

**PROJECT INFORMATION DOCUMENT (PID)
IDENTIFICATION/CONCEPT STAGE**

Report No.: PIDC104044

Project Name	Dedicated Grant Mechanism for Cote d'Ivoire (P163004)
Region	AFRICA
Country	Cote d'Ivoire
Lending Instrument	IPF
Project ID	P163004
Borrower Name	TBD
Implementing Agency	NGO (TBD)
Environmental Category	B - Partial Assessment
Date PID Prepared	27-Dec-2016
Estimated Date of Approval	28-Feb-2017
Initiation Note Review Decision	

I. Introduction and Context

Country Context

1. Republic of Cote d'Ivoire (RCI) is located in West Africa and has a total surface area of 322,463 km². It is bordered by Liberia and Guinea to the west, Mali and Burkina Faso to the north, and Ghana to the east. To the south, its long coastline of 550 km runs along the Gulf of Guinea. RCI is divided into two main geographic regions: a forest zone in the south (48.2 percent of the surface area), and a savanna zone in the north (51.8 percent of the surface area).

2. The population, which was estimated at 6.7 million in 1975, increased to 22.7 million in 2014 (RGPH, 2014), with an average annual population growth rate of 2.6 percent in 2014 (compared to 3.8 percent in 1975). This rapid growth results from a combination of high natural population growth and significant immigration from neighboring countries (with non-native born Ivorians making up 24 percent of the population). The population is young, with 77 percent of the population under the age of 35. About half of the population lives in urban areas (50.3 percent), and urbanization is increasing, going from 32 percent of the population living in urban areas in 1975 to 42.5 percent in 1998. This demographic dynamic has put increasing pressure on the RCI natural resources, especially in the forest zone, where the vast majority of the population lives (75.5 percent) compared to 24.5 percent in the savanna zone.

3. The long political-military crisis (2002-2011) had a significant economic and social impact on the country. The poverty rate was estimated at 46% in 2015 (INS, 2015), and the country ranked 172nd (out of 188) on the 2015 Human Development Index (HDI) of the United Nations Environment Program (UNEP). Since 2012, RCI has shown new economic momentum, with a GDP growth rate estimated at 8.3% in 2014.

4. The agricultural sector is the main driver for economic growth employing more than two thirds of the active population, and producing approximately 28% of its GDP and over 50% of its export earnings. RCI is the world largest producer and exporter of cocoa and the sector accounts for about a third of total exports. In 2012, over 4 million people worked in the cocoa sector, a full quarter of the population (CEA, 2014).

Sectoral and Institutional Context

5. the country located in the inter-tropical zone of West Africa, is divided into three main ecological zones: (i) in the north, the Sudanese sector, characterized by alternating wooded and grassy savannas, clear forests and lateritic plateaus; (ii) in the center, the mesophilic sector, a transition zone consisting of a mosaic of savannas, clear forests and semi-deciduous dense forests; and (iii) in the south, the ombrophile area, characterized by dense rainforest. Added to these three main zones, are the swamp forests, the montane forests to the west and the mangroves along the coast.

6. The forest areas are administered by three different entities based on the following statuses: (a) the Permanent Forest Estate of the State which covers 6,267,730 ha (19 percent of the total country area) and includes: (i) 233 Gazetted Forests, 4.196 million ha, managed by the National Forest Development Agency (SODEFOR); and (ii) eight National Parks (including Tai, the largest reservoir of biodiversity in West Africa) and six natural reserves totaling 2,071,730 ha, managed by OIPR ; and; (b) the Rural Forest Domain of the State managed by the Ministry of Water and Forests (MINEF) which constitutes a reserve of lands where priority is given to agriculture and which may be granted for forest exploitation.

7. The forest cover, estimated at 37 percent of the territory in 1960, decreased to less than 14 percent in 2010 (AFD , 2013). The average deforestation rate increased from 1.5 percent/year between 1900 and 1980 to around 4.3 percent per year between 1990 and 2015 (BNETD 2016), becoming the highest in the World at the time. Between 2000 and 2008, during the political crisis, the deforestation rate reached 25 percent in the Gazetted Forest reserves (SOFRECO 2009). According to SODEFOR (2014), the encroachment rate in Gazetted Forests increased from 18 percent of the total area in 1996 to around 50 percent in 2014.

8. The main direct causes of deforestation and forest degradation for both GFs and the Rural Domain forests are: (i) the massive expansion of extensive slash-and-burn agriculture; (ii) the uncontrolled harvesting of forests, including for firewood (currently estimated at 20 million m3 per year, a figure that continues to grow fueled by lack of protection and significant shortcomings in the management of GFs and to a lesser extent national parks), (iii) bushfires (which are also agriculture-related); and (iv) mining, notably small-scale gold mining.

