# Emissions Reductions in the Forest Sector Through Planted Forests with Major Investors

Country / Region: **Mozambique** | Project Id: **PFIPMZ032A** | Fund Name: **FIP** |

| Comment Type | Commenter Name | Commenter Profile | Comment | Date |
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| Comment 1 | Gaia Allison | United Kingdom | 1. There is reference to the General Boundary Principle – allowing geo-referencing rather than on the ground surveying as sufficient for land delimitation and the issuing of titles. The advantages in terms of achieving scale, faster and cheaper are clear – but we would welcome further information about the extent to which this has been tested in practice. Experience shows that it is often the on the ground process of delimitation that reveals potential areas of disputed "ownership". Will this fast track method obscure possible future conflict?<br><br>2. How are the project and the company defining "degraded areas"?<br><br>3. We appreciate that this project is designed to dovetail with the Company's implementation plan for work with communities but it would be helpful to have a table that makes it clear what results are to be achieved as a whole, what through this project's contribution, and what through the company's own implementation. This is important since as the project rationale states – the objective is to test an overall model for possible replication – with this funding being a contribution towards the model, and capturing the learning from it.<br><br>4. For this reason, we believe that the monitoring, evaluation and learning around this intervention is crucial, and that it should be open and transparent, mindful of unintended consequences as well as expected results. It is important to think about long term tracking and learning, how this will be done and how stakeholders will continue to be engaged beyond the end of the IFC project lifetime.<br><br>5. The tracking of the Eucalyptus impact on hydrology is excellent, but wonder if there needs to be a similar objective to:<br>-ensure that the impact of a mosaic approach on remaining fragments of natural forest is tracked, experience from elsewhere has shown how difficult it is to conserve forest fragments as pressure for land grows in the event of more demand for agriculture and/or outgrowing.<br>-explore the impact on livelihoods, particularly the nature of alternative employment opportunities<br>-track the potential longer term implications of in-migration once/if the region becomes an employment hub are understood and planned for<br>It would be good to have these explicitly stated as objectives, and some explanation of how this monitoring/tracking will be done in the longer term (ideally with the private sector's input too) and how the information will be shared with stakeholders.<br><br>6. What is the potential to link with the DGM might be, if there is any coincidence in geographical area. The objectives seem to be well aligned and worth exploring. | Apr 04, 2017 |
| Response 1 | Jussi Tapio Lehmusvaara | IFC | Q: There is reference to the General Boundary Principle – allowing geo-referencing rather than on the ground surveying as sufficient for land delimitation and the issuing of titles. The advantages in terms of achieving scale, faster and cheaper are clear – but we would welcome further information about the extent to which this has been tested in practice.<br><br>A: In a separate initiative, IFC has worked with two Mozambican organizations (TerraFirma and ORAM) to pilot the General Boundary Principle in one community. This pilot included extensive community consultations to avoid any conflicts in the demarcation process. 274 individual DUATs were delimited by community members | Apr 12, 2017 |

without conflict. This process will be refined during the LEGEND program and coordinated with IFC's client's land access negotiations with households and identification of HVCAs providing eco-system services.

Q: Experience shows that it is often the on the ground process of delimitation that reveals potential areas of disputed "ownership". Will this fast track method obscure possible future conflict?

A: The methodology that IFC and its partners have developed (described above) includes extensive consultation within the community and with neighboring communities. All members of the community have an opportunity to object to any individual delimitations and these disagreements are resolved through additional consultation. We believe this system will decrease the potential for future conflict.

Q: How are the project and the company defining "degraded areas"?

A: Degraded areas are farm land that has been abandoned due to low soil fertility.

Q: We appreciate that this project is designed to dovetail with the Company's implementation plan for work with communities but it would be helpful to have a table that makes it clear what results are to be achieved as a whole, what through this project's contribution, and what through the company's own implementation.

