A compliance monitoring report will be submitted to the FIP Coordination unit and to the National Bureau of Environmental Assessments (BUNEE).

120. For that purpose an Environmental and a social Management Framework has been prepared and provides details of the screening process to follow in order to identify, at an early stage, any situation that may potentially lead to adverse environmental and/or social impacts. The project is categorized as category "B" in accordance with the World Bank Environmental Assessment Policy (O.P. 4.01).

121. The instruments presented above (ESMF and Process Framework) have been shared with stakeholders through a public consultation process. The first meeting was held on Thursday October 17, 2013 in Ouagadougou and was attended by about fifty participants, representing institutional entities as well civil society (about one third of the participants). The participants expressed their overall support for the project and did not mention significant issues but called for clearer documents. The documents were subsequently slightly revised to enhance overall clarity.

122. Another stakeholder meeting was also held on October 21, 2013 in the municipality of Dedougou with representatives from regional and local governments as well as civil society. Questions revolved around linkages with existing projects on the ground and actual measures for ensuring smooth implementation of the project at the local level. On the same day a consultation with locals in the village of Bissandierou in the commune of Tcheriba took place, about forty to fifty villagers attended the discussion and represented a large sample of the local population (wood-cutters, farmers, charcoal producers, herders, women engaged in non-timber forest product exploitation – shea nuts, nere, etc.). The villagers were looking forward to the implementation of the project and expressed their commitment to the participatory process that was introduced.

123. The above revised safeguards instruments, acceptable to the Bank, have been disclosed in Burkina Faso through the website of the MEDD (www.environnement.gov.bf) and through the World Bank public information facility – the Infoshop on November 8, 2013 and November 11, 2013 respectively.

Annex 1: Results Framework and Monitoring

Country: Burkina Faso

Project Name: FIP - DECENTRALIZED FOREST AND WOODLAND MANAGEMENT PROJECT (P143993)

Results Framework

Project Development Objectives

PDO Statement

The project objective is to promote national development policies and support the definition and implementation of community-based natural resource management processes in 32, mostly rural, communes in Burkina Faso to strengthen sustainable local development practices and contribute to reducing GHG emissions from deforestation and woodland degradation.

These results are at	Project Level

Project Development Objective Indicators

Indicator Name	Core	Unit of Measure	Baseline	Cumulative Target Values					Frequency	Data Source/ Methodology	Responsibility for Data Collection
				YR1	YR2	YR3	YR4	End Target			
The next national development strategies (post 2015 SCADD	☐	Number	0.00					3.00	Annual	Activity reports	REDD+ Technical assistance

and PNSR equivalent) include sound objectives for REDD+ and the use of climate resilient agricultural practices.											
Effectiveness of sustainable natural resource management plans in targeted villages	☐	Percentage	0.00					75.00	Annual	Component 2 activity report from independent mediator (grievance redress mechanism)	Local Development and Planning Technical assistant
Reduced emissions from deforestation and forest degradation relative to the 2012 reference emissions level based on the comprehensive IFN forest	☐	Number	0.00					3.52	As defined by the future MRV system	As defined by the future MRV system	REDD+ Technical assistance

carbon inventory.											
People in forest & adjacent communities with monetary/non-monetary benefit from forest	☒	Number	0.00					250000.00	At midterm review and project closing	Surveys, field economic analysis	M&E specialist
People in forest & adjacent communities with benefits from forest-female	☒	Number Sub-Type Breakdown	0.00					85000.00	At midterm review and project closing	Surveys, field economic analysis	M&E specialist
People in forest & adjacent communities with benefit from forest-Ethnic minority/indigenous	☒	Number Sub-Type Breakdown	0.00					0.00	At midterm review and project closing	Surveys, field economic analysis	M&E specialist

Intermediate Results Indicators

				Cumulative Target Values		Data	Responsibility

Indicator Name	Core	Unit of Measure	Baseline	YR1	YR2	YR3	YR4	End Target	Frequency	Source/ Methodology	for Data Collection
Intermediate Results (Component One): Mainstreaming Climate Change and REDD+ into Sectoral Frameworks and Strategies											
The REDD+ strategy is defined and institutions arrangements are defined for its implementation	☐	Yes/No	No					Yes	Annual	Component 1 activity reports	REDD+ technical assistant
A monitoring system of SLM and SFM co-benefits is established and operational	☐	Yes/No	No					Yes	Annual	Component 1 activity reports	REDD+ technical assistant
A database with relevant information on climate resilient agricultural practices is operational, accessible easily within the country and broadly	☐	Yes/No	No					Yes	Annual	Component 1 activity reports	REDD+ technical assistant

known (adapted manual and trainings)											
Users of the ONEDD database per month	☐	Number	2500.00					5000.00	Annual	Component 1 activity reports	REDD+ technical assistant
Intermediate Results (Component Two): Participatory Planning and Management of Forests and Woodlands											
Participation of local stakeholders in the planning, management and monitoring of forest related activities	☐	Percentage	0.00					90.00	Annual	Component 2 activity reports	Local Planning+ technical assistant
Hectares impacted by a SFM/SLM investment defined in the PDC	☐	Hectare(Ha)	0.00					400000.00	Annual	Component 2 activity reports, sub-project approval reports	Local Planning+ technical assistant
Villages agreeing on a revised PDC according to project methodology	☐	Percentage	0.00					80.00	Annual	Component 2 activity reports	Local Planning+ technical assistant

Small and Medium local Enterprises supported by the project	☐	Number	0.00					320.00	Annual	Component 2 activity reports, sub-project approval reports	technical assistant
Intermediate Results (Component Three): Coordination and Information and Knowledge Sharing											
International Event about the FIP in Burkina Faso	☐	Number	0.00					2.00	Annual	Project reports	FIP/REDD+ Focal Point
Capacity of national and local authorities to manage program activities strategically (including by performance payments)	☐	Yes/No	No					Yes	Mid Term assessment and End of the project	Mid Term review and End of project Evaluation	External technical auditor

Annex 1: Results Framework and Monitoring

Country: Burkina Faso

Project Name: FIP - DECENTRALIZED FOREST AND WOODLAND MANAGEMENT PROJECT (P143993)

Results Framework

Project Development Objective Indicators	
Indicator Name	Description (indicator definition etc.)
The next national development strategies (post 2015 SCADD and PNSR equivalent) include sound objectives for REDD+ and the use of climate resilient agricultural practices.	REDD+ should be taken into account by the Sustainable Development Strategy (PNDD), the post 2015 PNSR and ultimately the next SCADD.
Effectiveness of sustainable natural resource management plans in targeted villages	This will be measured by percent (%) of local villages where the land use planning process was satisfactory enough to lead to FIP investments. While the most obvious results from the project may come from the investment, the most sustainable results are the social processes that the project will create. Having a community that is empowered to define by itself how to allocate the land and agree on management rules is the real result that is expected from the project.
Reduced emissions from deforestation and forest degradation relative to the 2012 reference emissions level based on the comprehensive IFN forest carbon inventory.	Tons (millions) of CO2 (M t CO2). The reference level as well as the MRV system will be determined under the AfDB project. The project will also use proxy's for estimating the gain from each local investment in the villages.
People in forest & adjacent communities with monetary/non-monetary benefit from forest	This indicator measures the extent to which local people have seen improved livelihood as a result of the intervention. This may cover both monetary income and non-monetary benefits like improved and easier access to fuelwood as well as cultural and spiritual services. The baseline value is expected to be zero.
People in forest & adjacent communities with	

benefits from forest-female	
People in forest & adj. communities with benefit from forest-Ethnic minority/indigenous	

Intermediate Results Indicators	
Indicator Name	Description (indicator definition etc.)
The REDD+ strategy is defined and institutions arrangements are defined for its implementation	As defined in the R-PP and subject to FCPF quality control review (in particular regarding the social impact of REDD+)
A monitoring system of SLM and SFM co-benefits is established and operational	Monitoring the co-benefits of SFM/SLM (and the side-losses of business as usual development), with an economic value when relevant, is the best way to have an influence on the political decisions and the international negotiations based on figures and facts
A database with relevant information on climate resilient agricultural practices is operational, accessible easily within the country and broadly known (adapted manual and trainings)	The ONEDD website already exists but is disconnected from political decision and from other database.
Users of the ONEDD database per month	Average number of single users of the ONEDD website per month
Participation of local stakeholders in the planning, management and monitoring of forest related activities	Percent of villages with a participatory land use management. Percent of village that went through the process of participatory mapping and agreed on a set of land use management rules ("*chartes foncières*")
Hectares impacted by a SFM/SLM investment defined in the PDC	
Villages agreeing on a revised PDC according to project methodology	Percent of villages that elaborated an investment plan based on the participatory mapping that will be performed during the first 2 years of the project
Small and Medium local Enterprises supported by the project	Estimation based on the assumption that 10 SME will be supported per communes

International Event about the FIP in Burkina Faso	Events should be Carbon related and aim at promoting BF experience, possibly to raise additional financing sources: UNFCCC side event, Africa Carbon Forum, Carbon Expo, etc.
Capacity of national and local authorities to manage program activities strategically (including by performance payments)	Target is Satisfactory rating. To attract possible future investors on Carbon, Burkina Faso should demonstrate her ability to implement on a transparent and satisfactory manner such Land management projects.

Annex 2: Detailed Project Description

1. **An integrated, inclusive approach to forest and woodland management**. The Decentralized Forest and Woodland Management Project is designed to achieve an integrated, inclusive community forest and woodland management regime that is based on improving livelihoods and reducing poverty while simultaneously enhancing carbon sequestration potential. Through a combined approach of tailored local action, developed in close coordination with local stakeholders, and actions on a policy framework the project will support activities that contribute to improving livelihoods and mitigating, as well as building resilience to, climate change.

2. **A focus on addressing drivers of deforestation and degradation in and out of forests and woodlands**. The sites considered for intervention will be areas experiencing a dynamic of significant forest degradation, yet holding a high potential for reforestation. These targeted zones will capture some or all of the following dynamics: deforestation linked to the supply fuelwood for major cities; deforestation caused by extensive agricultural practices; afforestation/deforestation caused by anthropogenic pressure (subsistence farming in densely populated area for example) and; areas of high biodiversity and water resource value. The project will implement actions both within the forest sector and outside the sector, focusing on enabling activities such as land use planning and rural development planning.

3. **Working through collaborative partnerships to increase the positive impacts of investments**. The project will be developed as part of a collaborative initiative between the World Bank and the African Development Bank under the Forest Investment Program that seeks to build synergies to reinforce the impact of investments while avoiding the duplication of effort. The Participatory Management of Protected Forest Areas Project (US $12 million FIP financing) executed by the African Development Bank will focus on areas within classified protected forest areas.

4. The World Bank executed project, the Decentralized Forest and Woodland Management Project, will be developed in partnership with the European Union's CLIM-GDDF project in areas around protected forests through an investment of €7.3 million (approximately USD 9.23 million) the European Union. The EU is supporting strategic priorities related to improving climate governance that will lead to sustainable management of forests and woodlands to support socio-economic development and increasing their ability to sequester carbon as well as reducing pressures on forest ecosystems. Through the identified priorities of (i) integrating climate change into country sectoral strategies, (ii) reducing emissions from deforestation and forest degradation and concerted activities at national and local levels, and (iii) adaptation to climate change, the objectives of the EU are integrated into the World Bank executed project.

5. The project supports an innovative approach to sustainable land, forest and woodland management by making it part of the decentralization process. The projects support the decentralization process that officially plans to transfer natural resource management to the local (commune and village) level. The project supports comprehensive land use mapping as part of a local integrated natural resource management plan. The project focuses on the

landscape as an integrated, productive, forest and woodland mosaic with the development of a territory rather than just one sector and supports planning and decision-making through local institutions like Village Development Committees (CVD).

6. **Targeting a multi-faceted approach to forest and woodland management to deliver transformational impact**. By targeting the multi-faceted drivers of deforestation and forest and woodland degradation this project, in conjunction with initiatives on classified forests in the immediate surroundings (AfDB executed FIP project), seeks to deliver a robust approach that will have a transformational impact in the targeted sites. While there have been successful experiences on integrated land use or the development of alternative livelihoods they have often been developed in isolation. The project takes the critical step of moving beyond a focus on forest resources in isolation, towards a broad strategy to both reduce pressures on forests and woodlands and reduce poverty by promoting sustainable land and forest management and making the local development plans sustainable.

7. The proposed project builds on three components, described in detail below. The structure of the project has been designed to help Burkina Faso implement a national REDD+ strategy, support transformational investments in forest and woodland management in targeted areas, as well as build a body of knowledge and lessons that will support the scaling up of successful models of low carbon, climate resilient development. The project is designed to directly complement the investments of the African Development Bank under the FIP, in particular, and other development partners, in general, on REDD+, climate change and rural development.

8. **Component 1: Mainstreaming Climate Change and REDD+ into Sectoral Frameworks and Strategies** (Combined FIP/EU Budget: US$6.1 million). This component will support the adoption of a REDD+ approach that incorporates climate change adaptation and mitigation into sectoral frameworks, policies, activities and investments based on a broadly informative and consultative process. This component will focus on improving climate governance and the country's readiness for REDD+, consistent with the approach outlined in the Readiness Preparation Proposal (R-PP) that Burkina Faso presented to the Forest Carbon Partnership Facility in 2012.

9. **Sub-Component 1.1: Development of a National REDD+ Strategy** (Combined FIP/EU Budget: US$2.1 million). The development of a national REDD+ strategy will serve as a strategic plan for addressing gaps in the national framework for reducing greenhouse gas emissions as well as moving the country towards a climate resilient low-carbon development path.

10. The development of a national REDD+ strategy will strengthen the legal and institutional framework that will enable local populations to fully participate in the planning and in the implementation of sustainable forest and woodland management initiatives (through forest/woodland management planning processes). The national REDD+ strategy will build upon knowledge gained during the extensive consultations as part of the FIP/R-PP process as well as tap into long-term engagement with local stakeholders around issues of natural resource management.

11. The national REDD+ strategy will incorporate findings from the strategic environmental and social impact assessments that will be carried out in parallel. The two processes are closely linked to the consultations in subcomponent 1.2.

Modalities of implementation and expected activities

12. This component will be implemented in line with the action plan presented in the R-PP. Implementation of this sub-component will be carried out in connection with a special committee of CONEDD (*Conseil National pour l'Environnement et le Développement Durable*) that will address the overlapping issues of Sustainable Land Management (Desertification) and REDD+. This specialized sub-committee will be called the Consultative Platform for Sustainable Land Management and REDD+ (*Gestion Durable des Terres/*REDD+ (GDT/REDD+)). The sub-committee will have an Executive Secretariat—a non-permanent body of twenty (20) members, and an operational body responsible for leading the process of preparing for REDD+ nationally. The Executive Secretariat will include representatives of the various ministries involved, as well as representatives from civil society (associations and private sector), political authorities, research institutions and traditional and/or religious authorities. The office of the secretariat will include the Secretary General of the Ministry of Environment and Sustainable Development (MEDD), Permanent Secretary of CONEDD (SP/CONEDD), REDD+ Focal Point.

13. The Consultative Platform and the Executive Secretariat will cover the responsibilities of the consultative and managerial bodies described in the current R-PP as REDD+ Consultative Platform and National REDD+ Committee. The description and composition will be adapted in the coming months in a revised version of the R-PP.

Specific activities for sub-component 1.1

- A resident expert, responsible for oversight of the entire component and costs related thereto.
- Costs relating to activities of the REDD+ Focal Point including: presentation of REDD+/FIP activities in Burkina Faso at the international level, communication and outreach tools for potential donors for funding the implementation of REDD+, participation in international discussions on REDD+.
- Costs associated with the implementation of a REDD+ framework and the development of REDD+ consultative and managements structures described above.
- Studies to supplement existing knowledge on the drivers of deforestation.
- The drafting of a national REDD+ strategy, integrating feedback from village level consultations and experiences from the implementation of the project; the drafting of the national REDD+ strategy will include further studies, especially on legal and institutional issues including the implementation of REDD+.
- Strategic environmental and social impact assessment.

14. **Sub-Component 1.2: Broad Awareness-raising and Consultations Related to REDD+ Sustainable Land Management and Climate Change** (*Combined FIP/EU Budget: US$2.5 million*). Burkina Faso has a long and meaningful experience in the area of integrated natural resource management, particularly in traditional land management. However, the relevance of REDD+ and implications of climate change, although being felt, are less known across the country and have not been adequately addressed across sectors and at various levels.

15. Consultations will be carried out targeting political as well as civilian stakeholders on issues of climate change and REDD+, and as outlined in the R-PP will be conducted in a series of waves to address different stakeholders. At the political levels consultations will include decision makers in specific sectors to share information as well as learn about how a national approach to climate change and REDD+ can be translated into actions that are sector-specific. At the sub-national and local levels, especially at the village level, engagement of stakeholders will focus on the establishment of the necessary organizational arrangements and consultation processes for the development of a national REDD+ strategy. Consultations under sub-component 1.2 will inform the development of the REDD+ strategy under sub-component 1.1. Consultations will be geared towards ensuring consistency between the local investments (micro-project oriented) and the national reforms (aiming at improving the institutional framework and the governance/control through capacity building) and also ensuring that development priorities at the national level reflect local level needs. Where relevant, consultations will be coordinated with the Dedicated Grant Mechanism as it is developed further as part of the overall FIP program.

Modalities of implementation and expected outcomes

16. Village forums are the main platform for organizing meetings and consultations at the village level and through which summaries of communal committees will be developed. The Municipal Committees' reports or syntheses will, in turn, be synthesized and harmonized by the Regional Committees and the results sent to the PNC-REDD to be included in the national strategy. A complete cycle, ie consultation from the villages sent to the national platform, is considered a "wave" of dialogue/consultation. Each wave will be carried out throughout the country.

17. The whole process, wave, of consultations and feedback will be carried out for series of pertinent themes related to the implementation of REDD+. Given the scope of the dialogues/consultations to be carried out—the geographical deployment across the different target areas—and organizational effort involved, a maximum of three waves of consultations will be conducted during a given year.

18. Elected officials (mayors) and government services (under the authority of prefects) at the local levels will be responsible for chairing the village forums and communal consultations in order to strengthen their authority, ownership of the process and support the national process of decentralization. Teams will be organized to support local authorities and strengthen capacity. These support teams will be responsible for training field staff on the pertinent issues and topics for discussion, education/training on social issues to encourage

inclusion and help avoid the isolation of certain categories of actors and to assist in the logistical aspects of organization.

19. In relation to elements outlined in the R-PP, the content of the waves will be adapted to incorporate the dissemination of legal information (land laws, forest code, environmental code, etc.) as well as technical issues (sustainable land management, sustainable forest management and others).

Specific activities for sub-component 1.2

- Hiring of firms or NGOs to providing the technical content, create communication tools, facilitate consultations on the ground, as well as training resource persons for the waves of consultation.
- Training of government resource persons and officers.
- Expenses related to regional workshops, implementation consulting activities and creation of synthesis documents.

20. **Sub-Component 1.3: Strengthening Burkina Faso Climate governance and resilience** (Combined FIP/EU Budget: US$1.5 million). With about 80 percent of the population depending on agriculture and other natural resources management, Burkina Faso needs to actively anticipate the consequences of Climate variations and closely integrate its poverty reduction, sustainable land management and national REDD+ strategies. While technical solutions have already been defined and tested on numerous pilot projects, this knowledge is spread all over various institutions. The high number of actors from different sectors and the absence of a natural leader for implementing a national response to the Climate challenges cause enormous difficulties to implement a sound, coherent and integrated rural development strategy that would conciliate the production objectives and the need for preserving environmental assets by transforming the agricultural systems.