9. The main indirect causes, which have a broader yet highly significant impact on forestry resources, are: (i) the growing demographic pressure and the acute poverty of agricultural and rural households, which forces them to exploit available natural resources extensively; (ii) the lack of intensification of smallholder farming and related low incomes; (iii) the lack of opportunities to generate non-agricultural rural incomes; and (iv) the increasing urbanization in forested zones. Currently, 76% of the population lives in forested zones and the country has 10 cities with populations over 100,000.

10. To reverse the trend of deforestation and forest degradation, since 2011 RCI has engaged in the REDD+ process, with support from the World Bank and other partners such as ONU-REDD, AFD and FAO. This led to an initial grant for the country in 2014 of USD3.8 million from the Forest Carbon Partnership Facility (FCPF)-Readiness Fund managed by the World Bank and USD3.2 million from the ONU-REDD. The Readiness Fund and the ONU-REDD fund are designed to assist forest countries to prepare a national REDD+ strategy and policy framework, establish a reference scenario for emissions from deforestation and forest degradation, and establish a national monitoring, reporting and

verification (MRV) system for emissions reductions. The Readiness Fund recognizes that emission reductions require basic reforms and investments in the forest sector and other influencing sectors, and helps countries prepare to access longer-term financing sources, including results-based financing. In this context, the country was accepted in October 2015 in the pipeline of the FCPF-Carbon Fund and is preparing an Emission Reduction Program in the Agriculture sector in the South West around the Tai National Park for performance-based payments by the FCPF-Carbon Fund.

11. In parallel to the FCPF, RCI applied for the Forest Investment Program (FIP), a funding window of the Climate Investment Fund (CIF), which is broadly designed to introduce transformational change to low-carbon and climate-resilient development through scale-up funding. Within the CIF, the FIP complements other REDD+ financing mechanisms by supporting efforts of developing countries to reduce emissions from deforestation and forest degradation and promote sustainable forest management and enhancement of forest carbon stocks, and addressing in particular the underlying causes of deforestation and forest degradation and the obstacles that have hampered past efforts. The FIP also includes a Dedicated Grant Mechanism for Indigenous Peoples and Local Communities (DGM), which supports community engagement in forest and REDD+-related consultations, decision-making and implementation.

12. After its selection under the FIP along with five other countries in May 2015, RCI prepared an Investment Plan (IP), including an outline of potential DGM interventions. The IP was approved by the FIP Sub-Committee in June 2016 paving the way to prepare and implement projects identified in the IP for a total financing of USD24 million, in addition to the DGM project in the amount of USD4.5 million. The World Bank and the African Development Bank (ADB) are the executing agencies of the USD24 million with the WB in the lead role to support the country prepare and implement a FIP project in the amount of USD18.75, while ADB prepares a USD5.56 million project in parallel. The WB is the implementing agency responsible for the DGM project, for which this concept note is being prepared.

Relationship to CAS/CPS/CPF

13. The Country Partnership Framework for RCI FY16-FY19 focuses on two cross-cutting areas, governance and spatial inequalities, with three major focus areas: (i) sustaining strong private sector-led growth; (ii) building human capital for inclusive growth, social cohesion and youth employment; and (iii) strengthening public financial management and accountability. While its primary focus is on forest restoration and conservation, the nature of the Project activities and beneficiaries lends significant direct or indirect support to the objectives relating to the CPF first two focus areas: (i) Objective 1: Improve productivity in agriculture/agribusiness value chains through support to agriculture intensification and enhanced collaboration with the cocoa industry to implement their engagement in a zero-deforestation agriculture ; (ii) Objective 4: Formalize and enhance access to land for business and agriculture; through land tenure security and private-public partnership for sustainable management of Gazetted Forest.

This section will be further substantiated following the project identification mission planned for May/June 2017.

II. Project Development Objective(s)

Proposed Development Objective(s)

The Project Development Objective is to strengthen the capacity of local communities, community-based and civil society organizations to participate in sustainable forest and land management and REDD+ processes at the local, national and global levels.

Key Results

The key results of the project are not available at this time and will be determined during project identification.

III. Preliminary Description**Concept Description****IV. Safeguard Policies that Might Apply**

Safeguard Policies Triggered by the Project	Yes	No	TBD
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	

V. Financing (in USD Million)

Total Project Cost:	4.5	Total Bank Financing:	0
Financing Gap:	0		
Financing Source			Amount
Climate Investment Funds			4.5

VI. Contact point**World Bank**

Contact: Salimata D. Follea
 Title: Sr Natural Resources Mgmt. Spec.
 Tel: 473-4740
 Email: sfollea@worldbank.org

Borrower/Client/Recipient

Name: TBD
 Contact:

Title:

Tel:

Email:

Implementing Agencies

Name: NGO (TBD)

Contact: TBD TBD

Title: TBD

Tel: 225000000

Email: ...@...fr

VII. For more information contact:

The World Bank

1818 H Street, NW

Washington, D.C. 20433

Telephone: (202) 473-1000

Web: <http://www.worldbank.org/projects>

Public Disclosure Copy

Public Disclosure Copy