A: Please see attached table.

| | *Funded by IFC's client* | *IFC with FIP funding* | *Total* |
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| *Training on conservation farming and use of improved inputs (Zambezia only)* | 4,250 farmers in 2016, rising to 5,500 in 2018. These farmers will be inside the client's DUATs and they are trained by a service provider contracted by the client | 3,000 farmers in 2017, rising to 4,000 in 2018. These farmers will be outside the client's DUATs, but close enough to be influenced by the investment | 7,250 farmers in 2017, rising to 9,500 in 2018 |
| *Training on fire management – using training materials developed with FIP funding* | | 6,000 farmers. This will include the 4,000 farmers in row 1. In addition, IFC expects these training materials to be used by client's service providers | 6,000 farmers |

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| | inside the DUATs, as well as other companies and NGOs in northern Mozambique | |
| *Community and individual land delimitation funded through LEGEND* | | 14,000 farmers by 2020 – likely to include most of the 9,500 farmers in row 1 |

Q: Since many of the impacts are likely to be felt well beyond the end of this TA input, it would be helpful to have an outline of how longer term monitoring will be done with/shared with stakeholders?

A: The project activities are aimed at building the capacity of the client company to monitor livelihoods. The company is using livelihood data for their annual Sustainability Report, which is publicly disseminated.

As a part of IFC's reporting requirements to the Climate Investment Funds, IFC reports on the results and outcomes of all CIF (FIP) funded projects annually. IFC also provides semi-annual reports on portfolio and pipeline projects to the FIP Sub Committee.

In 2015, IFC supported the formation of an NGO Consultative Committee in Mozambique. This committee represents more than 30 national and international NGOs who active in Mozambique. The committee has a quarterly meeting with IFC's client to provide advice on implementation of the community development program and environmental and social performance of the investment. These meetings will serve as a forum to share and discuss the monitoring information.

Q: For this reason, we believe that the monitoring, evaluation and learning around this intervention is crucial, and that it should be open and transparent, mindful of unintended consequences as well as expected results. It is important to think about long term tracking and learning, how this will be done and how stakeholders will continue to be engaged beyond the end of the IFC project lifetime?

A: IFC's client is committed to continuing the annual livelihood monitoring survey beyond the FIP program. The NGO Consultative Committee will also continue its work, independent of the FIP program. This group of 30 national and international NGOs will provide a forum for stakeholder engagement beyond the project lifetime.

Q: How monitoring/tracking will be done in the longer term (ideally with the private sector's input too) and how the information will be shared with stakeholders to ensure that the impact of a mosaic approach on remaining fragments of natural forest is tracked?

A: The community land management associations that are being formed through the LEGEND program will be well placed to monitor impacts on natural forests within their communities.

Q: How monitoring/tracking will be done in the longer term (ideally with the private sector's input too) and how the information will be shared with stakeholders to explore the impact on livelihoods, particularly the nature of alternative employment opportunities?

A: The annual livelihood survey covers consumption, food security, use of eco-system services and sources of income.

Q: How monitoring/tracking will be done in the longer term (ideally with the private sector's input too) and how the information will be shared with stakeholders to track