21. This sub-component will support the inclusion of the Climate Change challenges into the national growth strategy and the rural development national plan. For that purpose, this component will strengthen the capacity of the institutions responsible for rural development at the national, sub-national and local levels and support the efficient production of relevant and enlightening environment information. The main partners for the sub-component implementation are the General Directorate of Studies and Sectoral Statistics (DGESS) and the Advisory on Environment and Sustainable Development (CONEDD) at central level as well as the Regional Councils, the deconcentrated administration (Regional Direction for Agriculture, Environment and Livestock management) and the local farmer organizations in the four (4) zones targeted by the project component 2. In addition the sub-component will support the strengthening of the national network of environmental information ONEDD.

22. In the area of forest information, the sub-component will support the establishment and the implementation of a system of ecological, vegetation and wildlife monitoring (currently a major constraint to forest sector planning in Burkina Faso) by identifying a small number of key indicators (already existing in the country national environmental statistic system) and by

providing the means to monitor them. This will be linked to the monitoring of environmental co-benefits as defined in the R-PP. It will also be fed by the data produced by the carbon stock monitoring system and the Measurement, Reporting and Verification (MRV) scheme supported by the African Development Bank. Additionally the project will support institutions and networks that provide environment and climate related data and information.

Modalities of implementation and expected outcomes

23. The various technical experiences for increasing the country resilience (related to land and soil management, REDD+, sustainable agriculture systems…) will be collected and provided through a unique information center. Technical manuals (specifically adapted to the rural farmers) will be disseminated to propose concrete transformations of the agricultural system that would increase the resilience. Training activities for the deconcentrated technical administration (Agriculture, Environment, Livestock) as well as for the local governments (Regional Councils) will promote the use of those guides.

24. The capacities of the National Environmental and Sustainable Development Observatory (ONEDD, within the *Division du Développement des Compétences, de l'Information et du Monitoring en Environnement (DCIME)*) will be strengthened to improve the production, collection and dissemination of environment related information. Five indicators directly linked with resilience, Climate Change adaptation and Climate Change Mitigation will be selected within the national set of environmental indicators and the project will work with DCIME and DGESS to ensure the reliable production of the related data. The emphasis will be placed on enabling sustainability through the strengthening of what is already in place, before additional information collection activities are added. Additionally, a cost/benefit analysis will be conducted to weigh the demand for environmental information against actions needed to strengthen management of environmental information.

25. The sub-component will support the review of sectoral policies (Water Sector policy review, PNSR reviews…) and actively influence the definition of the next generation (post 2015) of national strategies. It will target in particular the National Sustainable Development Policy (PNDD), the monitoring of the existing SCADD and PNSR and the definition of the next National strategy for growth and the next Plan for Rural Development.

Specific activities for sub-component 1.3

- Investments, and operating expenses for ONEDD and DGESS and capacity building specifically targeting ONEDD but also including producers of information, in order to produce a selected set of indicators measuring the country vulnerability to Climate events and the resilience of the agriculture systems. In particular, ONEDD website will be reformed to increase data accessibility and user comfort.
- A study to inventory the existing and tested agricultural practices that would increase the resilience and/or the carbon sequestration. This study should be complemented by communication outreach and practical implementation manuals adapted to the local

farmers for each agro-ecological zone covered by the project. Dissemination and training activities, based on those manual, as well as demonstration activities will be performed in the 32 communes selected for Component 2 and will target the Regional Council members and PNSR/CTR, the local producer organizations and the deconcentrated administration services (from the 4 rural development ministries).

- Development of a methodology for measuring co-benefits as part of a monitoring system of "REDD Readiness" and co-benefits.
- Technical expertise to support revisions of sectoral policies (external technical expertise with link to PASF and Component 2)
- A Cost/benefit analysis for the production of environmental information.

26. **Component 2: Participatory Planning and Management of Forests and Woodlands** (Combined FIP/EU Budget: US$17.1 million). This component will directly target the drivers of deforestation and forest and woodland degradation by focusing on activities that reduce pressures on forests and woodlands in 27 rural communes and on the rural part of five urban communes (see list in Annex 1) in areas outside of targeted classified forests. This component will provide investments for the management, protection, and rehabilitation of woodlands, timber and non-timber resources, wildlife, agro-forestry, alternative livelihoods and support to small and medium enterprises. Through the integration of socio-economic development and environmental issues, these investments are well aligned with the strategic axes of the PNSR and SCADD.

27. The investment plans will be defined through an extensive participatory process that will be launched several months before the project is effective. This participatory land use and local development planning is financed on the Project Preparation Grant and will the support the Community Driven approach of this project. A detailed timeline is proposed in Annex 6. The establishment of the FIE, a mechanism for channeling financing for the national environment strategy, will be a potential means for funding national environment strategy at the local level.

28. **Sub-Component 2.1: Support Land-Management Capacities of Local Communities** (Combined FIP/EU Budget: US$7.0 million). To ensure the most effective impact of local development initiatives, the project will put in place and/or strengthen the operational capacities of local populations to enable full participation in land use management at the territory scale.

29. This sub-component will support the consultation and planning capacities of stakeholders at the local level (commune and village) including local governments, institutions, civil society, associations, CVD and private sector organizations. Activities include the development of strategies, plans and activities for sustainable forest and woodland management, providing a strong basis for sustainability. Additionally, planning and management capacities will be strengthened with regard to conflict resolution, land use planning and mapping, wildlife resources, information/education/communication as well as others that will be specified as target sites are identified.

Implementation Modalities and expected outcomes

30. A methodology for participatory local development will be established at the outset of the project. Village level consultation activities will be carried out by eight rural team leaders based in the corresponding localities (see distribution of antennas in Annex 7) with the methodological support of experts in participatory mapping.

31. In each village and at the commune level the local agents will carry out activities that lead communities towards the creation of local development plans and associated investments, in concert with CVD and in accordance with local consultation bodies. The investment identified may correspond to activities already planned in the PDC, may be additional activities identified during consultations or may be compensation activities related to land use planning. It is expected that in the first 18 months of the project all targeted municipalities will have finalized a participatory map as well as a list of investments for their area that incorporates a vision of sustainable management of natural resources.

32. In addition, as a Forest Carbon Partnership Facility candidate country and with the operation of the DGM, a redress mechanism will be set up for collecting and processing complaints. The redress mechanism will integrate (i) a "reference person" to whom the villagers can lodge their complaints, (ii) a means for analysis of problems, access to a mediator, and corrective action if possible, (iii) improving access to legal recourse for communities, in conjunction with the local representatives of the Ministry of Justice (mobile courts for example).

Specific activities for sub-component 2.1, in complement with activities already financed by the PPG

- Development of a methodology for the project – Technical assistance, as needed, during the training sessions, and methodological support during the execution.
- Recruitment of eight local agents (foresters – planning specialists) and industry experts (agronomy, livestock, etc.) that will intervene at the national level.
- Acquisition of equipment for the local teams (8 motorcycles, computers, rent, etc.)
- Training field staff.
- Village level activities, eg role play, participatory mapping, conflict resolution, land use, support for development of projects at village level.
- Equipment for village activities (base maps, equipment, etc.)
- Operating costs for village consultations (PV CVD, recording status', per diem and travel expenses of the agent and possibly representatives of state services, etc.)
- Communication material (radio spots, signs, posters, etc.)

33. **Sub-Component 2.2: Investing in Activities that Reduce Deforestation and Improve Management of Forested Land** (Combined FIP/EU Budget: US$10.1 million). This sub-component will be based on a Community Driven Development (CDD) approach where investments target activities that support local development (at the village and commune level) and also enhance forest and woodland management and carbon sequestration potential. Activities for land use management would reduce conflicts among forest resource users and

reduce human-induced pressure on natural forests and woodlands. Participatory planning methodologies for forests and natural resource management would be integrated into Local Government Development Plans (PDC) and Village Development Plans (PVD).

34. Support to alternative livelihoods is an integral part of forest management activities that would reduce pressure on forests and reduce unsustainable forms of forest management, as well as increase household revenues. Activities would include, among others: support to the development of traditional forest products (timber and non-timber); professional training for associations, including youth and women; and the creation of sustainable alternative job opportunities for people living near forests and woodlands.

35. The activities envisaged under this component target considerable private sector involvement in improved forest management and utilization. This would include capacity building of actors in forest related value-chains such as hunting, bee-keeping, wood collection/harvesting, charcoal and fuelwood production, gum Arabic harvesting, construction timber, karité (shea nut) and others. Support for the private sector would also include enhanced access of small and medium enterprises to financing (especially women's associations); improved access to markets; the establishment and training of producers, organizations, and federations; targeted incentives to encourage and boost the participation of the private sector in supporting alternative livelihoods and green technology development and dissemination.

Modalities of implementation and expected outcomes

36. Investment priorities will be made by the municipalities, based on the recommendation of the CVD after their enrollment in PDC. The approach is one that is flexible, building on existing platforms and initiatives where they existing and remaining adaptable to the different circumstances in each village. Priority investments will be transmitted according to the procedures of the Operations Manual and the corresponding budget will be allocated to the municipality to carry out through a process similar to that used in the PNGT.

37. The necessary funding will be transferred to the Treasury account of the communes based on the approved project budget. The activities carried out by government departments will be subject to Memoranda of Understanding established with the Regional Directorate teams (the commune will finance an amount negotiated with the Regional Directorate, mainly to cover travel expenses and per diem). The activities carried out by the private sector can take the form of contract (based on approved tender procedure) or grants for local initiatives (launching nurseries, orchards, etc.).

38. To ensure the ownership of the communities and their willingness to accept the changes, it is important not to restrain the menu of activities supported by the FIP, as long as they are related to the commitment by the community to implement land use change activities consistent with the general REDD+ agenda, and to ensure that the population within and outside the community are consulted. The demand driven approach is here constrained by the clear specific objectives of the projects and the indicators that they will be monitoring (essentially related to the carbon emission mitigation dimension). The activities will be

identified through a participatory process facilitated by local project staff. Innovative instruments such as participatory mapping will ensure an inclusive and equitable process.

Specific activities for sub-component 2.2

- Investment activities defined and implemented as CDD activities.
- Operating costs of the project (oversight missions).
- Operating costs of local committees including selection of activities, support for mini-projects and beneficiaries and oversight by the executing commune.

39. **Component 3: Coordination and Information and Knowledge Sharing** (Combined FIP/EU Budget: US$3.1 million). This component will provide resources for the support of REDD+, FIP and climate change at the programmatic as well as project levels. Resources will provide support for integration between national and project level initiatives and will support the integration of knowledge and lessons into further strategic development as well as the dissemination of lessons across international, national, sub-national and local levels.

40. **Sub-Component 3.1: Program Coordination, Lesson Learning, Knowledge Management and Analysis of FIP Program Results** (Combined FIP/EU Budget: US$1.0 million). This sub-component will support programmatic and inter-sectoral coordination. This sub-component will support lesson-learning and information sharing as an integral part of the project. Throughout the implementation of the different components a range of integrated activities aim at gathering, managing and sharing information about the main lessons learned (especially in terms of procedures, methodologies, funding needed, techniques and best practices, synergies and partnerships). These activities will support an internal dynamic of learning by doing, promote timely integration of lessons learned into the design and implementation of investments and projects, accelerate the replication and the scaling up of successful outcomes, and promote the mobilization of required additional financial resources. Additionally they will inform the REDD+ strategies. Program coordination, knowledge sharing, and lesson learning for various REDD+ and climate change activities will integrate the EU focus on rural development and forestry issues in the context of climate change. As part of support for increasing national capacity to generate lessons, information, data and knowledge including the National Office for Environment and Sustainable Development (ONEDD)—which remains to be formally established.

Modalities of implementation and expected outcomes

41. The REDD+ Focal Point will be in charge of activity oversight and knowledge management. As a spokesman for the FIP, the focal point will work to attract attention and interest from of public and private actors at the international level, and promote the achievements of the FIP by presenting the program at international forums.

Specific activities for sub-component 3.1

- Participation of the REDD+ Focal Point at 4 UNFCCC meetings and all meetings of the FIP (per diems associated with travel), presentation of the FIP at African Carbon Forums (4 consecutive years).
- Presentation of the FIP at the UNFFF.
- Financing of two theses on the methodology and the results observed for the FIP (social and technical).
- Independent midterm and end of project reviews by an independent party, to draw lessons from the FIP and propose recommendations for improvement.
- Implementation, monitoring and measurement of program indicators, socio-economic study at the end of the program to identify any relevant changes and measure project impact.

42. **Sub-Component 3.2: Project Coordination and Fiduciary Management** (Combined FIP/EU Budget: US$2.1 million). This sub-component will finance all the activities related to coordination at the project level, including reinforcing the institutional capacities of the implementing agencies related to procurement, financial management and fiduciary reporting. Implementation arrangements will be fine-tuned during project preparation, in collaboration with the other related projects to avoid duplication of efforts. A monitoring and evaluation system will be established for all activities under the program following a number of measurable, objective indicators that are established in advance and implemented by a national coordination unit. This system would allow for generating knowledge regarding changes in the status of forests and in land use more broadly, and for assessing the approaches of forest utilization and the socio-economic and environmental impacts of investments on local livelihoods, forest resources, and productivity both at local and national level.

Modalities of implementation and expected outcomes

43. The project team will be integrated into the lead Ministry (MEDD), using an integrated approach with the project of the African Development Bank (AfDB) and the PASF. A common operations manual will be prepared at the end of the preparation and will serve as a reference for the activities of the FIP program.

44. Technical experts will make up—along with those of the PASF—a technical team that can be called upon, at the request of SG, to offer guidance or input on any matters related to any subjects that contribute to the long-term objectives of the FIP.

Specific activities for sub-component 3.2

- Recruitment of the oversight team, in collaboration with the African Development Bank.
- Field trips.
- Office equipment and functioning costs, including computers, rent, internet subscription and other operating expenses.

- External audit.
- Support for regular external experts to support the project (using approved tender procedures).
- Implementation of monitoring and evaluation tools, monitoring of indicators and quality control – including the development updating activity reports.

45. Detailed project costs

Component 1 : Mainstreaming Climate Change and REDD+ into Sectoral Frameworks and Strategies		**6,175,111**	PPG	Project
Sub component 1.1 : Development of a National REDD+ Strategy	2,126,111		35,000	2,091,111
Technical Assistance (3 years) - REDD+ expert (including operating cost, travel and equipment)	470,000		0	470,000
1 Vehicle + maintenance	40,000		0	40,000
Operating costs for the National Plateforme, the Steering committee and the REDD+ National Committee and other workshops	445,000		35,000	410,000
Technical Assistance (firm) for designing the strategy	750,000		0	750,000
Complementary studies	150,000		0	150,000
operating costs (editing, communication, workshops…) and contingencies	196,111		0	196,111
SESA	75,000		0	75,000
Sub component 1.2: Broad Awareness-raising and Consultations Related to REDD+ Sustainable Land Management and Climate Change	2,514,000		60,000	2,454,000
Preparation of the consultation waves, trainings, operating costs, workshop and reporting	254,000		60,000	194,000
Operators ti implement the consultations (4)	160,000		0	160,000
Consultation waves	2,100,000		0	2,100,000
Sub-Component 1.3: Strengthening Burkina Faso Climate governance and resilience	1,535,000		-	1,535,000
Defining/improving a monitoring system for environmental information (including co-benefice and REDD+ readiness) and collecting the data	330,000		0	330,000
Support for ONEDD (website improvement, complementary studies, operating costs)	345,000		0	345,000
Revision of the sectoral and national policies (technical assistance, workshop, communication activities…)	230,000		0	230,000
Support to Land manageemnt policies - dissemination of good practices	130,000		0	130,000
Support to forest governance, dissemination of laws, support to the judiciary structures, improvement of the forest related law application	500,000		0	500,000
Component 2: Participatory Planning and Management of Forests and Woodlands		**18,100,000**	PPG	Project
Sub-Component 2.1: Support Land-Management Capacities of Local Communities	8,015,000		1,027,000	6,988,000
Technical Assistance (5 years) - local development (including operating cost, travel and equipment)	830,000		150,000	680,000
3 Vehicles - 8 motorcycle - Maintenance	264,000		0	264,000
8 facilitators + operating costs and equipment	3,680,000		260,000	3,420,000
4 Experts: Lifestock Specialist, land tenure Specialist, Agronomist, Agro-forestry Specialist (including operating cost, travel and equipment)	1,340,000		0	1,340,000
Regional Steering and Technical Committee	375,000		0	375,000
Methodological support for the participatory approach, training of the project staff and technical services	208,000		50,000	158,000
initial MARP diagnosis in the 32 communes	480,000		480,000	0
Village level animation - participatory mapping - operational costs, communication, support from the decentralized technical administration, regional workshops, contingencies	713,000		62,000	651,000
Accountant	125,000		25,000	100,000
Sub-Component 2.2: Investing in Activities that Reduce Deforestation and Improve Management of Forested Land	10,085,000		-	10,085,000
8 Internal Auditors to support the communes (including missions and equipment)	1,280,000		0	1,280,000
Support to the communes and local authrities (training, communication, hiring of an operator…)	1,484,000		0	1,484,000
Independent observer - Moderator	165,000		0	165,000
Micro-projects and investments (including safeguard, impact assessments, operating costs, financial transfert costs…)	7,081,000		0	7,081,000
Supervision by the project team	75,000		0	75,000
Component 3: Coordination and Information and Knowledge Sharing		**3,480,000**	PPG	Project
Sub-Component 3.1: Program Coordination, Lesson Learning, Knowledge Management and Analysis of FIP Program Results	980,000		-	980,000
Mid-term and final independent review of project learnings, dissemination at national and international level	430,000		0	430,000
Communication plan and various communication activities (including a movie)	315,000		0	315,000
design and implementation of a Monitoring and evaluation tool - socio-economical survey for measuring the impact - researc with the University of Ouagadougou	235,000		0	235,000
Sub-Component 3.2: Project Coordination and Fiduciary Management	2,500,000		378,000	2,122,000
Fiduciary staff (FM Specialist, Proc. Specialist)	330,000		66,000	264,000
Social Specialist	180,000		0	180,000
Support staff	190,000		10,000	180,000
3 Vehicles + 1 motorcycle	175,000		0	175,000
Operational costs (office rental, internet, missions, travel, maintenance…)	985,000		132,000	853,000
Equipments (IT, furnitures, servers, office wiring…)	75,000		15,000	60,000
Trainings	25,000		5,000	20,000
Ponctyual support, contingencies	130,000		5,000	125,000
Audit - Midterm and Final Reviews	240,000		0	240,000
Other preparation costs (Implementation Manual	170,000		145,000	25,000
Total		**27,755,111**	**1,500,000**	**26,255,111**

Annex 3: Implementation Arrangements

Program Governance and Institutional Arrangements

1. The FIP program will be developed in line with the government policy on development projects executed in Burkina Faso (DECRET N°2007-775/PRES/PM/ MEF). For the Burkinabe administration, it will appear as one single project with 3 sources of financing (WB, AfDB and EU) under the Category A (project or program executed under direct control of the Public Administration). The approach is one of integrating project management into existing government structures rather than creating parallel project management units (PMUs).

