



Appraisal Environmental and Social Review Summary

Appraisal Stage

(ESRS Appraisal Stage)

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**I. BASIC INFORMATION****A. Basic Operation Data**

Operation ID	Product	Operation Acronym	Approval Fiscal Year
P505923	Investment Project Financing (IPF)	SCBFE	2026
Operation Name	Sustainable Congo Basin Forest Economies		
Country/Region Code	Beneficiary country/countries (borrower, recipient)	Region	Practice Area (Lead)
Western and Central Africa	Cameroon, Central African Republic, Congo, Republic of	WESTERN AND CENTRAL AFRICA	Environment, Natural Resources & the Blue Economy
Borrower(s)	Implementing Agency(ies)	Estimated Appraisal Date	Estimated Board Date
Ministry of Economy, Planning and Regional Development	Central Africa Economic and Monetary Union, Central Africa Forest Commission (COMIFAC)	23-Dec-2025	19-Mar-2026
Estimated Decision Review Date	Total Project Cost		
09-Oct-2025	394,830,000.00		

Proposed Development Objective

To improve forest management, strengthen forest value chains, and create jobs in targeted areas in Congo Basin Forest countries.

B. Is the operation being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?

No

C. Summary Description of Proposed Project Activities

This horizontal MPA - The Sustainable Congo Basin Forest Economies (SCBFE) Program is an ambitious commitment to create jobs and economic opportunities through sustainable management of Congo Basin Forests (CBF). It will operationalize the Global Challenge Program - Forests for development, climate and biodiversity by focusing on sustainably developing value-added products and services from the forest sector, increasing jobs and improving regional



cooperation and national capacity for biodiversity conservation. The proposed program responds to the World Bank Group's 3-pillar approach to job creation: (i) strengthening governance and policies; (ii) establishing the foundational infrastructure for forest jobs; and (iii) mobilizing private capital to deliver solutions at scale. It leverages globally tested approaches for sustainable management of forests, including strengthening value chains that deliver jobs and economic opportunities to reduce poverty, while promoting the rich biodiversity of the forests. The project will enhance regional and global climate and biodiversity benefits and help Congo Basin Forest countries coordinate their climate and forest policies for greater development impact.

D. Environmental and Social Overview

D.1 Overview of Environmental and Social Project Settings

While the MPA focuses on the entire Congo Basin Forest (CBF) biome, Phase I covers Cameroon, Central African Republic (CAR), and Republic of Congo (RoC), and includes regional institutions such as CEMAC and COMIFAC, with other countries including Gabon and Democratic Republic of Congo (DRC) to be included in future phases.

The CBF consists of the second-largest tropical rainforest in the world, and includes 64 diverse ecosystems, such as tropical peatlands, mangroves, and dry forests. It is globally significant for its biodiversity, carbon storage capacity, and ecosystem services. The biome, which is a vital carbon sink, is home to major freshwater systems such as the Congo, Kasai, Ubangi, and Ogooué rivers. Approximately 30% of its species are endemic, including iconic fauna like the Bonobo, Okapi, lowland gorilla, elephant and Mandrill. Despite relatively low deforestation rates compared to other tropical biomes, the region lost 2.2 million hectares of forest and 1.5 million hectares degraded between 2012 and 2020. Climate change also exacerbated the threat to biodiversity and ecosystem resilience.

All forests in the region are publicly owned and timber is a major export earner, with the region producing 80% of Africa's legal timber. Informal wood production accounts for nearly 48% of total harvests. Around 30 million hectares (19%) of the forest are designated as protected areas (PAs), including important transboundary ecosystems that facilitate wildlife migration. Roughly 100 million hectares of forest remain unallocated or non-permanent and are not actively managed. These forests are especially vulnerable to illegal exploitation, degradation, and conversion due to limited government capacity, absence of sustainable forest management practices, and insufficient investment in afforestation and reforestation. Weak governance in the informal sector exacerbates E&S risks, as nearly half of wood production in the CBF occurs informally.

The forest supports the livelihoods, identities, and cultural practices of approximately 60 million people living in or near the forest, including at least 150 ethnic groups and around one million Indigenous Peoples (e.g., Ba'Aka and Mbororo). These communities are deeply dependent on forest ecosystems for livelihoods, food, culture, and shelter. Another 40 million urban and peri-urban residents rely on the CBF for energy, water, and income-generation. This high reliance presents both a socio-economic opportunity but also includes risks of exclusion and unsustainable development, particularly in a context of poor governance, poverty, land tenure insecurity, and weak institutions. Phase I countries—Cameroon, CAR, and RoC—face persistent fragility, conflict, and violence (FCV) risks that directly enable illegal logging and wildlife trafficking and impact forest governance and community livelihoods.

The MPA is aligned with COMIFAC's Second Regional Convergence Plan and national priorities.