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| | | | the potential longer term implications of in-migration once/if the region becomes an employment hub?<br><br>A: Opportunities for employment will increase as forestry investments enter the harvest phase. At that stage, influx can be monitored through satellite imagery. Community and individual land delimitation will discourage uncontrolled influx.<br><br>Q: What the potential to link with the DGM might be, if there is any coincidence in geographical area?<br><br>A: We will liaise with the DGM Steering Committee to determine the options for collaboration with IFC's client and stakeholders. We believe the DGM will support organizations in northern Zambezia. If this is the case, we will link the community land management associations to the DGM. | |
| Comment 2 | Katie Berg | United States | Dear Mafalda,<br>This ambitious project provides an opportunity to address difficult and important issues surrounding plantation forestry in Mozambique. However, the potential for unforeseen negative impacts on people and the environment exists and must be monitored closely. Since the purpose of this project is to provide a replicable model that could be scaled up, it is all the more important that results be monitored carefully and lessons learned be communicated to relevant stakeholders.<br>We would suggest that IFC add a section to the document that speaks to how impacts of this approach on livelihoods and natural forests/biodiversity (beyond the hydrological issues associated with Eucalyptus) will be monitored and communicated to the sub-committee and other relevant stakeholders, including in the longer term.<br>In addition, the document references the need for strong stakeholder consultations and notes the various engagements that are underway. How does the project handle engagement/consultations with community leaders to avoid any disagreements or conflicts?<br>We would also appreciate confirmation that the project will not result in expansion or promotion of industrial-scale logging in primary forest areas.<br>Thank you once again for the opportunity to comment on this interesting project.<br>Katie Berg<br>U.S. Treasury Department | Apr 04, 2017 |
| Response 1 | Jussi Tapio Lehmusvaara | IFC | Q: How impacts of this approach on livelihoods and natural forests/biodiversity (beyond the hydrological issues associated with Eucalyptus) will be monitored and communicated to the sub-committee and other relevant stakeholders, including in the longer term?<br>A: As part of the FIP, IFC is monitoring poverty levels, consumption (as a proxy for income), food security and diet diversity on an annual basis. In Zambezia this livelihood survey is being done through a 600 household sample survey. There is a similar survey for Manica. IFC is building its client's capacity to conduct this survey.<br>A summary of the livelihood survey will be included in IFC's annual reporting to the CIF. In addition, IFC's client presents a summary of the survey results to the NGO Consultative Committee and includes this information in their annual Sustainability Report. This will continue after the FIP program.<br>Q: How does the project handle engagement/consultations with community leaders to avoid any disagreements or conflicts?<br>A: The IFC's client and the community land delimitation initiative consults with Regulados (chiefdoms), as they represent the most direct counterpart. Their support is necessary for all activities in the areas they govern. However, when forming the land management associations, a broad cross section of the community is consulted to develop representative groups. This includes traditional leaders, women, youth and any other interested parties. This inclusive consultation helps defray potential conflicts.<br><br>Q: Confirmation that the project will not result in expansion or promotion of industrial-scale logging in primary forest areas?<br>A: The IFC program is not promoting or supporting industrial logging in primary forest areas. | Apr 12, 2017 |
| Response 2 | Meghan Herwig | United States | Thank you for these responses. Could IFC staff further explain how impacts on natural forests will be monitored and reported to the Sub-Committee and other relevant stakeholders? | Apr 14, 2017 |
| Response 3 | Jussi Tapio Lehmusvaara | IFC | The concessions of IFC's client in Zambezia total 173,327 hectares. These are dispersed across an area of approximately 10,000 square kilometers. Much of this area has limited road access. The size of the area potentially influenced by the investment, and its remoteness, limits options for monitoring forest degradation.<br>The LEGEND land delimitation program will lay the groundwork for community monitoring and management of land – including natural forests – through formation of representative associations. However, these land management associations | Apr 19, 2017 |

(which do not exist today) will take time to become effective. Eventually, these associations should monitor and manage land use – possibly incentivized through REDD+. IFC believes this is the most sustainable approach.

The annual livelihood survey monitors loss of natural forest in an indirect way. The survey has questions about use of eco-system services, such as firewood, natural fruits, mushrooms and honey. A decline in the availability of these products signals a loss of natural forest. This data can be analyzed to see whether there are geographic concentrations.

Remote sensing using satellite images is a realistic method of monitoring forest changes over the program area. In the project plan, we have referenced Global Forest Watch (GFW), because it is free and easy to use. This system uses 30 meter resolution satellite imagery. Up to date, high resolution imagery (0.5 meter resolution) covering the area of influence would cost approximately $200,000, not including analysis, which cannot be covered by FIP resources and is not envisaged in the IFC-FIP project.

There are several interlinked World Bank programs that will support IFC's monitoring and reporting of impacts on natural forests in the area surrounding client operations. These include REDD+, the Zambezia Landscape Program and the World Bank FIP. The REDD+ program will use high resolution satellite imagery to monitor forest degradation.

Within 6 months, IFC will present a plan to monitor and report on natural forest degradation in the areas where the program is working. This plan will combine community monitoring, geospatial analysis of the livelihood survey data on eco-system services and remote sensing data.

A stakeholder forum has been developed under the Zambezia Landscape Program. IFC's client is an active member of this forum. IFC's client has also established a NGO Consultative Committee of 30 national and international NGOs. Annual forest losses in the Zambezia Landscape will be discussed at both stakeholder fora. If GHG emissions targets are reached, these stakeholders could benefit from REDD+ funding.

Regarding degradation versus conversion in the Miombo ecosystem, smallholder farmers cannot remove stumps and roots when they open new farm land. The native species will grow back, when the land is left fallow for several years. Therefore, smallholder farmers may degrade an area, but they do not fully convert it. This type of forest degradation can be detected using GFW, although measurement is more precise with higher resolution imagery.