2. Operations and institutions will be organized in accordance with the Project Implementation Manual that will be developed as a condition of effectiveness and will cover the entire FIP program, both AfDB and WB. Any procedures, reporting, fiduciary etc., that are distinct for each donor will also be contained in the Project Implementation Manual.

3. Both AfDB and WB projects will be structured according to the following three-tiered approach: one component is devoted to activities building core capabilities, improving forest governance and preparation for a future REDD + mechanism following the R-PP; a second component is devoted to investment activities in the identified areas (including capacity building activities that are directly related); a third component is devoted to execution, communication and knowledge management.

4. The projects of the World Bank/European Union and African Development Bank will be coordinated by a single FIP Coordination Unit, embedded into the MEDD, to ensure strategic coherence, increased effectiveness and efficiency and increased potential for positive long-term impact.

Overall FIP and REDD+ governance

5. **Program Oversight and leadership** will be under the responsibility of the Ministry of Environment and Sustainable Development (MEDD), and specifically under the operational guidance of the Secretary General. A FIP REDD+/FIP Focal Point will be in charge of the strategic supervision of the program and will report directly the Minister.

National Governance arrangements for REDD+ activities

6. The REDD+ governance arrangement are defined in the R-PP that has been submitted to the FCPF. The FIP Program, and in particular the PGDFEB projects, are at the same time under the overview of the REDD+ governance scheme and the financing vehicle that will allow the setup of the national REDD+ governance arrangements. As described in the R-PP, the REDD+ governance include the following bodies:

7. A **Special REDD+/ Sustainable Land Management (SLM) Consultative Platform,** created as a specialized Commission of the National Advisory Committee on Environment and Sustainable Development (CONEDD), will elaborate the national REDD+ strategy and more

generally the implementation of the REDD+ readiness activities. The Consultative Platform will ensure multi-sectoral coordination as reflected in its composition that reveals also the appropriate level of political commitment. As defined in the R-PP, the Consultative Platform will be comprised of representatives from government ministries, development partners, NGO, Indigenous Peoples' and local communities, the private sector and others. The participatory consultation bodies are created by decree from the MEDD. The decree establishes the legal framework, composition, organization, and functions of each body. This institutional arrangement will ensure its longevity in conjunction with the regional and Commune-level consultation committees, which will supply it with periodic reports.

- A **REDD+ Executive Committee** will be responsible for the functional tasks of the consultative body and will include as presented in the R-PP (Section 1). The National REDD Executive Committee will be established to assist the various entities within the Ministry of the Environment and Sustainable Development (MEDD) with the preparation and implementation of the REDD+ strategy. It will report to the Secretary General of the MEDD, and will act in accordance with the Ministry's needs and requests, including providing technical support to the National REDD Committee and informing them on REDD. Experts appointed to the secretariat may be nominated from within the administration or from outside, either nationally or internationally. The National REDD Executive Committee is responsible for Coordinating all tasks related with REDD+ readiness preparation, designing indicators and mechanisms for REDD+ preparation and implementation monitoring and evaluation, carrying out quantitative and qualitative evaluations, establishing partnership networks and ensuring the preparation process for REDD is conducted with complete transparency

FIP Program governance

The FIP Program shall ensure (i) that it can reach the adequate level of multi-sectoral discussion and (ii) that both Projects (AfDB and WB) are keeping their complementarity during implementation. For that purpose, the two projects will have a joint governance body as follows:

8. **A FIP Program Steering Committee** will be responsible for the functional tasks of the consultative body. The Steering Committee will be also acting as the REDD+ Executive Committee and will cover both FIP projects (the one financed through AfDB and the PGDFEB).

9. The FIP Steering Committee is composed of 20 members, who are selected based on their respective positions. The FIP Program Coordinator does not have a seat on the committee, but attends meetings and has an advisory role as well as serving as secretary. Technical and financial partners will appoint two representatives to attend meetings of the FIP Steering Committee as observers. The FIP Steering Committee is composed of groups representing government, regions of implementation, civil society, and the private sector. Selection of members of this committee will be made in a participative manner, the details of which will be outlined in the decree by which the committee will be created. The composition of the FIP Steering Committee will include:

- Chairman SG – MEDD
- Vice-Chairman SP – CONEDD

- Secretary – FIP Program Coordinator (not considered a member)
- Co-Secretary-REDD+/FIP Focal Point (as an observer)

10. Government representatives coming from the following Ministries (an arrêté will be issued to designate six representatives from the following Ministries):

- Ministry of Economy and Finance – MEF
- Ministry of Land Management and Decentralization – MATD
- Ministry of Agriculture and Food Security – MASA
- Ministry of Water and Fisheries Management – MEAH
- Ministry of Animal Husbandry and Fisheries – MRAH
- Ministry of Scientific Research and Innovation – MRSI

11. Representatives from the Regions of FIP project implementation

- 8 representatives from the FIP project implementation zones, 2 representatives from each of 4 zones (*Est*, *Centre, Boucle du Mouhoun, Sud-Ouest*). The implementation Manual will detail the procedure to select the representatives from each zones of project implementation.

12. Representatives from civil society

- 1 representative, selected from the DGM National Coordination committee.

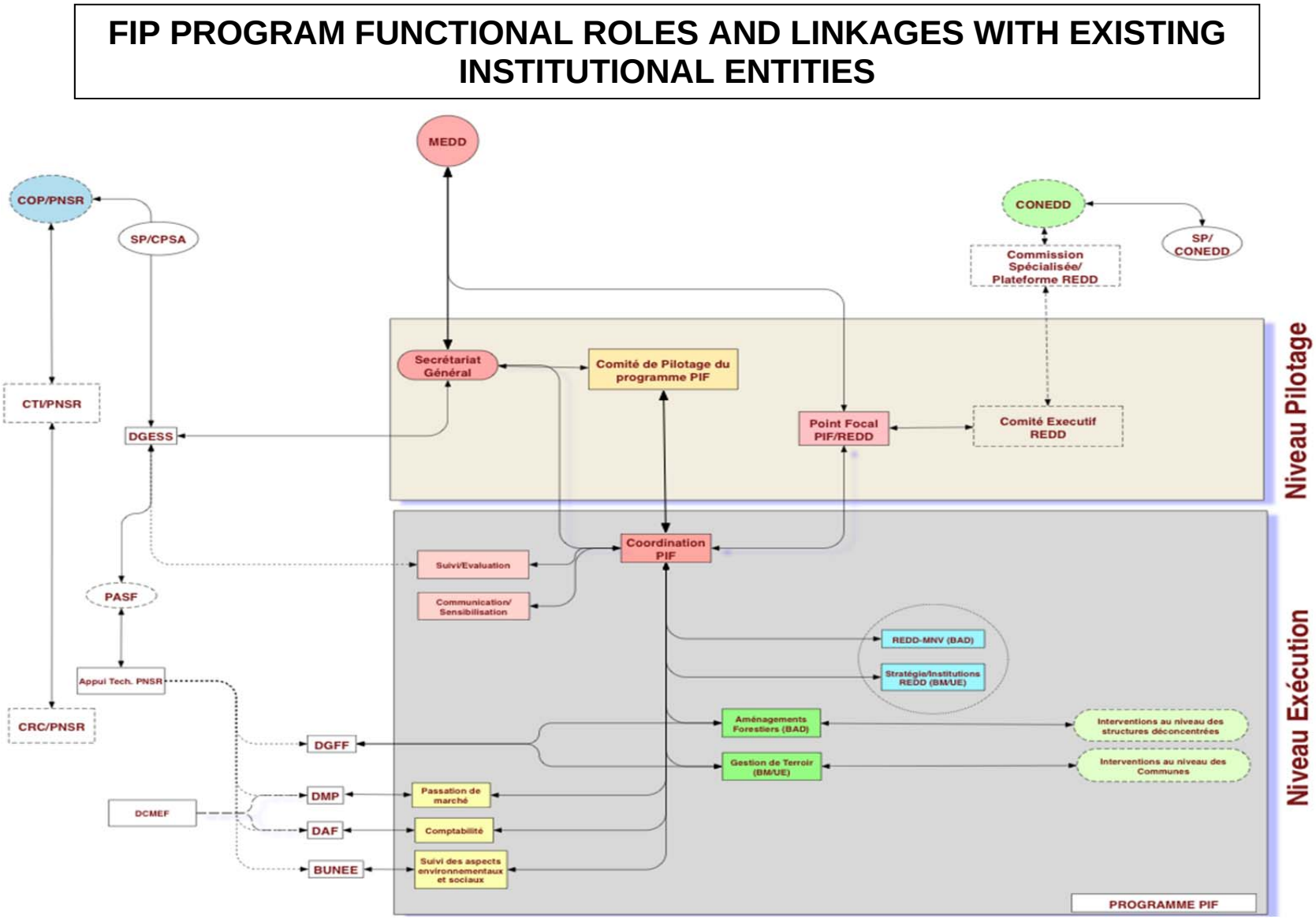
13. Representatives from the private sector

- 1 representative, selected by a representative group from members including, inter alia, representatives of the National Bureau of Chambers of Agriculture, the Jatropha Industry, RENAPROF EM and COTACO/FIAB

14. Representatives from the co-financiers of the FIP Program (AfDB, EU, World Bank) will attend the FIP Steering Committee Meetings as observers.

15. At the Regional level, the project will rely on the existing Regional Dialog structures (Regional Technical Committee (CTR/PNSR, linked with the "cadre de concertation Régionaux")) that gather the decentralized technical services and the representatives of the communes. Decentralized authorities at the Regional and commune levels, such as mayors will be implicated in overseeing the implementation of activities with the support of Regional Director for Environment and Sustainable Development (DREDD). Regional and commune level authorities will work collaboratively with villages in the implementation of investments.

Fig 1: Overall Program Governance Structure:



Project Implementation Arrangements

16. The following arrangements will be described in detail in the project implementation manual. The single **FIP Coordination Unit** within the MEDD will be responsible for overall management and coordination for the implementation of activities and projects of the FIP program, including the activities of the African Development Bank (AfDB) will be led by **a FIP Program Coordinator** will lead the FIP Coordination Unit. The responsibilities of the FIP Program Coordinator include:

- Oversee project implementation by the technical secretariat;
- Compose the annual work plan and budget;
- Report progress on implementation of activities to the National REDD+ Committee and the MEDD General Secretariat;
- Ensure the correct use of the means made available for the FIP Coordination Unit;
- Oversee the implementation of recommendations by the National REDD+ Committee, and of the various audits;
- Draft regular progress reports;

17. **The FIP Coordination Unit** will include the following dedicated staff (recruited or designated from the MEDD) who will be covering the common functions required for both projects PGPFC/REDD+ and PGDFEB[21]:

- A Social Expert (external recruitment, paid by WB);
- Procurement specialist (external recruitment, paid by WB);
- A civil servant as procurement assistant, paid by AfDB
- Financial specialist (external recruitment, paid by WB);
- One Accountant to cover AfDB project, paid by AfDB and one accountant to cover WB project, paid by WB;
- Specialist in Monitoring and Evaluation(M&E) (paid by AfDB (civil servant designated by the Ministry))
- Communication specialist (paid by AfDB (civil servant designated by the Ministry))

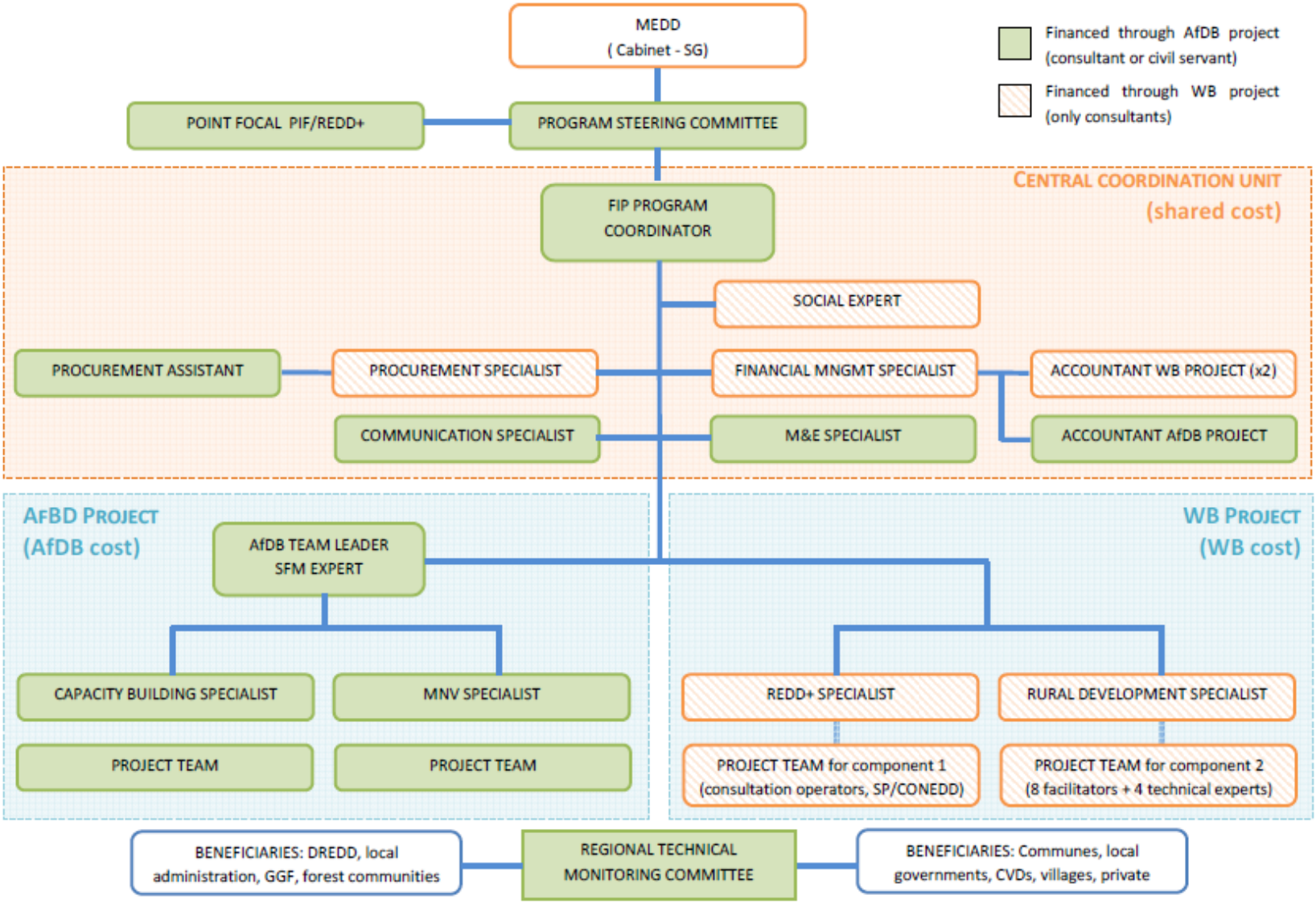
18. **Technical management, for WB project**:

- A Lead expert REDD+ and consultations (external recruitment) that will supervise the component 1;
- A Lead expert on local development planning (external recruitment) that will supervise the component 2;
- A Team of 8 technical experts on local development based in the communes, plus 4 specialists in, agroforestry, livestock management, land tenure and agronomy intervening over the four project zones – all 12 being external recruitments (*see para. 17 below for more details*),

[21] The reference to personnel being paid by the WB or AfDB refers to the respective institution through which FIP financing resources will be channeled for this purpose.

For information, technical support for AfDB project will similarly include a Lead expert on forest management, a Team of technical experts on forest management and a Lead Monitoring, Reporting and Verification (MRV) Specialist.

Fig 2: Institutional and Implementation Arrangements Diagram:



19. **Fiduciary management:** Fiduciary, procurement, administrative and financial responsibilities will be overseen by the FIP Coordination Unit and processed by the dedicated personnel through the established procedures of the MEDD under the responsibility of the FIP Program coordinator. Ministry FM Director (DAF), Procurement Director (DMP), and ultimately MEDD General Secretary will be responsible for the control of the compliance with national regulation and the endorsement of the fiduciary management. As such, they will approve the conclusions of financial reports, audits and procurement selection processes. Their precise role will be described in the Project implementation Manuel (completion of which is an effectiveness condition for this project). Also at the local level, the PGDFEB fiduciary team will include eight internal auditors in charge of ensuring quality of internal control in municipalities.

20. **For component 2, the day-to-day implementation will rely on local governments (municipalities) at the commune and village levels (CVD).** Integrated development local sub-projects, depending on the activity, will be supervised by local Government officials (mayors and municipal council members), local communities, NGOs, interest groups, private sector operators and specialized technical services.

21. The project will hire eight (8) rural development specialists to be responsible for working with rural communes and villages for defining the investment priorities based on an agreed development path and shared objectives for the village. They will be based in eight "antennas" so they will be as close as possible to the beneficiaries (*see Annex 7 on intervention sites*). In addition, specialists in agroforestry (1 staff), agronomy (1 staff), in land tenure (1 staff), in livestock management (1staff) will be hired at project level to support the development of appropriate methodologies and technical advice for the communes.

22. The villages themselves will be responsible for the process of developing land-use participatory mapping and identifying and implementing priority investments that would come out the participatory planning process. This first phase of extensive consultation will start with the support of the Project Preparation Grant. The result of this process will be materialized by a land use planning tool (map designed in a participative way) and by an investment plan (and associated sub-projects). Those sub-projects will be validated at the Municipality level and integrated in the Communal Development Plan (PCD). After this first phase is completed, the Commune will integrate those sub-projects into its Annual Investment Plans (PAI) and its Annual Budgets that are submitted to the Regional Technical Committee (CTR) for validation. After the revised PCD, the PAI and the budget are approved; the activities financed by FIP are consolidated at national level and approved by the Project Steering Committee.

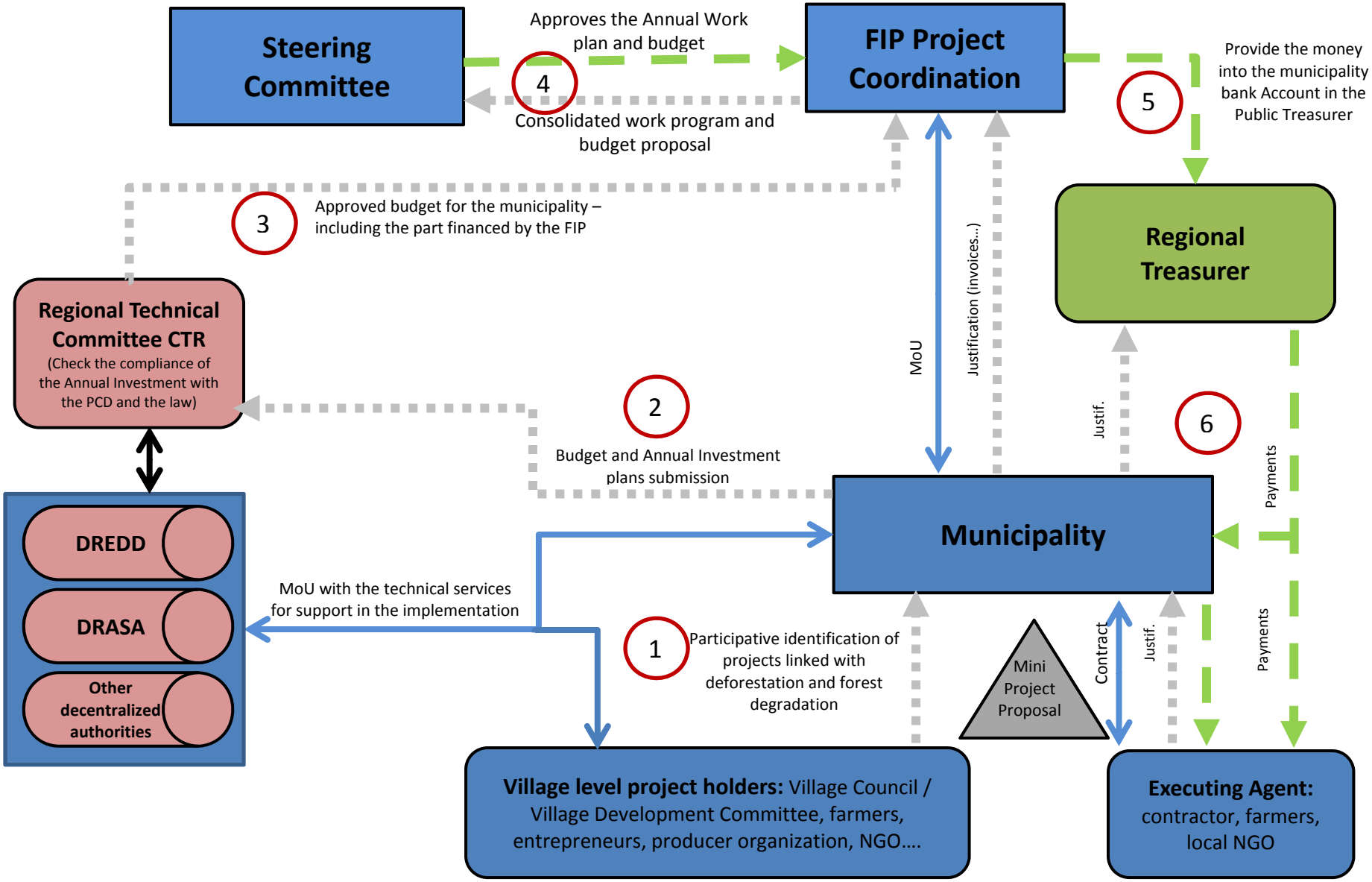
23. After the implementation of those sub-projects is validated, the project will provide the money on the commune Treasury account and the procurement, the commitment and the disbursement will follow the public expenditure cycle. The Sub-project will be implemented either directly by the commune, through MoUs with the decentralized technical administration or through sub-grants signed with implementing agents (such as local NGO, farmer's association or local private entity). In that case, a Sub-Grant agreement is signed by the Commune, a representative of Project coordination Unit and the implementing agent. This agreement will detail the trigger(s) for the payments and that (those) trigger(s) will then be used as expenditure justification(s). The project may set up disbursement facilities such as using petty cash ("*régies d'avances*") at the municipal level or cash advance to individuals ("*deblocages*"). Eight (8)

internal auditors will support the communes to facilitate financial management, including expenditure justification collection and archiving of financial documents.

24. Because the communes will receive advance payments on their Treasury account, and because they will procure and disburse on behalf of the project (the fiduciary responsibility remains at central level), each commune will sign a Memorandum of Understanding with the MEDD that will detail the responsibilities, the rules for financial management and procurement and the way expenses are justified. This will be detailed in the Project Implementation Manual.

25. The following graph illustrates the overall sub-projects cycle from identification to monitoring.

Fig. 3: Sub-projects cycle



Project administration mechanisms

Financial Management, Disbursements and Procurement

Financial Management and Disbursement Arrangements

Introduction

26. The objective of the Financial Management Assessment is to determine whether FIP Coordination Unit, has acceptable financial management arrangements to ensure: (i) the funds are used only for intended purpose in an efficient and economical way, (ii) the preparation of accurate, reliable and timely periodic financial reports, and (iii) safeguard the entities 'assets and (iv) it is subjected to a satisfactory auditing process.

Financial Management arrangements

Staffing and Training:

27. The project FM staff is not yet recruited. FM staff should be composed of at the central level (FIP Coordination Unit), a Financial Management Specialist and two accountants. Accountants will be under the responsibility of the project financial management specialist and will report to him. The entire team will have the responsibility to collect and control invoices, maintain the books, enter data in the accounting software, manage project's bank account, keep the books of account and prepare the financial reports as well as the withdrawal and direct payments applications.

28. In addition, a financial controller and an internal auditor will be appointed by the ministry of finances. The internal auditor will maintain a sound control environment that will be described in project implementation Manual and the financial controller will be assigned to insure the ex-ante control in expenditure circuit. A training program will be drawn up every year. Training is mainly conducted through the bank's local or sub regional training institutions. Before disbursement, the Bank LOA and FM units will provide adequate training on report-based disbursement procedures and IFR elaboration.

29. Based on the mechanism of the project bank-financed PNGT II-Phase 3 at rural level, the project team will be complemented by the public accountants located at the rural municipalities' level, mayor in his role of budget holder "*ordonnateur*" and the financial controllers located at the province level and in charge ex ante controls. A training plan will be developed and rolled out during the implementation of the project.

Budgeting:

30. The budget preparation process and its monitoring will be defined in the project implementation manual. This manual will have to describe the budgeting arrangements. This budget will be adopted by the program steering committee before project implementation. The budget execution will be monitored on a quarterly basis provided of accounting software. The financial management specialist or an accountant will be in charge of this monitoring.

31.

Accounting Policies and Procedures:

32. A consultant will be appointed to develop charts of accounts to be included in the Project implementation manual (PIM) and to customize software. The PIM will provide all the required details on accounting and financial procedures. It sets out in particular (i) the planning and budgeting arrangements, (ii) the treasury procedures, (iii) the procurement procedures, reporting format and arrangements. The FIP Coordination Unit through its financial unit will have the overall responsibility of the project management system. Accounting software with all modules (general accounting, cost accounting, monitoring and evaluation, fixed assets management, preparation of withdrawal applications, interim financial reports and annual financial statements) will be used. Training on the accounting software for staff will be provided by a consultant. As per CIFE procedures, the project accounting transactions will be reflected into the national financial statements. This will improve reliability of the national financial statements. Following a (i) satisfactory reconciliation between financial reporting from CIFE and the project accounting software and (ii) the de-concentration of CIFE at the project, decision will be made to shift to CIFE.

33. The FIP Coordination Unit will apply the existing private accounting system in Burkina (SYSCOA).

34. **Internal Control and Internal Auditing:** To control/master the maintenance of a sound financial management, the team is expected to follow the internal control mechanism that will be described in the PIM. This manual particularly will point out some procedures relating to budgeting, accounting, fixed assets management, disbursement and reporting. This manual will be implemented by project effectiveness.

35. To complement the financial management system and in the context of the use of country system, reliance will be placed on a financial controller appointed by the ministry of Economy and Finances. He will perform ex ante control over all transactions. An Internal Auditor will be appointed by ministry of finances with the aim at providing assurance on the level of risk. The report of the internal audit unit will be added to the quarterly IFR.

36. **Financial Reporting and Monitoring**: The project will have to prepare quarterly Interim Financial Reports during project implementation. The reporting format and procedures will be documented as an annex to the Project Implementation Manual. Interim Financial Reports will be composed of the following FM aspects : Financial reports:

(i) Sources and uses of funds by funding source and
(ii) Uses of funds by activities of the project;
(iii) Projected expenditures and cash forecast for the next semester (six months);
(iv) Bank reconciliation statement for the Designated Account; and
(v) The Operations Account, showing the cash balance available at end of the quarter under review.

37. The Interim financial Reports will cover all activities financed through Bank funds. Each interim financial report shall be furnished to the World Bank not later than 45 days after each subsequent calendar quarter, and shall cover such calendar semester.

38. **External Auditing:** The annual financial statements will be subject to an annual audit by a reputable, competent and independent auditing firm based on terms of reference that satisfactory to the bank. In addition to the audit reports, an external auditor will be expected to prepare a Management Letter giving observations, comments, and providing recommendations for improvements in accounting records, systems, controls and compliance with financial covenants in the Financing agreement. The project will be required to produce, no later than June 30 of the following fiscal year, audited annual financial statements. In line with the new access to information policy, project will comply with the Bank disclosure policy of audit reports (e.g. make publicly available, promptly after receipt of all final financial audit reports (including qualified audit reports) and place the information provided on its the official website within one month of the report being accepted as final by the team;

39. **Flow of Funds and Disbursement Arrangements:** The World Bank will maintain separated Trust Fund accounts according to the sources of funding. One Recipient Executed Trust Fund will be in Euro for the European Commission contribution and one Recipient Executed Trust Fund will be in US Dollars with the Forest Investment Program Contribution.

40. The project is financed using a *pari passu* scheme. The share of each Trust Fund will be the following:

European Commission TF: 38 %
Forest Investment Program TF: 62 %

41. The same percentage will be used for all the allowed disbursement methods. The share between each Trust Fund will be recalculated at mid-term review and then annually (December 31st of each year).

42. A pooled Designated Account[22] (DA) will be opened at the Central Bank in Ouagadougou and will receive project proceeds on the basis of the project cash needs. The combined ceiling of pooled DA will be set CFAF 1,000,000,000. Upon grant effectiveness of the financing agreement and request from the project, the World Bank will disburse the initial advance up to the ceiling amount to the DA. The DA will be used as a transit account and as such, funds will be transferred from the DA to FIP Coordination Unit transactions account. This account will be opened at the public treasury. The Coordinator and the Finance Officer will be joint signatories of these accounts. Direct payments, will be made to service providers if needed be.

43. About 22% of the total project funds will be transferred to the municipalities to implement activities based of the mechanism currently used by the PNGT II-Phase3 project for

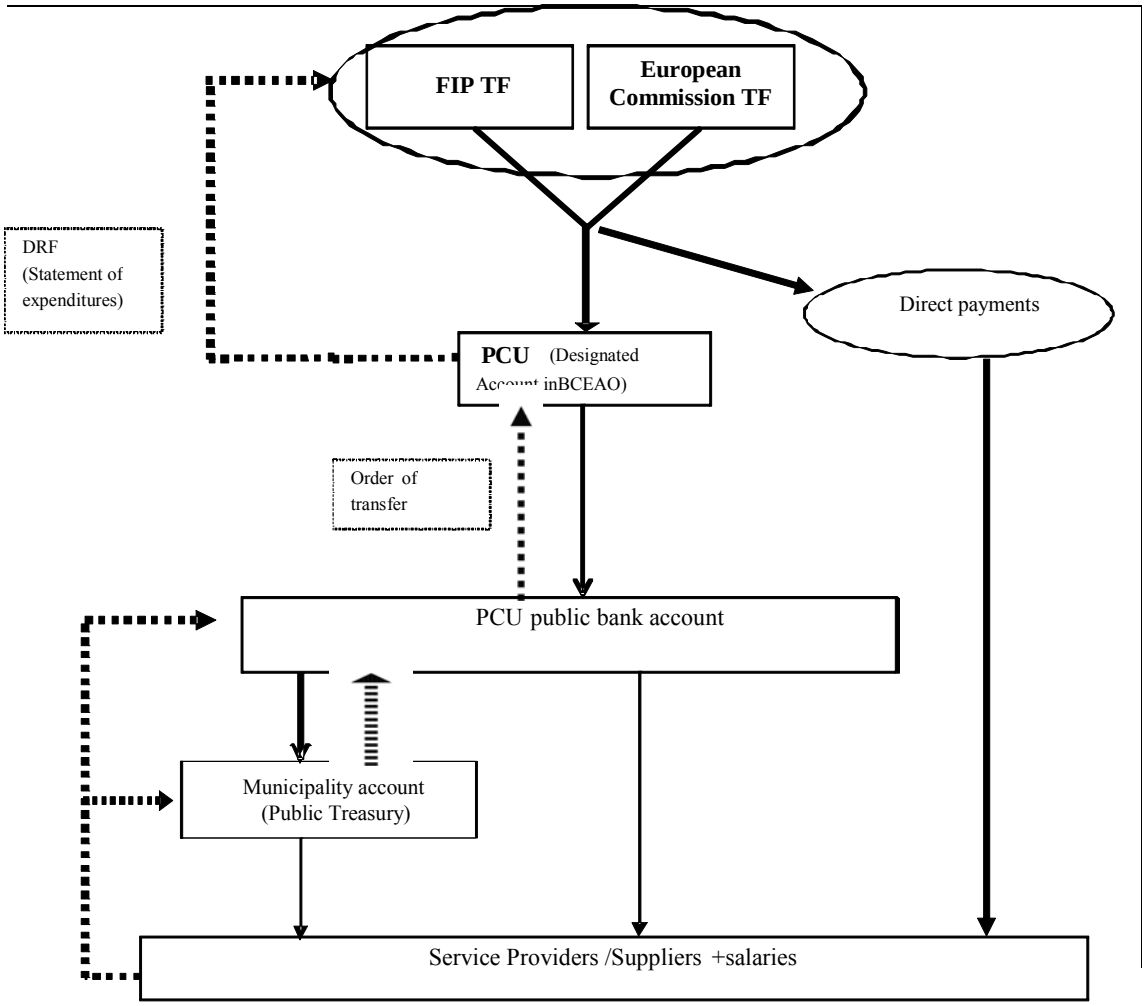
[22] The use of a Designated Account for this operation will be subject removal of restrictions currently placed on the Recipient's portfolio in application of subsection 5.2 the Disbursement Guidelines for Projects dated May 2006.

NRM projects i.e. using Sub-projects and Sub-Grants. The details of the implementation of the Sub-Grants and the use of the Sub-Grant Agreements for disbursement reports is detailed in the PIM. More generally, the Sub-Grant agreements will detail the triggers for paying the executing agent. Those agreements along with the proof triggering the payment will be used as supporting documentation for the withdrawal applications.

Disbursement arrangements:

44. For the first year, the project will use the transactions based disbursement procedures. An assessment will be performed to ensure that the report based disbursement described above will be applicable after the first year. Then, each funding request prepared by the project will be accompanied, by the quarter Interim Financial Reports, the designated account activity statement, the operations accounts activity statement and the up-to-date bank statements. The project FM staff will be trained on the requirements of designated account funding.

45. Upon receipt of each application of withdrawal of an amount, the World Bank shall, on behalf of the recipient, withdraw from the 2 accounts (European Commission Trust Fund and Forest Investment Program Trust Fund) according to a fixed share that will be updated on a regular basis, and deposit into the designated account an amount not to exceed the ceiling amount specified in the Disbursement Letter. Subsequent advances will be made upon receiving supporting documentation (Statement of Expenditures or records) reporting on the use of the initial/previous advance for eligible expenditures. At the Recipient's request, disbursements may also be made using the Reimbursement method for expenditures prefinanced by the Recipient or using the Special Commitment method to pay a third party for eligible expenditures under special commitments (eg. Letter of Credit) entered into in writing.



Legend:

Transfers of funds

eFlow of documents (Interim financial reporting,)

Payment to suppliers

Disbursements by category: The table below sets out the expenditure categories to be financed out of the Grant proceeds (*including the FIP grant and the EU funded trust fund*)

From the FIP Grant:

Category	Amount of the Grant Allocated (expressed in USD)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, consultants' services, Operating Costs and Training under the Project	12,780,000	62%
(2) Sub-grants	3,720,000	62% of the disbursed amount
TOTAL AMOUNT	16,500,000	

From the EU

Category	Amount of the Grant Allocated (expressed in EUR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, consultants' services, Operating Costs and Training under the Project	5,497,724	38%[23]
(2) Sub-grants	1,600,276	38% of the disbursed amount
TOTAL AMOUNT	7,098,000	

Financial Management Action Plan

Significant Weaknesses or risks	Action	Responsible body	Completion
FIP Coordination Unit is not an entity already	Recruit at central level (FIP Coordination Unit) FM staff		By effectiveness

[23] This percentage will be reviewed and adjusted during implementation as defined in para 38. above..

exists. Agency will be established to the implementation of the project.	composed of a financial Management Specialist, two accountants with adequate and relevant experience and all familiar with Bank FM procedures.) Develop a project implementation manual to ensure appropriate implementation of activities in line with Bank general framework related to the project. Train project FM staff on report-based disbursement procedures and IFR elaboration) Purchase the accounting software for FIP Coordination Unit and implementing agencies Train project FM staff on report-based disbursement procedures and IFR elaboration		By effectiveness Within 3 months after effectiveness Within 3 months after effectiveness Within 3 months after effectiveness
Risk of fraud and corruption	**Ex ante controls:** The financial controllers will pursue the ex-ante control as per the national public financial management arrangements. **Ex post controls:** External audit and integrated fiduciary review will be performed.	Coordination Unit	During implementation of project

46. **Implementation Support Plan:** FM implementation support mission will be consistent with a risk-based approach, and will involve a collaborative approach with the entire Task Team. A first implementation support mission will be performed six months after the project effectiveness. Afterwards, the missions will be scheduled by using the risk based approach model and will include the following diligences: (i) monitoring of the financial management

arrangements during the supervision process at intervals determined by the risk rating assigned to the overall FM Assessment at entry and subsequently during Implementation (ISR); (ii) integrated fiduciary review on key contracts, (iii) review the IFRs; (iv) review the audit reports and management letters from the external auditors and follow-up on material accountability issues by engaging with the task team leader, Client, and/or Auditors; the quality of the audit (internal and external) also is to be monitored closely to ensure that it covers all relevant aspects and provide enough confidence on the appropriate use of funds by recipients; and, (v) physical supervision on the ground specially; and (vi) assistance to build or maintain appropriate financial management capacity.

47. **Conclusions of the FM Assessment:** The overall residual FM risk at preparation is considered Substantial. The proposed financial management arrangements for this project are considered adequate to meet the Bank's minimum fiduciary requirements under OP/BP10.00.

Procurement arrangements

48. **Guidelines:** Procurement for the proposed project will be carried out in accordance with the World Bank's "Guidelines for Procurement of Goods, Works and Non-Consulting Services under IBRD Loans and IDA Credits & Grants by World Bank Borrowers" dated January 2011; and "Guidelines for Selection and Employment of Consultants under IBRD Loans and IDA Credits & Grants by World Bank Borrowers" dated January 2011, and the provisions stipulated in the Financing Agreement.

49. **Procurement Documents:** Procurement will be carried out using the Bank's Standard Bidding Documents or Standard Request for proposal (RFP) respectively for all International Competitive Bidding (ICB), for goods and selection of consultants. For National Competitive Bidding (NCB), the Borrower could submit a sample form of bidding documents to the Bank for prior review and will use.

50. **Procurement assessment:** The Ministry of Environment and Sustainable Development has a procurement department (DMP) which is in charge of the coordination of procurement activities in the ministry. This department is staffed with a director and three others civil servants. The Director is newly appointed. He has a master degree in financing and administration, and in addition he has a certificate in public procurement. Before coming into the MEDD, he was in charge of procurement procedures at the DGCMEF (*Direction Générale du Contrôle, des Marchés et des Engagements Financiers*) in the ministry of finance. The three others staff of the DMP have bachelor degrees in secretariat and accounting and have no specific training in procurement.

51. The MEDD is implementing a Trust Fund for BF-Transport Modal Shift and sub-components of the Agricultural Productivity and Food Security and the Energy Access Projects. In the past, the Bank contributed to strength the MEDD capacity in procurement by organizing clinics and financing workshop for the DMP staff, but actually the majority of people trained left the MEDD for others positions and projects are suffering of the lake of experience of the DMP.

52. **Procurement Risk at the project Level:** The principal weaknesses in the DMP are identified and included: (i) the limited number of staff in the department; (ii) the lack of knowledge and experience in Bank procedures, (iii) the high mobility of the DMP and (iv) the delays in the procurement process and contract approval.

53. **Mitigation measures:** As detailed in paragraph 16 above, the FIP Coordination Unit within the MEDD will be responsible for overall management and coordination for the implementation of activities and projects of the FIP program, including the activities of the African Development Bank (AfDB). A procurement specialist with strong experience with WB and ADB procedures will be recruited and placed in the FIP Coordination Unit; he will be responsible for conducting procurement activities under FIP financing. To reduce the workload, it is proposed to appoint a procurement assistant with a minimum of knowledge in the donor's procedures. The DMP will continue to play his role of supervisor. The details of the responsibilities of each part will be described in the MoP.

54. To allow the DMP to play efficiently his role, the following measures are proposed and need to be discussed with all stakeholders: (i) train the Director and the staff on the WB and the ADB procurement procedures and (ii) have a focal point from the Ministry of Finances for the prior review of procurement documents and (iii) put in place an efficient system for procurement tracking.

Overall Procurement Risk Assessment:

Low	
Moderate	
Substantial	
High	**X**

55. **Frequency of procurement reviews and supervision:** Bank's prior and post reviews will be carried out on the basis of thresholds indicated in the following table. The Bank will conduct six-monthly supervision missions and an annual Post Procurement Review (PPR); the ratio of post review is at least 1 to 5 contracts. The Bank could also conduct an Independent Procurement Review (IPR) at any time until after two years of the closing date of the project

56. Procurement and selection review thresholds

Expenditure Category	Contract Value (Threshold)	Procurement Method	Contract Subject to Prior Review
	US$		**US$**
1. Works	≥ 5,000,000	ICB	All contracts of 10 million and above
	< 5,000,000	NCB	
	< 200,000	Shopping	None
	No threshold	Direct contracting	All
2. Goods	≥ 1,000,000	ICB	All contracts of 5 million and above
	< 1,000,000	NCB	
	< 1,000,000	Shopping	None
	No threshold	Direct contracting	All
3. Consultants ***Firms***	No threshold	QCBS; LCS; FBS; QBS	All contracts of US$500,000 and more
	< 100,000	CQ	
Individuals	No threshold	IC (at least 3 CVs)	All contract of US$200,000 and more
	No threshold	Single Source (Selection Firms & Individuals)	All
All TORs regardless of the value of the contract are subject to prior review			

Environmental and Social (including safeguards)

57. The procedures of the World Bank ensure that environmental and social safeguards policies are considered at the earliest stages of the project and that a management plan is developed for any safeguards that are triggered. A Strategic Environmental and Social Assessment will be conducted for the national REDD+ strategy as a whole, however this project will rely more on the Environmental and Social Management Framework (ESMF) as is consistent with the more targeted investments.

58. Land issues are very sensitive in the current context of Burkina Faso and the Bank has reviewed extensively the implication of land based intervention in the context of the FIP. In some instances, there are real tensions between farmers and herders over access of cattle to water holes or grazing fields. In some of the proposed activities it might happen that this question of cattle passage will have to be negotiated between the parties. There exist now a structured approach to reach these agreements and reconcile the points of view; these are the land charters ("***chartes foncières***"). The project will use this existing process in order to reach a consensus and prevent conflicts. In case of irreconcilable disagreement between sub-project stakeholders the project will not finance the corresponding activity. The project coordination will have the role of monitoring the implementation of the Process Framework described in the main body of this PAD and a Social Expert will be hired as part of the FIP Coordination Unit for that purpose. However, the day to day implementation of the Process Framework will be the responsibility of the project officers at the local level.

59. Also the Environmental and Social Management Framework will be monitored at the central level but implemented at the local level. This ESMF details the screening steps to be followed in order to identify early any situation that may potentially lead to adverse environmental and/or social impacts. The project is categorized as category "B" in accordance with the World Bank Environmental Assessment Policy (O.P. 4.01). World Bank applicable safeguard procedures are described in more detail in section VI-f in the main text of this document.

60. A grievance redress mechanism will be designed as part of the national REDD+ program to resolve any specific instances of conflict. Additionally a sociologist will be hired to engage with target communities as an independent third party who will serve as a "trouble-shooter" for any potential conflicts and serve as an initial mediator. The official procedures for the grievance mechanism will be detailed in the operations manual that will be developed as a condition of effectiveness for the project.

Annex 4: Operational Risk Assessment Framework (ORAF)
BURKINA FASO: Decentralized Forest and Woodland Management Project

Project Stakeholder Risks						
Stakeholder Risk	**Rating**	**Moderate**				
Risk Description: Overlapping mandates between stakeholders (national, regional, local government agencies) and poor definition of the roles and mandates of different stakeholders may hamper project implementation. Short term income generation versus long term objectives, as well as competing claims to land areas by different stakeholders (e.g. pastoralists and farmers) may limit buy-in to revised management plans practices. Alternative livelihoods may be unfamiliar to participants and there may be limited uptake, in addition to financial and technical barriers.	**Risk Management:** Decentralization has a significant track record of success in Burkina Faso, and is recognized as part of a national strategy for development (as outlined in the PNSR). WB is supporting a third phase of community rural development which is building on strengths, addressing weaknesses and incorporating lessons from previous investments in decentralization. The consultative process of land use mapping in targeted sites that includes all relevant stakeholders, and their varied land uses, is the linchpin of the decentralized land management plan. This process will seek to build a common agreement for land use that balances competing land uses against sustainable low-carbon development. The project is designed to provide different types of support needed to overcome barriers: i) technical assistance and advisory service, ii) access to finance; iii) support to market access; iv) continued flow of information.					
	Resp: Both	**Status:**	**Stage:** Both	**Recurrent:** ☐	**Due Date:**	**Frequency:**

Implementing Agency (IA) Risks (including Fiduciary Risks)						
Capacity	**Rating**	**Substantial**				
Risk Description: There are some capacity limitations in the government to deliver a complex program, including funds management, international planning and management of social and environmental risks. There is low capacity in M&E and fiduciary measures at the local commune level.	**Risk Management:** The project aims to strengthen the capacity of Government, particularly on mainstreaming climate change issues into different sectors, including climate change as part of its objectives. Specific capacity needs will be assessed once the target sites are identified and appropriate training and capacity building addressed proposed. The team is striving for synergies with other projects and development partners. Partners such as NGOs may assist in implementation at the local level. The robust REDD+ Readiness process, culminating with the Readiness Assessment puts M&E at the heart of preparation for REDD+.					
	Resp: Both	**Status:**	**Stage:** Implementation	**Recurrent:** ☐	**Due Date:**	**Frequency:**

Governance	**Rating**	**Moderate**				
Risk Description: The adoption of a national REDD+ strategy will require legislation as well as the reform of sectoral strategies for the mainstreaming of issues related to climate change. There may be limited willingness from different sectors to actively engage in policy reforms. Generally, there is low enforcement of forest regulations including the production and/or use of forest products.	**Risk Management:**					
	Resp:	**Status:**	**Stage:**	**Recurrent:** ☐	**Due Date:**	**Frequency:**
	Risk Management: The project will work with targeted communities to put in place strong oversight mechanisms through the component on capacity building. In addition the Ministry of Finance has a good financial audit service that will reinforce good practices at the national level.					
	Resp: Both	**Status:**	**Stage:** Implementation	**Recurrent:** ☐	**Due Date:**	**Frequency:**

Project Risks

Design	**Rating**	**Substantial**				
Risk Description: Incomplete data on forests and woodlands, and high development demands from local stakeholders, might lead to output demands on local forest and woodland resources that are unsustainable. The innovative landscape approach for integrating multiple land uses may face challenges by the wide variety of actors who are implicated and who must agree on resource management plans. Achieving long-term sustainability of community forest management is a long-term process and needs sustained support over time.	**Risk Management:** Initiatives are underway to create a more robust set of data regarding forest and woodland resources. In depth land use, and forest/woodland cover, maps of will be developed for targeted sites to promote decision making that is built on a thorough understanding of the targeted areas and sustainable use patterns. Investments in targeted community managed areas will be based on in-depth consultations and land mapping that incorporates the multiple stakeholders who use the natural resources. The most appropriate land use practices will be used based on the needs of the identified sites. The investments will be designed with a vision of long-term development goals in mind balanced with shorter term needs. The land management processes that will be part of the land management plans will build on local institutions and practices where they exist in order to promote sustainability beyond the life of the project. The ongoing national decentralization process will continue to reinforce local resource management.					
	Resp: Both	**Status:**	**Stage:** Both	**Recurrent:** ☐	**Due Date:**	**Frequency:**

Social and Environmental	**Rating**	**Moderate**			
Risk Description: Social: potential conflicts over land related to the promotion of forest and woodland uses, or conflicts over forest boundaries arising from land use planning. Low community demand to implement or sustain NRM/SLWM and production technologies Environmental: Climate change may undermine the gains of management practices.	**Risk Management:** Rural communities are well aware of the impacts of resource degradation on agriculture yields and production; nonetheless, training and awareness campaigns will continue to be provided under the project. Consultative land mapping of this project will focus on integrating the concerns and uses of different stakeholders in target areas and further support coordination at the local level. To address potential social and environmental risks, safeguard instruments, namely an Environmental and social Management Framework and a Process framework, have been prepared, consulted upon and disclosed. Specifically a social specialist will also be a member of the project coordination unit in order to ensure appropriate oversight of the social dimensions of the project (particularly with regards to equity, gender, participation, …) Support for mainstreaming climate change into sectoral policies will include strategies for managing the risks posed by climate change. Investments in targeted communities will incorporate mitigation measures. A Strategic Environmental and Social Assessment will be conducted as part of the overall REDD+ Readiness process in Burkina Faso.				
	Resp:	**Status:**	**Stage:**	**Recurrent:** ☐	**Due Date:**	**Frequency:**
Program and Donor	**Rating**	**Low**			
Risk Description: The success of the project will be linked to the broader national framework for addressing climate change, and coordination with other partners.	**Risk Management:** Strong synergies with activities financed through other partners are being built from the onset.				
	Resp: Bank	**Status:**	**Stage:** Both	**Recurrent:** ☐	**Due Date:**	**Frequency:**
Delivery Monitoring and Sustainability	**Rating**	**Substantial**			
Risk Description: Limited monitoring capacity at local (commune) level. Sustainability and maintenance of investments in local commune is dependent on continuous funding from government budget.	**Risk Management:** Capacity building for local communities is built into project (Component 2). The importance of M&E as part of the Readiness process will include activities designed to strengthen the capacity at the local level. The government has committed to funding decentralization and the project will work to reinforce decentralized management structures.				
	Resp:	**Status:**	**Stage:**	**Recurrent:**	**Due Date:**	**Frequency:**

	Both		Implementation	☐		
Other (Optional)	**Rating**	**Substantial**				
Risk Description: Weak local technical and management capacity to support natural resource management investments at the commune level. Accessing and sharing information and data between different sectoral institutions or between different levels in the same institutions can create blockages.	**Risk Management:** Strong involvement of decentralized technical service providers through consultation and a clear management plan. Promote partnership with local and efficient NGOs working on NRM.					
	Resp: Both	**Status:**	**Stage:** Both	**Recurrent:** ☐	**Due Date:**	**Frequency:**
Other (Optional)	**Rating**					
Risk Description:	**Risk Management:**					
	Resp:	**Status:**	**Stage:**	**Recurrent:** ☐	**Due Date:**	**Frequency:**
Overall Risk						
Overall Implementation Risk:	**Rating**	**Substantial**				

Risk Description:

The project deals with a sensitive sector (forests) and with the establishment of innovative management plans for forest and woodland resources. It operates in an overall country context of limited institutional and technical capacity. It further deals with a multitude of stakeholders, including national and local government agencies, civil society organizations and the private sector at the local level. While there is a successful history of World Bank operations the implementing agency has little experience with the Bank directly.

The project also deals with an emerging and still developing international mechanism of REDD+. To address these risks, the team has identified clear mitigation actions, while keeping project design simple and building on successful prior and existing initiatives and capacities built, further seeking strong synergies with ongoing activities (financed by the World Bank as well as other partners), and addressing the key barriers to engagement through project-financed incentive mechanisms.

Annex 5: Implementation Support Plan

Strategy and Approach for Implementation Support

The approach for implementation support has been developed based on the innovative nature of the activities financed. The implementation approach further responds to the risk profile of the Project. The aim is to adjust the implementation support for Burkina Faso in the most flexible and efficient manner and to emphasize implementation of risk mitigation measures.

Procurement: Implementation support will include: (i) provision of training to the FIP Coordination Unit staff as needed; (ii) reviewing procurement documents and providing timely feedback to the FIP Coordination Unit; (iii) providing guidance on the Bank's Procurement Guidelines to the FIP Coordination Unit; (iv) monitoring procurement progress against the detailed Procurement Plan; and (v) monitoring implementation of the Contracts compliant with the World Bank's fiduciary guidelines as well as contract obligations.

Financial Management: Implementation support will include: (i) provision of training to FIP Coordination Unit staff as needed; emphasis will be on the adopted Financial Management System in the MEDD-linked with PASF; (ii) reviewing financial management documents and providing timely feedback to the FIP Coordination Unit; i.e. on accounting, reporting and internal controls; (iii) providing guidance on the Bank's fiduciary guidelines as well as procedures spelled out in the Project Implementation Manual.

Environmental and Social Safeguards: Implementation support will include: (i) guidance on the preparation and disclosure of the Strategic Environmental and Social Assessment; (ii) guidance on the response to any inquiries from international NGOs related to safeguard application under this Project, and (iii) prior review of Terms of Reference against environmental and social safeguards.

Legal support: Implementation support will include verification that legal conditions have been met.

Coordination with other Development Partners, especially AfDB: Implementation support will include: (i) planning for joint meetings and potentially missions with the AfDB, AFD, Luxembourg and Sweden PASF, and other regional initiatives (including FFEM regional project), and (ii) close coordination with a large number of multilateral and bilateral development partners, research institutions and NGOs.

Mid-Term Review: A Mid Term Review will be carried out after three (3) years of Project implementation. In preparation of the Mid-Term Review, an independent review of implementation progress will be carried out. Results will provide input to any potential project revisions or restructuring at the time. The Mid-Term Review will cover *inter alia* review of the Results Framework, review of the ORAF, review of country ownership, review of stakeholder participation (especially civil society), financial management, procurement processing, sustainability aspects.

Implementation Support Plan

Supervision Arrangements: The Project will require substantive technical support due the rather complex and technical nature of the activities to be financed. It is projected that a total of 15 supervision missions will be required over the project period. Before the mid Term review, the **FIP Coordination Unit** will undertake independent audits and perception surveys, which will be undertaken in a random sample of communes.

Technical inputs needed: Technical inputs will be provided by NRM specialist as well as specialized staff from the Carbon Finance Unit (i.e. on MRV, REDD+ pilot projects, etc.). As needed, the task team will seek additional highly specialized technical inputs from technical partners with whom close coordination and collaboration has been established during project preparation.

- The input of a **land tenure specialist** will be required to provide expertise on the engagement with land and forest planning, dealing with any potential conflicts around land tenure and on reinforcing local land tenure agreements. The experts can be drawn from the land tenure network that is well-established at the bank.
- The input of a **social specialist** will be required to provide expertise on social accountability and how to develop effective and sustainable systems of social accountability
- The input of a **carbon specialist** will be required to provide expertise on forest carbon, especially in the instance that Burkina Faso engages in a contract related to the delivery of carbon credits.

Fiduciary requirements and inputs: Training will be provided by the Bank's financial management specialist and procurement specialist upon commencement and throughout Project implementation as needed. Both the Financial Management and the Procurement Specialist are based in the Country Office and have already supported the MEDD during Project preparation. While formal supervision will be carried out semi-annually, fiduciary support will be provided on an "as needed" basis to support the client in a timely and efficient manner.

Safeguards: Due to the very nature of the investments, the Project will need close safeguards supervision due to the high visibility of social aspects of REDD+. As such, the Project will require supervision support from a senior safeguards specialist with experience in the implementation of similar projects.

Time	Focus	Skills Needed	Resource Estimate	Partner Role
First twelve months	Guidance on institutional arrangements and project supervision	Task Team Leader/NRM Specialist	15 SWS	n/a

	FM Training and Supervision	FM Specialist	4 SWS	n/a
	Procurement Training and Supervision	Procurement Specialist	4 SWS	n/a
	Guidance on land tenure	Land tenure specialist from the Bank network	4 SWS	Technical input
	Guidance on grievance mechanism and social accountability	Social Specialist	4 SWS	Technical input
	Technical supervision: technical aspects	NRM Specialist	24 SWS	Technical input
12-24 months	Financial Management supervision	FM Specialist	2 SWS	n/a
	Disbursement monitoring	Disbursement Officer	2 SWS	n/a
	Procurement supervision	Procurement Specialist	4 SWS	n/a
	Safeguards monitoring	Safeguards Specialist (mainly social skills)	4 SWS	n/a
	Project implementation supervision	Task Team Leader	12 SWS	n/a
	Technical supervision: technical aspects	NRM Specialist	24 SWS	Technical input
	Technical supervision: REDD+/Carbon Finance Aspects	Carbon Finance Specialist	6 SWS	Technical input

II. Skills Mix Required:

Bank team:

Skills Needed	Number of Staff Weeks	Number of Trips	Comments
FM Specialist	2-4 SWS annually	Site visits as needed	Based in the country office
Disbursement Officer	2-4 SWS annually	n/a	Based in the country office
Procurement Specialist	2-4 SWS annually	Site visits as needed	Based in the country office
Safeguards Specialist	4-6 SWS annually	Field trips as needed	Based in the region
Task Team Leader	12-15 SWS annually	Three missions year 1, then two missions at least	Washington based
MRV Specialist	4-6 SWS annually	Two missions (at least year 1, then as needed)	Washington based
NRM Specialist(s)	12 SWS annually	Two missions	Washington based
REDD+/Carbon Finance Aspects	6 SWS annually	Two missions and field trips as needed	Based in the region or in Washington

Partners:

Name	Institution/Country	Role
Laouali Garba	African Development Bank	Project Manager-PGFC/REDD+
Boue Zinso	African Development Bank	Technical Advisor, Burkina Faso Country Office
Ronan Pecheur	European Union	Project Manager-ClimGDDF, Rural Development Burkina Faso Country Office
Georges Ternes	Luxemburg Cooperation	Program Manager – Burkina Faso
Yann Nachtman	Luxemburg Cooperation	Technical Advisor-Environment and Rural Development
Pascal Kabore	IFAD	Technical Assistant
Sébastien Demay	Agence Francaise de Développement	Head of Mission, Environment and Sustainable Development
Jonas Henriques	Danish Cooperation	Technical Advisor-Agriculture and Private Sector
Kumiko Takekoshi	JICA	Technical Advisor for Agriculture and Rural Devt.

Annex 6: FIP Investment Criteria

Alignment with FIP objectives

1. As defined in the FIP Design document (July 2009), the FIP is designed to achieve four specific objectives. The table below summarizes how this project is aligned with FIP Objectives.

FIP OBJECTIVES	PGDFEB ACTIVITIES RELATED TO THIS OBJECTIVE
To initiate and facilitate steps towards transformational change in developing countries forest related policies and practices, through	
(i) serving as a vehicle to finance investments and related capacity building necessary for the implementation of policies and measures that emerge from inclusive multi-stakeholder REDD+ planning processes at the national level; (ii) strengthening cross-sectoral ownership to scale up implementation of REDD+ strategies at the national and local levels; (iii) addressing key direct and underlying drivers of deforestation and forest degradation; (iv) supporting change of a nature and scope necessary to help significantly shift national forest and land use development paths; (v) linking the sustainable management of forests and low carbon development; (vi) facilitating scaled-up private investment in alternative livelihoods for forest dependent communities that over time generate their own value; (vii) reinforcing ongoing efforts towards conservation and sustainable use of forests; and (viii) improving forest law enforcement and governance, including forest laws and policy, land tenure administration, monitoring and verification capability, and transparency and accountability.	(i) Both FIP projects are the financing vehicle for the R-PP implementation. The PGDFEB in particular will create the institutional arrangement for REDD+ Readiness preparation – and in addition will promote REDD+ as multi-sector approach that would require a comprehensive management of the land use (forest and non-forest) (ii) Component 1 is nation-wide to scale up local initiatives. (iii) Component 2 focus on rural development as poor fire management and agriculture expansion have been identified as the main drivers of deforestation and forest degradation – AfDB project will focus more on forest-related issues. (iv) and (v) - PGDFEB will work directly with the communes to promote an alternative development path (low carbon development) at local level. (vi) the discussion at local level with the communes will aim at giving more value to the long term revenues and considering land management as a long term asset and not only for immediate revenue. (vii) the PGDFEB will encourage the gazetting of forest covered land to create community forests or local protected areas for the future needs ("*réserves foncieres*"). (viii) PGDFEB will support the communes and create capacities for land planning and land management.
To pilot replicable models to generate understanding and learning of the links between the implementation of forest-related investments,	In addition to usual M&E activities, the PGDFEB will have an independent agent that will operate close to the population and will provide advice and

policies and measures and long-term emission reductions and conservation, sustainable management of forests and the enhancement of forest carbon stocks in developing countries. By committing to apply a priori and ex post impact assessment of programs and projects, the FIP will ensure that the outcomes and effectiveness of FIP-supported interventions in reducing deforestation and forest degradation can be measured;	comments on the social impact of the investment. This external mediator will be a first level of grievance detection and redress – but also will act as an independent observer to assess the project impact from the point of view of the beneficiaries and analyze the social dynamic in the village. This innovate function will produce a great material for understanding the political economy in the villages related to REDD+ implementation.
To facilitate the leveraging of additional financial resources for REDD+, including through a possible UNFCCC forest mechanism, leading to an effective and sustained reduction of deforestation and forest degradation, thereby enhancing the sustainable management of forests;	The FIP Program already leveraged the European Union financing (8 million Euros). In addition, the project will closely work with Luxembourg PASF project that aims at creating a national Fund for Environmental Investments (FIE). This FIE would be the vehicle for UNFCCC financing whenever they are available.
To provide valuable experience and feedback in the context of the UNFCCC deliberations on REDD+.	Component 3.2 is dedicated to reinforcing the voice and the experience of Burkina Faso in the international discussions.

Climate Change Mitigation Potential

2. *GHG emissions reduction avoidance potential:* Despite the relatively low level of per hectare carbon stocks in Burkina Faso, the country offers considerable global GHG emissions reduction potential, both through the control of degradation/deforestation, and through landscape restoration. According to one estimate, deforestation represents about a 105 000 ha/year in Burkina Faso's forests, while forest and woodland degradation represents approximately 50 000 ha/year. These estimates are based on forest related data from 1992-2002. Above ground carbon stock is approximately 35 tons of carbon (tC/ha) while total above and below ground carbon stock brings estimated carbon stock to a conservative 55 tons per hectare. (FAO estimates, Westholm an Kokko, 2011, Vagen et al 2004).

3. While the information from the 2013-14 National Forest Inventory (IFN2) will provide more detailed information of forest and woodland cover and carbon content, the information from 1992-2002 provide some indicative trends that are slightly disconcerting. The updated forest inventory will provide the basis for estimating (tCO2/ha) at the village level before interventions and at the end of the project.

4. In each the four target zones of the FIP project, a review of the 1992 and 2002 land cover inventory showed the trend in the deforestation, forest degradation – but also land degradation and desertification – those processes being intimately linked.

Outside of AfDB zones	Estimated Area in the project area(ha)	Change between 92 and 2002 (ha)	Estimated Carbon loss in 5 years without project (tCO2)	Potential GHG mitigation with project after 5 years (tCO2)	Transformation
1. Forest	204,438	(14,432)	(5,026,035)	595,364	12%
2. Degraded Forest and fallow land	1,461,598	(91,778)	(46,886,523)	3,195,147	7%
3. Crops	856,220	106,227	3,583,400	(297,707)	8%
4. Prairies and degraded land	58,490	216	3,161	-	0%
Total	**2,580,745**	**233**	**(48,325,997)**	**3,492,804**	**7%**

Table 1: estimation of the potential GHG emission reduction linked with land use change in the project areas[24]

5. It is estimated that the World Bank will intervene in approximately 1 million hectares, corresponding approximately to a 3.5 MT CO_2 reduction in GHG emissions over the project lifetime.

6. For purposes of comparison the R-PP a mitigation potential of 8.2 M t C (30 Mt Eq. CO2) for the entire country. At the time of project preparation, only rough estimates of the GHG emission s reduction can be obtained, however, in December 2013, the precise results from the IFN2 will provide up-to-date data that will allow refining the precise objectives of the project..

[24] **Source** : BDOT 1992 and 2002. "Forest cover" aggregates the following classes: "Open Forest", "Gallery Forest", "wooded steppe" and "Wooded savanna". "Degraded forest and Fallow land" aggregates the following classes: "Plantations", "Agroforestry", "Shrub steppe", "Shrub savanna" and "cultivated land with large surface of natural land".

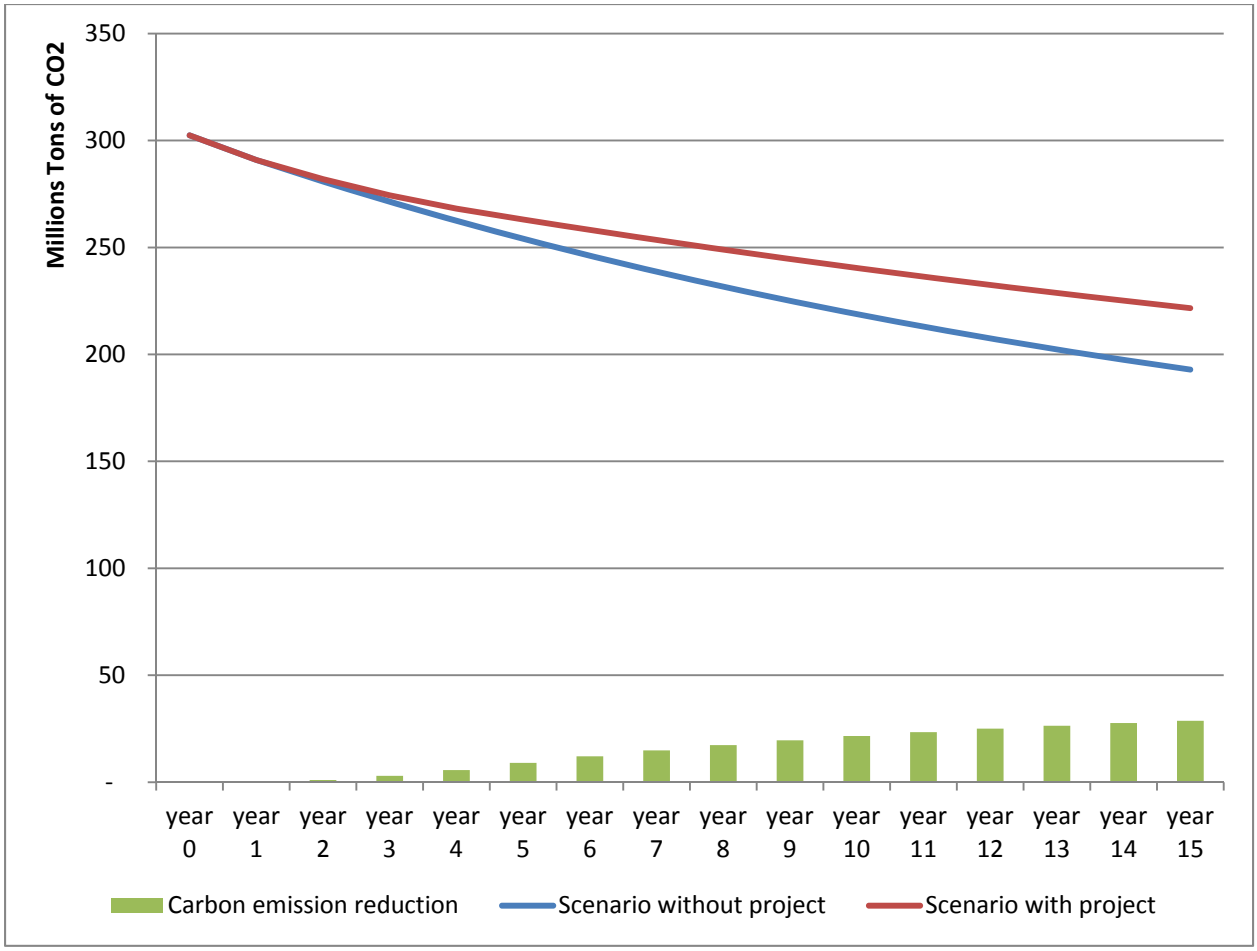


Fig 1: Evolution of the carbon stock in the project areas – with and without projects – and the expected carbon emission reduction

Increasing carbon sequestration potential below ground

7. In West Africa carbon per ha is relatively low in terms of plant biomass when compared to tropical areas. However, when taken together combined above and below ground C content hold significant carbon sequestration potential. At the global scale per hectare carbon sequestration from improved grazing land management has the second highest technical potential for mitigating carbon emissions from agricultural management changes—over 389 M t C/yr entirely from carbon sequestration (IPCC fourth assessment report, 2007). West Africa is estimated to hold two percent of global soil organic content (SOC).

8. In the context of the project there is a significant potential for increasing carbon stocks below ground as well as above ground through improvements in rangelands and dryland agriculture systems, especially as many of them are significantly degraded. Studies have shown that carbon storage in litter and soils of dry forests can add up to nearly 1/3 of total system carbon[25]. In degraded rangelands—an agro-ecological zone that represents a sizeable portion of

[25] Vagen et al. 2005. *Carbon Sequestration in Sub-Saharan Africa: A Review*, Land Degradation & Development 16; pp. 53-71.

Burkina Faso and part of the target areas of the FIP investment—a study showed that up to 84 percent of total system carbon can be made up of soil organic carbon in similar ecological zones[26]. Previous experiences in Burkina Faso have shown that the soil carbon pools in rangelands and drylands can be enhanced through improved practices such as restoration of degraded soils, conversion to planted fallows, agroforestry, plantations, improved pastures, mulch farming and other activities. Implementing these activities as part of the effort to mitigate climate change impacts moves them into a dynamic that is can encourage greater investment at a broader scale, something that has not yet taken hold purely for the improved sustainable development benefits.

Issue of carbon stock enhancement

Enhancement of carbon stocks is not adequately captured in the measures of mitigation above because the CDD approach taken in the project means that specific activities will only be defined during project implementation. As explained in the economic analysis a weighted index will be used to balance GHG mitigation potential of different activities against factors such as cost and social benefit. Several relevant activities are listed in Annex 8 including reforestation, agroforestry, live hedgerows etc. These activities will make a clear contribution to the enhancement of overall carbon stock. Once the activities are known, a more comprehensive estimate of carbon stock enhancement can be developed and will be an additional measure of climate change mitigation to any avoided GHG emissions. The FIP funded project by AfDB lends itself more readily to anticipated carbon stock enhancement because it includes known areas of reforestation. The complementary nature of the two FIP projects will lead to enhanced carbon stocks in and around forest and woodlands in the target zones by addressing the direct and indirect drivers of deforestation and forest degradation.

Assumptions for the potential GHG mitigation:

Assumptions for tC/ha are that dry woodlands and forests store, on average, between 45 and 55 tC/ha (around 25–35 tons of carbon above and around a conservative 20 tons of carbon in roots beneath each hectare) while degraded forests and shrub land store 35 tC/ha per ha (above ground and underground). Compared with IPCC data, those assumptions are conservative but are in line with the R-PP and FIP Investment Plan.

Example of land cover	Carbon content (t C/ha) – data from JRC and IPCC	Category for table 1	Proxy used for this PAD (tC/ha)
SubTropical Dry forest >30% (rare in Burkina)	323	Forest	54
Sub-Tropical steppes / shrublands	169		
Sub-Tropical Dry forest <30%	62		
Tropical Degraded Shrubland	77	Degraded Forest and fallow land	35
Sub-Tropical Degraded Forest	48		
Plantations (Eucalyptus)	33		

[26] Lipper et al 2010. *Supplying Carbon Sequestration from West African Rangelands: Opportunities and Barriers,* Rangeland Ecology and Management 63(1) January 2010; pp. 155-166.

Sub-Tropical degraded steppes	33		
Grassland	16	Grass Land and Prairies	10
Degraded grassland	6		
Crops (Tropical dry)	23	Agriculture	23

According to the R-PP and the FIP Investment Plan, the decrease in the carbon stock is mainly caused by the following trends: (i) pressure on the natural land, causing conversion of forested land into cropland (decrease in the number of hectares), (ii) weak management of the forest causing a loss of 2 percent of the carbon content per year, and (iii) non-managed bush-fires that are lowering the regeneration and causing a loss of 5 percent of the carbon content per year. The reference level (Estimated Carbon loss during the project lifetime) was calculated assuming the same conversion rate as between 92 and 2002 would be observed.

The project aims at progressively limiting all of those degradation trends. The following assumptions regarding the objective of the project were used for the calculation of the mitigation potential:
(1) decrease forest degradation (which is mostly caused by agriculture and uncontrolled bush fires) by 30 percent, taking into consideration demographic trends, by year 5 of the project. This is consistent with the fact that improved agriculture systems could raise by 30 percent the efficiency (and thus limit the need for agriculture expansion);
(2) better management of forests would limit the loss of carbon content in the forest by 80 percent in average;
(3) better management of fires would decrease the impact on regeneration and the carbon loss by 40 percent.
For the calculation, it was estimated that the project would reach those objectives gradually, as detailed below:
(4) the project will have an impact, at best, on 40 percent of the area (equivalent of 1 million hectares);
(5) surfaces covered by the FIP project financed through AfDB have been excluded from this calculation.

Year	percent impact of the project	Real impact on forest turning into degraded land: Objective: 75%	Real impact on degraded forest turning into cropland Objective: 30%	Real impact on carbon content loss in forests Objective = decrease the loss by 80%)	Real impact on carbon content loss caused by bush fires - Objective = decrease the loss by 40%)
1	0% of the objective	Limit by 0 %	Limit by 0 %	2%	5%
2	25% of the objective	Limit by 19 %	Limit by 8 %	1.6%	4.5%
3	50% of the objective	Limit by 38 %	Limit by 15 %	1.2%	4%
4	75% of the objective	Limit by 56 %	Limit by 23 %	0.8%	3.5%
5	100%	Limit by 75 %	Limit by 30 %	0.4%	3%

Demonstration Potential at Scale
Addressing REDD+ priorities

9. The activities for this project incorporate dimension of the initial pillars of a preliminary REDD+ readiness strategy for Burkina Faso. First, one of the R-PP main conclusions is that the objectives of reducing GHG emissions by sequestering additional carbon, should be paired with objectives regarding improving the living conditions of populations through the fight against poverty. This prerequisite is the only way to ensure the investment sustainability and a real transformation in practices. In addition, this project is aligned with the 4 pillars of the REDD+ strategic options defined in the R-PP to address the drivers of deforestation/degradation:

- land use planning (component 2),
- security of land tenure (component 2),
- management of agro-sylvo-pastoral systems (component 2),
- and cross-cutting capacity building (line ministries, private sector, educational and research institutions) and harmonization of policies that promote effective governance (component 1).[27]

10. In addition, this project is focusing on the drivers of deforestation outside of the State forests while the other FIP project (operated by AfDB) will purely focus on State forests and community forestry.

Demonstration of scale of project

Physical potential for replication at scale:

11. The project targets specific investments in communities in three different agro-ecological zones that are common across the country, South Sahelian, North Sudanian and South Sudanian, capturing a diversity of agro-temporal dynamics and but also socio-economic dynamics. The drivers of deforestation and forest degradation in these different zones arise from different sources, thus showing the need to develop strategies that are adapted to the particular circumstances of that region. In the West for example, the area around classified agro-silvo-pastoral are pressured largely by livestock and nomadic herding, while the dynamics in the South West and Center relate more to agriculture and human pressure. By addressing these different dynamics lessons and experiences can be scaled up across the country and the region.

12. At the *international scale*, the phyto-ecological zones of Burkina Faso are within the Sahelian semi-arid belt, and of the targeted intervention zones, are common across much of Africa (Senegal, Mali, Niger, Chad, Ethiopia, Sudan, Eritrea, Somalia and the northern parts of Nigeria, Benin, Togo, Ghana, Ivory Coast, Guinea, Cameroon and CAR), as well as the semi-arid areas in eastern Africa, India and Pakistan. This tropical dry forest biome is representative of

[27] See Section 2-b of Burkina Faso Readiness Preparation Plan

semi-arid ecosystems in tropical areas that extend to more than 500 million hectares.

Social potential for replication at scale:

13. In Burkina Faso, the drivers of deforestation are closely linked with socio-economic aspects and local practices. The approach adopted in this project will focus on developing an effective process for sustainable land and forest management that is developed by the communities themselves rather than through a prescriptive set of actions imposed by outsiders. This approach of allowing communities to build land management solutions that are designed by them and are relevant to their particular circumstances is applicable and adaptable to areas across the country.

14. Because the drivers of deforestation are linked with the community choices for development, the PGDFEB assumes that the solutions to reduce the deforestation and forest degradation should come from a political process – mostly at local level for countries as decentralized as Burkina Faso – more than from purely technical solutions. Therefore, the objective of the component 2 is to create a sustainable and efficient process for the community to plan its own development with a clear vision of the long term implications and to define the technical solutions only once the political agreement within all the stakeholder has been reached.

15. While technical solutions may only have a small range of action, the decision-making process is both sustainable and replicable in the whole country – it is also,(with limited adaptation) replicable, in the whole region

Use of good practices

Good practices in terms of social approach for decision-making:

16. The community driven development (CDD) approach allows each village to define its own solutions and can thus remain flexible and applicable in many different contexts. The practices will be built upon best practices and lessons from international experiences with sustainable forest and land management. The project will build on the conclusions from the Plan for Land Management and Use (POAS)[28] experiences that have been successful tested in various countries in West Africa –for examples in Senegal – and that allowed to define a scientific approach to replicate those pilots elsewhere. Evidence exists that this POAS approach lasted even after projects were completed and donor funding was no longer available.

Good technical practices:

17. The project will also build on lessons and experiences of ongoing projects in Burkina Faso in areas of decentralization, agroforestry, agriculture value chains, etc (as described in

[28] D'Aquino, Patrick and Papazian, Hermine, 2012. *Final evaluation report-Impact analysis of Companion Modeling approach: The 'Plan d'Occupation et d'Affectation des Sols (POAS)' operation in the rural community of Ross Bethio in Sengal,* IFAD-CIRAD.

paragraph 60 or in Annex 9). It includes improved traditional or modern agriculture methods (such as improved Zai, parklands, holistic livestock management…). The project will provide expertise in agriculture, land tenure and livestock management for the communities to find the most efficient technical solution while the land use planning exercise is been performed.

18. In addition, expertise will be drawn from programs such as TerrAfrica that has been working on regional approaches to Sustainable Land Management, particularly in Sub-Saharan Africa and from centers of research such as CIFOR, CIRAD and WOCAT that have extensive practical experience in sustainable land and forest management. The project will collaborate with and strengthen national information institutions such as the National Environmental Observatory.

Results measurement

19. A Results Framework will be used to measure specific indicators related to social and environmental impact (*see section IV b, and Annex 1*), carbon stock enhancement, as well as progress at the policy/institutional level. A Monitoring and Evaluation (M&E) specialist will be part of the FIP Coordination Unit and will be responsible for measuring progress and results of the entire FIP program. Surveys will be carried out to ascertain co-benefits such as livelihood and biodiversity so that lessons can be drawn from the variety of different target communes and villages and applied to other areas across the country (see section below on co-benefits).

20. Additionally, a social scientist will be contracted in order to carry out an independent review of impacts social issues, including measures of social accountability, annually by visiting with different target communities. This independent observer (that will also act as first level mediator in case of conflicts within the communities) will monitor the social changes and the potential long term effects that the project will introduce.

Cost-effectiveness

21. The PGDFEB is composed mostly of enabling activities. For example, component 1's objective is to enable the country to leverage REDD+ incentives in the future. For component, this criterion would have limited applicability. Component 2.1 also focuses on building the capacities in the communes for their land use planning – which could be then linked to any sort of external financing. Only the component 2.2 will consist of direct investments with demonstration purpose. The investment activities on the ground can be assessed from a cost-efficiency point of view. Annex 8 contains examples of activities likely to be requested by the local populations and their estimated unit cost. The formula presented in section VI-A of the main body of this PAD will be used to assess the extent to which the objectives of the project are reached. This tool will ensure that the investments' prioritization will maximize both the carbon sequestrated and the impact on poverty alleviation per dollar spent.

22. The actual calculations can only be completed once the specific activities have been identified by communities, which will be part of implementation. However, considering the very low efficiency in reforestation programs or large scale plantations (either for carbon sequestration, eucalyptus or Arabic gum purpose) in Burkina Faso, Mali and Niger, the choice of the Community Driven Development approach and the integration of tree management into a comprehensive agricultural system has been proven to be more cost effective.

Implementation Potential

Importance of forests and commitment to REDD+ process

23. Over the past 30 years, Burkina Faso has shown a very strong and long-term commitment to the environment. In particular, it has prepared sectoral strategies for the environment, forests, and climate adaptation and mitigation, and has developed a complete investment plan covering the years from 2008 to 2018. A list of projects and programs that have demonstrated some of the potential for successful REDD+ implementation as well as for this project are described in more detail (R-PP for REDD+, or paragraph 60/Annex 9 for initiatives more directly related to this project).

24. An Environmental Action Plan was developed in 1992, incorporating the National Plan against Desertification and the National Land Management Strategy (PNGT) to develop a policy that links development and the environment (PANE). The ongoing process of decentralization, strengthened, in part, through two investment projects of the World Bank on Community Based Rural Development, with a third in the process of finalization, have built local capacities to manage financial resources as well as natural resources.

25. At the legislative and regulatory level, there are various legal texts with implications for the conservation of forest resources have been adopted affecting a range of sectors in including forestry, rural lands, agriculture, plant materials etc. These are documented in more detail in the R-PP (pp. 55-7). With respect to REDD+, Burkina Faso has made considerable progress in the following cross-cutting areas that are critical to the sustainable management of forests and to REDD. A diagnostic tool supported by PROFOR was used to prepare a baseline for forest governance, identify strengths, weaknesses and priority actions for improving forest governance. The result of this diagnostic laid the basis for priorities in the national REDD+ strategy.[29] Additionally, the finalization of a National Planning Design, once adopted by Parliament will pave the way for the creation of regional plans, which will be strengthened by the process of local planning adopted in this project.

Effective Implementation Timing

26. The Project Preparation Grant (PPG), will be used to carry out many of the initial studies as well as set up many of the institutions so that once the project financing is actually delivered the project is able to be launched rapidly and efficiently. These preparatory activities will strengthen the potential for successful investment delivery. A brief timeline provides an indicative sense of the timing for PPG and Investment activities.

[29] Bonkoungou, Edouard and Nalin Kishor. 2012. *The Quality of Forest Governance in Burkina Faso: A first analysis of strengths and weaknesses.* Working Paper (In French and English). Program on Forests (PROFOR): Washington DC.

	2013			2014												2015								
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
PROJECT	Methodology Preparation (ext. support			Training of the facilitators			Part time support and training			Support and training			Support and training		Support for formalizing agreements on lands use management							Technical support for local investments		
	Hiring of the 8 field facilitators + 1 senior			Preparation of the material			Local facilitation with communities- participatory mapping & planning – Training on integrated participatory land management								Definition of the investments- Revision of the Local Development Plans (PCD)									
MAIN				Hiring of four lead experts (agroforestry, land tenure, agronomist, livestock)						Provide the communities with a range of technical solutions during the local consultations					Realization of the investments									

Cross-Sectoral Planning

27. The cross-sectoral nature of REDD+ and climate change more broadly means that it must be a collaborative effort in order to be successful. Broad guidance for the REDD+ and the FIP program at the national level will be provided by a FIP/REDD+ Steering Committee. The Steering Committee will be directly under the guidance of the Secretary General in particular and will receive broad guidance from an inter-sectoral platform on Sustainable Land Management and REDD+. This Platform will bring together key stakeholders from different sectors, civil society, NGOs, research institutions and others. The Steering Committee and Platform, as well as the FIP Coordination body, will be formalized as part of the decree that will formally create the project whose adoption by Parliament is expected at the end of 2013. MEDD established an interdepartmental debate on decentralization in the forestry sector and continues to integrate points of concern and conclusions from these platforms into their plans.

Collaboration with partners

28. The World Bank and the African Development Bank, as well as other development partners have coordinated efforts in the areas of sustainable development, climate change, forestry, agriculture, decentralization and others to reduce duplication and maximize the impact of investments. Notably the project of the WB, as does that of AfDB, intervenes at the national and commune/village level. The Forest Sector Support Project (PASF) and the National Rural Development Sector (PNSR) being supported by the Luxemburg Cooperation and others have similar areas of focus at the national as well as communal/village levels. Areas of particular synergy include the sustainable management of land and forests at different levels through a landscape approach. There will be close collaboration in the areas where PASF is targeted similar zones as those of the WB project (Boucle de Mouhoun, East, South West Center West).

Integrating sustainable development (co-benefits)

Establishing a monitoring system

29. The project is designed to align with the national and local plans and priorities, contributing to the social, environmental and development objectives of the country. At the national level a consultative platform on REDD+/FIP/SLM will draw its guidance from the members who will be representative of a wide variety of stakeholders (local communities, NGOs, civil society, private sector, government officials and others).

30. Co-benefits from effective land and forest management will be varied and multiple but the dynamics and pressures leading to deforestation and forest degradation in the different target zones point to certain co-benefits that are more pronounced. In the East where livestock rearing causes conflicts between traveling herders and more stationary agriculture producers, social co-benefits will be more highly watched and targeted for measurement. In the South West, where there is a presence of mega fauna—elephants—and other mammals, biodiversity co-benefits will be more closely monitored. In the region of Boucle de Mouhoun that is characterized by higher levels of population and agriculture, environmental co-benefits related to watershed health and quality will be the primary focus of measurement as there is significant pressure on riverbanks and waterways arising from ineffective water use and land management practices.

Measuring delivery of social benefits (improvement in well-being), protection and enhancement of biodiversity and strengthened resilience and ecosystems

31. At the local level, reducing pressures on forests and woodlands through the promotion of sustainable land management the project will support the healthy function of ecosystems in and around forest areas. This will have a direct positive impact on potential to maintain and support important biodiversity in these regions, and on increased provision of ecosystem services.

32. Household surveys will be conducted at the outset of the project to ascertain a baseline for the target villages related to income generating activities, income levels and other measures of local socio-economic conditions. Follow-up surveys will be conducted toward the end of the project to measure the impact of the investments on livelihoods in the targeted communities.

33. Sub-component 1.3 will support the establishment and the implementation of a system of ecological, vegetation and wildlife monitoring that will be linked to the monitoring of co-benefits and fed by the data produced by the carbon stock monitoring system and the Measurement, Reporting and Verification (MRV) scheme supported by the African Development Bank.

Safeguards

34. All investments financed under this project will have to comply with the safeguards requirements described above and described in the Environmental and Social Management Framework (ESMF) and the Process Framework (PF). No activities qualifying for category A according the World Bank Safeguards Policy 4.01 will be financed under this project.

Dedicated Grant Mechanism

35. The Dedicated Grant Mechanism will be governed by an independent body of local community representatives and implemented through an autonomous process. Coordination of DGM investments and the FIP Sustainable Forest and Woodlands Project will carried out with the National DGM Coordination Committee to ensure geographic complementarity as well as complementarity with respect to the national REDD+ process.

Strategic Environmental and Social Assessment (SESA)

36. As planned in the R-PP, a SESA will be conducted as the REDD+ strategy is defined. This SESA will be feed by the wide consultative process that will be launched in the country. The assessment will be performed and review in close collaboration with the REDD+ Consultative Platform.

Annex 7: Intervention Sites

Project areas	Gazetted Forests	Neighboring communes	Provinces	Administrative regions	Local HQ
Est	Tapoa Boopo	1. Matiacoali	Gourma	*Est*	Matiacoali
		2. Kantchari	Tapoa		
		3. Partiaga			
Nazinon	Nazinon	4. Saponé	Bazéga	*Centre Sud*	Nabil Paga
		5. Ipelcé			
		6. Doulougou			
		7. Bakata	Ziro	*Centre-Ouest*	
		8. Sapouy *			
Chapelet du Mouhoun	Tiogo	9. Ténado	Sanguié		Ténado
		10. Dassa			
		11. Kyon			
		12. Zamo			
		13. Zawara			
	Kari, Ouorou	14. Gossina	Nayala	*Boucle du Mouhoun*	Toma
		15. Gassan			
		16. Yé			
	Sorobouli, Nosébou	17. Boromo*	Les Balé		Tchériba
		18. Siby			
		19. Ouri			
	Tissé, Toroba	20. Dedougou*	Mouhoun		
		21. Douroula			
		22. Tchériba			
Extrême Sud	Koulbi	23. Kpéré	Noumbiel	*Sud-Ouest*	Batié
		24. Batié*			
		25. Boussoukoula			
		26. Midebdo			
Bontioli	Reserve totale et	27. Nako	Poni		Gaoua

	Reserve partielle de Bontioli	28. Bouroum-Bouroum			
		29. Tiankoura	Bougouriba		
		30. Diébougou*			Dissin
		31. Dissin	Ioba		
		32. Zambo			

(*) these communes are urban communes

Annex 8: Economic and Financial Analysis

1. Introduction & Objective

Burkina Faso is one the eight pilot countries currently eligible to benefit from the Forest Investment Program (FIP), a multi-donor trust fund aiming to support developing countries' efforts to reduce emissions from deforestation and forest degradation by providing financing for investments. Burkina Faso has launched activities that begin to assess the underlying causes of deforestation and forest degradation consistent with the Forest Carbon Partnership Facility (FCPF) approach and has identified strategic pillars of a national REDD+ program, including land use planning, securing land tenure, management of agro-silvo-pastoral systems, development of economic opportunities of non-timber forest products, especially targeting women, knowledge sharing and capacity-building for relevant ministries, the private sector, civil society, and educational and research institutions, and harmonization of policies to promote good governance of natural resources and forests.

FIP resources will support two complementary projects that reinforce one another yet avoid duplication of effort: 1) the World Bank-executed project—Decentralized Forest and Woodland Management Project (PGDFEB) as well as; 2) the African Development Bank executed–Participatory Management of State Forests Project (PGFC/REDD+). The proposed World Bank managed project builds on direct synergies with the European Union that is supporting sustainable management of forests as part of socio-economic development in Burkina Faso and increasing forests capacity to sequester carbon as well as reducing pressures on forest ecosystems through the project Climate Governance and Decentralized Sustainable Management of Forests (CLIM-GDDF). The project will also build synergies with other development partners with investments in climate change and forestry such as Luxembourg, Sweden and UNDP (see annex 9 for a list of on-going initiatives related to this sector).

The objective of the analysis presented is to assess the economic feasibility of the World Bank executed Decentralized Forest and Woodland Management Project (DFWMP). The development objective is to promote an adaptation-based mitigation development path that would improve the productivity and resilience of forest resources thus contributing to poverty alleviation while limiting the degradation of forests and woodlands thereby reducing land-based greenhouse gas emissions. Specifically, this project aims to: (i) support climate change governance, particularly through the design of a national REDD+ strategy that is applied to institutional and legislative frameworks in different sectors and results in concrete investments in targeted zones; (ii) improve land use planning and economic activities around forest and woodland resources, particularly in direction of women who are the main actors in the exploitation of non-timber forest resources; and (iii) establish guidance, best practices and a structure of knowledge management around sustainable natural resource management.

2. Economic and Environmental Context

Burkina Faso is characterized by significant development challenges. Despite average economic growth of over 5 percent between 2003 and 2008, per capita income of US$ 430

represents less than half the sub-Saharan average. Despite considerable attention devoted to poverty alleviation in national development programs, poverty indicators are deteriorating: the incidence of poverty increased from 45% in 1994 to 47% in 2003 (INSD, 2003). The same trend is seen for malnutrition[30]: from 30% in 1993 to 34% in 1999, 35% in 2003, and 37% in 2006 (WDI, 2010). According to the Human Development Index for 2010, Burkina Faso ranks 181st out of the 187 countries ranked (UNDP, 2011)[31]. Rural populations remain largely dependent on agriculture as source of income and to sustain their livelihood. Rural areas also continue to experience higher poverty rates with 51% of the rural population living below the poverty line as compared with 24% in urban areas (some publications even state that 90% of the rural population is at poverty line[32]). In a 2002 survey, 51% of the population was estimated to be severely food insecure[33].

High population growth rates – generally reported to be above 3%[34] and one of the highest in Africa – result in a doubling of the population in one generation. Accordingly, 65% of the population is below 24 years old. Urbanization growth rates are reported to be double of population growth rates[35], with some assessment reporting numbers reaching up to 11%[36] per year. Family size is declining very slowly in Burkina Faso and women now have an average of six children, just one fewer than they did almost two decades ago[37]. Reports on average household size vary significantly and range between 5[38] and 10[39] people per household. In rural areas, household sizes increase significantly when household members provide remittances as either domestic or international migrants, with 13 and 18 members per household, respectively[40,41]. While the literacy rate has increased to 33% in 2005[42] the education system is characterized by geographical disparities both in terms of enrolment rate and in infrastructure coverage. A 2002 survey indicated that household heads in the rural survey areas had an average education level of 0.57 years only[43].

Without appropriate policy and regulatory frameworks in place that are supported by public investments addressing drivers of change and transformational processes, these demographic trends are expected to accelerate environmental degradation and poverty, especially in rural areas. The reliance on natural resource yet the lack of appropriate policies to

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[30] Measured as the percentage of population under the age of 5 that is more than two standard deviations from the median of the international population for
weight/age
[31] Compare: Sanfo and Gerad (2012)
[32] http://www.spconedd.bf/spip.php?article57
[33] http://jn.nutrition.org/content/136/5/1431S.full.pdf
[34] https://www.cia.gov/library/publications/the-world-factbook/geos/uv.html
[35] Ibid
[36] http://www.nationsencyclopedia.com/economies/Africa/Burkina-Faso.html
[37] http://www.guttmacher.org/pubs/contraception-Burkina-Faso.pdf
[38] http://www.cleancookstoves.org/countries/africa/burkina-faso.html
[39] http://jn.nutrition.org/content/136/5/1431S.full.pdf
[40] http://cip.cornell.edu/DPubS/Repository/1.0/Disseminate?view=body&id=pdf_1&handle=dns.gfs/1200428170
[41] From their survey Sanfo and Gerard (2012) report average household sizes of 9, 12, and 15 for the very poor, poor, and less poor, respectively.
[42] http://www.unicef.org/bfa/english/education.html
[43] http://cip.cornell.edu/DPubS/Repository/1.0/Disseminate?view=body&id=pdf_1&handle=dns.gfs/1200428170

incentivize sustainable management leads to the continuous degradation of the natural environment. Burkina Faso is particularly affected by soil erosion due to wind and water, loss of soil nutrients and bush fires. It is estimated that 34% of the territory has deteriorated as a result of anthropogenic factors, continuing at a rate of 105,000 to 250 000 hectares each year, while 74% of arid and semi-arid areas are affected by desertification or land degradation. Deforestation rate estimates range from about 0.2% to 1.5% per year. Deforestation is mainly caused by expansion of agricultural land, as well as grazing and over exploitation of forest resources (timber and non-timber products). For example, on average, 88.5% of people in Burkina Faso are using wood for cooking, 81.8% in urban and 99.2% in rural areas[44]. Only 0.06% of the population is estimated to use an improved biomass cookstove[45].

The degradation of natural resources in Burkina Faso is amplified by climate change with considerable impacts on the economy and livelihood situation, especially in rural areas. Rural households who depend on agricultural activity for subsistence face large income shocks originating from weather fluctuations. In the absence of formal insurance markets households can hardly protect themselves against these shocks. Informal risk mitigating and risk coping strategies set up by farmers only afford a partial protection against income risk Local populations are not adequately equipped with adaptation tools to deal with these climatic changes and, as demonstrated during the 2007 droughts and the 2009 floods, this has led to devastating damage and loss of life.

3. Scope of the Economic Analysis

Against the backdrop of the severe economic and environmental challenges prevailing in Burkina Faso, the benefits anticipated by the project are multiple. Benefits can be broadly categorized using different criteria, for example, by environmental and livelihood (poverty) benefits as well as marketable and non-marketable benefits. Table 8.1 lists a minor selection of possible, immediate benefits that will be generated by the project.

For the quantitative analysis, and in line to the project objectives for the DFMWP, two principle benefit categories are considered: carbon sequestration and livelihood benefits. While the quantification of carbon benefits will be achieved by applying a carbon price per ton carbon, the livelihood benefits are calculated using the current poverty line for rural areas as the benchmark. As this approach only considers a small subset of possible project benefits, total benefits are likely to much higher. However, given difficulties with respect to a credible monetization of these benefits, only a qualitative analysis is applied. This also increases the robustness of the analysis as any variability of the quantitative results could be compensated or buffered by the non-quantified project benefits.

Given the overall project context, the consideration of the "<u>With</u>" and "<u>Without</u>" project situation is an important factor for this economic analysis. Taking account of the current situation, and the fact that the environmental as well as livelihood situation in the project areas is

[44] http://www.cleancookstoves.org/countries/africa/burkina-faso.html
[45] Ibid

likely to continue to decline[46], even a slowing but continuation of an already negative trend represents a project benefit. For example, a slowing but continuation of deforestation and forest degradation trend is a benefit that can be quantified by the amount of incremental carbon that is not emitted into the atmosphere compared to the without project situation. Likewise, if household incomes can remain stable under a with project situation compared to a possible negative trend due to declining agricultural productivity, deforestation, climate change, and other possible impact factors, this also represents an incremental benefit achieved by the project.

Table 8.1: Exemplary selection of possible benefits generated by DFWMP

Benefit categories	Marketable	Non-Marketable
Livelihood / Poverty	• Income diversification and increased incomes • Agricultural productivity • Forest productivity • Increased resilience to external shocks (climate change, commodity price changes, etc.) • Increased revenue collection from forests products • Improved provision of public services	• Strengthened self-governance capacity of communities • Enhancing institutional mechanisms in support of decentralization • Improved efficiency of forest product value chains • Better access to credit • Lowering marketing costs • Improved access to veterinary services • Price stabilization
Environmental	• Reduced carbon emissions • Increased carbon sequestration • Improved water quality	• Reduced deforestation / forest degradation • Reduced soil erosion • Biodiversity conservation

The economic analysis is constrained by the multitude of project sites, the socio-economic and environmental heterogeneity among these sites, the geographical disparity of socio-economic and environmental parameters and developments, and a significant lack of detailed micro-level data. Against this low baseline, the data situation is best for data on forest cover and deforestation allowing an approximate modeling of assumed carbon benefits. In contrast, livelihood and poverty benefits assumed to be generated by the project require a much higher degree of approximation. Using present day income data of rural households in rural areas in Burkina Faso, incremental benefits achieved by the project are then approximated as a percentage average increase above this benchmark. Such a percentage increment would also represent a situation where the project benefit is generated by a slower decline of the income situation compared to the without project situation.

[46] Sanfo and Gerard (2012) also describe such a negative trend for rural areas of Burkina Faso despite overall economic growth measured in GDP per capita for the country at macro-level.

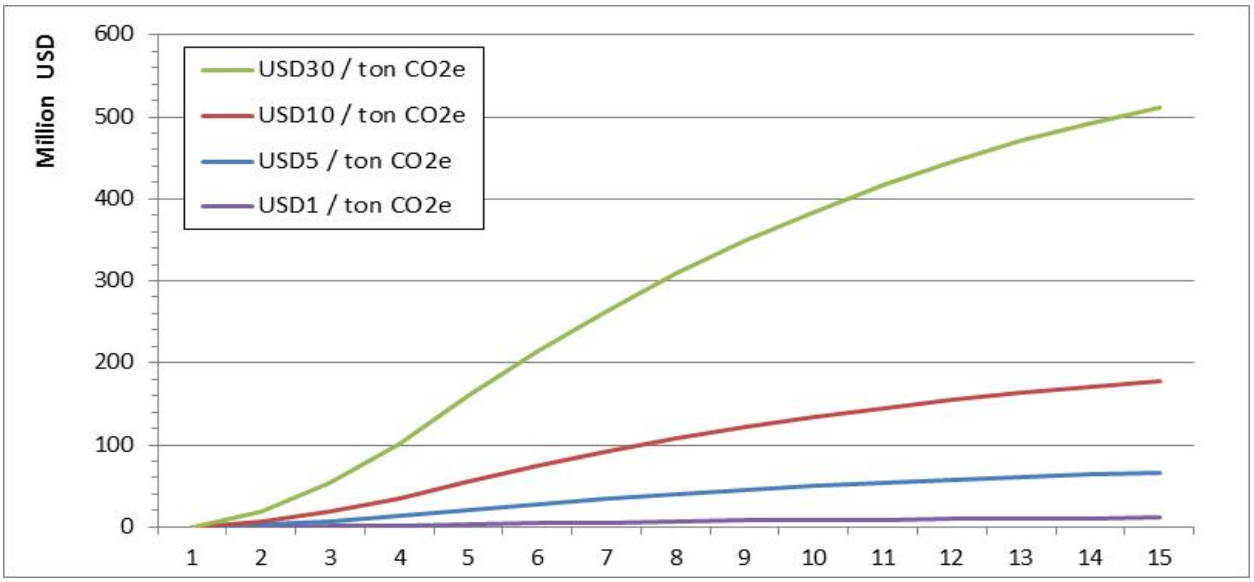
4. Analytical Approach and Data Sources

A threshold analysis identifying the break-even point where net benefits equal net costs of the project is used for this analysis. Sensitivity analysis is applied for the ley simulation parameters notably discount rate, carbon price, and livelihood benefit increments (in percent). While results will be first separated by environmental and livelihood benefits to allow for a better analysis of the impacts of different benefit categories on overall project outcomes, a final simulation will combine the two benefits for one result. Quantitative results will be contrasted with qualitative benefits to conclude overall project feasibility.

A 15 year period is assumed to assess economic project feasibility. While project costs are only assumed for the first 5 years of the project according to the disbursements anticipated by the project team, benefits are assumed to be generated beyond the lifetime of the project. To harmonize project benefits and costs through the calculation of a present value of costs and benefits, a discount rate needs to be determined. Given the often significant impact of the choice of the discount rate on economic analysis outcomes and the common difficulty in determining discount rate reflecting economic discounting behavior, a sensitivity analysis is applied considering discount rates of 5%, 10%, and 20%.

Project costs are approximated using the investment costs of the project totaling USD25.7 million. According to the disbursement progress anticipated by the project team, total costs will be distributed as follows: USD2.5 million (year 1), USD3 million (year 2), USD7 million (year 3), USD8 million (year 4), and USD5.2 million (year 5).

Graph 8.1: Carbon benefits under varying carbon price assumptions (in million USD)



Project benefits are separated by environmental (carbon) and livelihood benefits. It was assumed that carbon benefits will only have an impact on one million hectares. That led to an

objective of 3.5 million tCO2 over 5 years and 11.1 million tonnes CO2 over 15 years. However, given the volatility and uncertainty of carbon markets, the monetization of these carbon benefits requires sensitivity analysis for which carbon prices of USD5, USD10, and USD30 per ton of carbon are assumed. For the assessment of livelihood benefits, data from Sanfo and Gerard (2012) is used as the baseline. For their sample of rural households in Burkina Faso, the "very poor" make up 55% with an average available income of USD100 per person per year (including self-consumption). The "poor" and "less poor" account for 31% and 14% or the rural population with average per person incomes of USD120 and USD160 per year, respectively. Using this data, the weighted average income per person per year is USD115. Similarly, using data from the same study, the average household size is calculated at about 11 people per household resulting in an average household income, including self-consumption, of USD1265 per year. Assuming the same average number of people for the project site, the number of household in the project area is approximated at about 82,000 households with a total baseline income of about USD103 million. Incremental project benefits of 1%, 3%, and 5% are assumed. However, it is also assumed that project benefits are only fully achieved at the end of the project period (year 5) and will not further change (neither increase nor decrease compared to without situation) over the remainder of the calculation period (year 6-15).

5. Simulation Results

The first set of simulations analyzed carbon and livelihood benefits separately. This allowed to better understand the magnitude of the two benefit categories with respect to their influence on project feasibility. Table 8.2 and 8.3 summarize the simulation results. Net Present Value (NPV) and Benefit-Cost Ratio (B/C-Ratio) are used as criteria to assess economic feasibility.

Table 8.2: NPV and B/C-Ratio for simulated incremental livelihood project benefits at varying discount rates

	Discount Rate					
Incremental livelihood increases	5%		10%		20%	
	*NPV**	*B/C-Ratio*	*NPV**	*B/C-Ratio*	*NPV**	*B/C-Ratio*
1%	-12,984	0.40	-12,579	0.33	-10,803	0.24
3%	4,656	1.21	-0.331	0.98	-4,078	0.71
5%	22,296	2.02	11,916	1.64	2,645	1.19

*NPV in million USD

Table 8.3: NPV and B/C-Ratio for simulated incremental carbon project benefits at varying discount rates

	Discount Rate					
Incremental carbon benefits	5%		10%		20%	
	*NPV**	*B/C-*	*NPV**	*B/C-*	*NPV**	*B/C-Ratio*

		Ratio		*Ratio*		
USD 1	33,115	2.52	16,031	1.86	1,613	1.11
USD 5	252,793	12.59	154,972	9.29	64,725	5.57
USD 10	527,391	25.19	328,649	18.57	143,615	11.14

*NPV in million USD

The results show that the feasibility of the project is much more sensitive for livelihood benefits than to carbon benefits. However, it has to be acknowledged that the assumed incremental livelihood benefits are rather conservative. Incremental increases compared to the without project situation of 1% to 5% that are only fully achieved at the end and do not further change after the project. If only livelihood benefits were to be considered, a 3% increment compared to the without project situation at 10% and 20% discount rates. With a 5% livelihood benefit increment the economic indicators are positive across all simulated discount rates. In contrast, the incremental economic benefits from carbon sequestration valued at hypothetical prices of CO2 equivalent per ton result in positive outcomes for all assumed prices of USD 1, USD 5, and USD 10.

Table 8.4: NPV and B/C-Ratio for simulated combined incremental livelihood and carbon project benefits at a 20% discount rate

	Incremental livelihood benefit					
Incremental carbon benefits	1%		3%		5%	
	*NPV**	*B/C-Ratio*	*NPV**	*B/C-Ratio*	*NPV**	*B/C-Ratio*
USD 1	9,773	1.7	11,670	1.8	13,625	2.0
USD 5	72,885	6.1	74,811	6.3	76,737	6.4
USD 10	151,775	11.7	153,701	11.9	155,627	12.0

*NPV in million USD

Combined carbon and livelihood benefits were assessed at a 20% discount rate only. The results are presented in Table 8.4. It demonstrates that the results of the economic analysis are robust, but dominated by the carbon price. Livelihood benefits are marginalized by the value of CO2 equivalent emission reductions. It has to be noted that the current very low price per ton of CO2 is only an approximation of the economic value of carbon sequestration.

6. Discussion

Through a community based approach, the DFWMP generates multiple benefits of which carbon and livelihood benefits were used to assess the economic feasibility of the project. Economic values generated through other benefits were not considered for the simulation due to a lack of data availability. In addition, for assessing the economic feasibility of the project, very low and conservative benefit increments were assumed between the “with” and “without” project situation.

The results demonstrated that with a high probability the overall project results will be economically feasible, hence the project should be supported. However, it is noted that overall project results are highly dependent on the monetization of carbon sequestration and avoided CO2e emissions. Livelihood benefits as modeled in this economic assessment have a smaller impact on overall project results. Compared to the significant development challenges in Burkina Faso, especially in the rural areas targeted by the project, livelihood benefits in a without project scenario are expected to deteriorate further and the incremental livelihood benefits assumed for this project are deliberately conservative adding to the robustness of the analysis.

Cost-Benefit approach:

1. The following table illustrates the application of the cost-effectiveness approach presented in section VI-A-d in the main body of this PAD.

2. Again it should be clear that the values are for demonstration only as they will be established following a consultation process that will attempt to capture the preferences and values of the main stakeholders of the project. This is to demonstrate how different activities can be compared to each other and prioritize on the basis of their potential contribution to the project objectives.

Activity	Unit	Cost (Million F CFA)	Cost (USD)	Carbon sequestration potential Index [0-10]	Welfare Index [0–10]	FIP Index [0-100]
Reforesting	10ha	1.5	3000	10	4	76
Reforestation programs	10000 seedlings	1.8	3600	9	4	72
Gully and catchment improvements	10ha	10	20000	5	8	71
Water holes	1	30	60000	2	9	60
Communal woodlands improvements	10ha	1	2000	8	6	76
Pastoral wells	1	8	16000	1	8	55
Anti-erosion improvements	10ha	10	20000	6	5	63
ZOVIC (hunting area) improvements	1	5	10000	7	7	75

Forest area protection and improvement	10ha	2.1	4200	9	6	80
Forest products transformation facilities	1	7.5	15000	9	10	95
Establishment of water reservoirs	1	54	108000	5	8	65
Establishment of manure pits	10	1.75	3500	2	6	52
Identifying limits of pasture lands	1	7.5	15000	4	5	55
Establishment of herding corrals	100m	5	10000	3	5	51
Production of seedlings	100000	10	20000	5	6	63
Hydro-agricultural improvements	10ha	125	250000	5	8	55
Production of improved seeds	10	1.35	2700	2	7	56
Establishment of firebreaks	10	6	12000	7	6	71
Establishment of rain water reservoirs (boulis)	1	145	290000	3	8	44
Establishment of pasture lands	10ha	1	2000	3	8	64
Establishment of herding trails	10km	0.5	1000	3	7	60
Rehabilitation of rural paths / trails	10km	3	6000	1	7	52
Establishment of a tree nursery	1	1.6	3200	8	4	68

Annex 9: Projects and programs in agroforestry and sustainable development sectors active in the targeted intervention zones

Project/Program	Beginning date	End date	Tutelle	Catégory	Area of intervention	Area of intervention	Total Cost (FCFA Thousand)
Projet Inventaire Forestier National (IFN 2) **Luxemburg, Burkina Faso**	01/02/2010	01/02/2014	MEDD		Country	**Global objective:** Contribute to the development of local economies and to the reduction of rural poverty. **Specific Objective :** Reinforce national capacities for undertaking inventories of forest resources in order to enable it sustainable, decentralized and deconcentrated management.	3.096.117
Formulation harmonisée des appuis Suédois et Luxembourgeois au secteur de l'environnement au Burkina Faso (PASF) **Luxembourg, Suède**	2012	2016	MEDD		Country	Focus on forestry sector based on a programmatic approach to promote good forestry management practices and land use management.	7.000.000
Programme d'Appui aux Parcs de l'Entente (PAPE)/Composante 2 : Interventions dans les aires protégées **(PAPE/PNUD)**	2011	2014	MEDD		Régional	**Global Objective:** Support coordination of national institutions to improve WAP protected areas and their biological resources. **Specific Objectives** of PAPE is to reinforce conservation of ecosystems of WAP protected areas in a regional perspective while increasing benefits for the local population. The three	5.500.000

Project/Program	Beginning date	End date	Tutelle	Catégory	Area of intervention	Area of intervention	Total Cost (FCFA Thousand)
						countries involved are Burkina Faso, Bénin et le Niger	
Deuxième Programme national de gestion des terroirs Phase II. PNGT II **Banque Mondiale**	2007	2013	MASA	**B**	Country	Implementation of the national policy for securing land titling in rural areas. **Objectives of the project**: Help rural communities to plan and implement development activities in a participatory and sustainable manner.	46.700.000
Programme national de gestion des terroirs Phase III PNGT2 Phase III **Banque Mondiale**	2013	2018	MASA	**B**	Country	**Objectives of the project :** reinforce capacities of rural communities and decentralized structures for the implementation of local development plans which promote sustainable land management, natural resources and viable investments at the level of communes.	47.064.269
Sous-programme Coordination Nationale du Projet National Partenariat pour la Gestion Durable des Terres (CPP)-**FEM PNUD MM-UNCCD**	2010	2015	MEDD		Country	**Objecive of the Program** : Decreas land degradation and poverty in Burkina Faso through sustanable, decentralized and equitable managment of natural resources. **Objectives of the Project:** Reinforce at the program level the efficiency of initiatives of sustainable land management in Burkina Faso.	4.808.045
« Promotion	2010	2016	MR		Countr	**Main Objective**:	355.089.

Project/Program	Beginning date	End date	Tutelle	Catégory	Area of intervention	Area of intervention	Total Cost (FCFA Thousand)
du développement rural par l'aquaculture durable au Burkina Faso » **Burkina - Japon**			AH		y	implementation of appropriate technical solution in the field of aquaculture in rural areas based on extensive and semi intensive approaches. **Objectives of the Project**: Promote aquaculture by sharing fish farming technique adapted to the local context, thus improving revenue generation in rural areas.	000
SUSFISH: Projet de gestion de la pêche et de l'eau au Burkina Faso (APPEAR) **Autriche, Burkina Faso**	15.11.2011	14.11.2014	MRAH		Country	**Research and development :** Hundreds of man-made water bodies have been built during the fifties to address water shortage in the country. These reservoirs offer the possibility to consider the development of agro-silvo-pastoral activities, particularly as fish farms but they are threatened by over-exploitation. Consequently the project aims at introducing and developing appropriate techniques for a more sustainable management of these resources. The project target particularly specialized higher education institutions in water management and fish resources management.	
Projet d'amélioration de la productivité agricole et de la sécurité alimentaire	09.2009	06.2015	MASA	**A**	Country	PAPSA project is a tool for implementing the strategy of the Burkinabe government in the area of food security through the development and implementation of a food security emergency plan.	25.650.000

Project/Program	Beginning date	End date	Tutelle	Catégory	Area of intervention	Area of intervention	Total Cost (FCFA Thousand)
PAPSA **IDA, Burkina Faso**							
Projet d'amélioration de la productivité agricole et de la sécurité alimentaire - **Volet Environnement** PAPSA **IDA, Burkina Faso**	10.2010	06.2015	MASA	**A**	Country	PAPSA project is a tool for implementing the strategy of the Burkinabe government in the area of food security through the development and implementation of a food security emergency plan.	4.069.800
Programme de Renforcement de la Formation Professionnelle (PRFP) **Taiwan**	2007	2013	1er Ministère		Country (regional capitals)	**Objectives of the Project :** Contribute to the development of human resources and promoting employment in vocation training institutions in Burkina Faso.	35.134.900
Dynamisation des Filières Agroalimentaires (DYFAB) **Canada**	2008	2014	MRAH-MEDD-MASA	**C**	Country	**Project Objectives**: Diversification of food production in Burkina Faso and improvement of competitivity.	4.059.059
Programme National-Plates-Formes multifonction	31.12.2010	31.12.2015	MEF	**B**	Country	**Global Objectives**: Improve access to basic services for rural populations, particularly women.	25.100.000

Project/Program	Beginning date	End date	Tutelle	Catégory	Area of intervention	Area of intervention	Total Cost (FCFA Thousand)
nelles pour la Lutte contre la Pauvreté (PN-PTFM/LCP) Phase 2 **PNUD LUX DEV**							
Filières riz et sésame Programme Développement de l'Agriculture PDA **Coopération allemande GIZ**	01/08/2013	31/07/2016	MASA	**C**	Country	**Objectives of the Project**: Increase in durable manner the revenues of producers in rural areas and improvement of their diet.	3.930.000
Millenium Challenge Account **MCA**	2009	2014	Premier Ministère		Country	**Project objectives :** reduce poverty through economic growth and increas of revenues of rural population .	234.303.298
Projet production agricole et élevage **Budget de l'Etat**	2009	2014	MJPDH		Country	**General Objectives**: Strengthening capacity penitienciary system and improvement of prisoners' rights.	355.000
Projet Riz pluvial (PRP phase II)	01.01.2009	31.12.2013	MASA	**A**	All provinces with	**Objectives of the Project**: Increase revenues of rice farmers and increase food security of the country.	11.151.500

Project/Program	Beginning date	End date	Tutelle	Catégory	Area of intervention	Area of intervention	Total Cost (FCFA Thousand)
Taiwan					potential for rice cultivation		