D.2 Overview of Borrower's Institutional Capacity for Managing Environmental and Social Risks and Impacts

While all countries have experience implementing World Bank-financed projects under the Safeguard Policies and the Environmental and Social Framework (ESF), capacity and performance have been varied. Generally, all projects have faced constraints in effective environmental and social (E&S) risk management due to weak inter-ministerial



coordination, inadequate technical knowledge and resources and lack of experienced staff, and limited monitoring capacity.

The three countries participating in Phase I have established E&S institutions, but they have limited experience managing complex operations and implementing projects under the ESF with gaps in key areas such as monitoring, compliance, and stakeholder engagement. Institutional assessments have been completed to understand the key gaps and ensure effective ESF implementation and compliance with the World Bank Interim Guidance Note on Protected Areas. Each country operation will be independently implemented with one Project Implementing Unit (PIU) under the oversight of the respective Ministries of Forestry as the lead Ministry for this operation. The PIUs will be staffed with Environmental and Social experts and will oversee compliance with E&S standards.

At the regional level, CEMAC and COMIFAC will support oversight and coordination of regional activities, with PIUs housed in their respective technical departments. These institutions will also play a vital role in facilitating knowledge exchange, strengthening technical and institutional capacity, and improving stakeholder engagement across countries and supporting coordinated action on key regional issues such as sustainable certification, legality verification, and traceability of wood and non-wood forest products

II. SUMMARY OF ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

A. Environmental and Social Risk Classification (ESRC) High

A.1 Environmental Risk Rating High

While the environmental and social (E&S) risks associated with the proposed activities under Phase 1 are largely reversible and manageable through standard well-established mitigation measures, the implementation context in the Congo Basin significantly elevates overall risk. This ecologically sensitive region with rich biodiversity and high carbon sequestration potential, faces systemic risks in the wood sector including illegal logging, deforestation, land use conflicts, weak governance, FCV context and institutional oversight. The most significant overarching risk is that project-supported wood processing enterprises may inadvertently increase demand for and integration of illegally harvested timber into formal markets, which is compounded by insufficient traceability mechanisms. Additionally, crosscutting contextual risks stem from transboundary issues such as illegal logging, wildlife trafficking, and uneven enforcement of environmental regulations across countries. Artisanal and small-scale mining also present additional risks, including deforestation, land degradation, pollution, and associated health risks and social risks. Therefore, the E&S risks can be viewed at two levels: the project-specific risks, which are relatively contained and technical in nature, and the contextual and sector-wide risks, which are more complex, interlinked, and influenced by external drivers beyond the program’s direct control. These risks are further amplified by weak institutional capacity and the fragility and conflict-affected (FCV) nature of several participating countries. Given the systemic, multi-layered and interlinked nature of these risks—ranging from localized, manageable impacts to broader, cumulative risks at ecosystem and governance levels – a high E&S Risk classification for the MPA is considered appropriate and justified. Under Component 2, the MPA will finance a range of agroforestry and agro-silvo-pastoral activities—such as the integration of trees with crops cassava and cocoa) that will enhance soil quality while providing communities with food, fodder, and fuelwood. Although the use of agrochemicals in both community and state plantations is expected to be limited, there could be residual risk of soil and water contamination from fertilizers and pesticides. Rehabilitation of small-



scale infrastructure, including feeder roads, seed banks, markets, and storage facilities, may result in localized environmental impacts such as vegetation loss, sedimentation, erosion, and waste generation. Income-generating activities like eco-tourism and processing of wood and non-wood forest products could also generate air pollution, increase energy demand, and create waste management challenges if not properly regulated. Measures to reduce human-wildlife conflict—such as crop protection barriers, wildlife corridors, and awareness campaigns— may also disrupt ecosystems if not carefully established. Additionally, construction works, wood processing activities can have occupational health and safety (OHS) risks for workers and safety risks for surrounding communities. Under Component 3, the MPA will finance the construction and/or rehabilitation of small infrastructure (“Bourse du Bois” (Wood Exchange Center), MSME Wood Service Parks, Wood logistics center) and detailed feasibility and engineering designs, cadastral surveys and small-scale investments (access roads and perimeter fencing etc.) for SEZs for wood processing. While short-term construction activities may pose risks such as soil and water pollution or health and safety impacts, the more significant and systemic risks are expected to arise in the operational phase. The most significant risk is that project-supported wood processing enterprises may inadvertently increase demand for timber, potentially resulting in illegal logging, forest degradation and the entry of illegally sourced wood into formal markets. These risks can be further exacerbated by weak traceability systems,

High

A.2 Social Risk Rating

Activities to be financed under the Phase 1 project also entail high social risks. Under Subcomponent 1.1, the program aims to develop regulations that devolve forest management to communities and empower them to manage forest resources. While this presents opportunities for community-driven development, it also poses risks such as elite capture, unequal benefit-sharing, and exclusion of marginalized groups—including Indigenous Peoples (IPs) and women—from decision-making and economic opportunities. Although the project will not finance the creation of Protected Areas, activities such as community forest delineation may trigger disputes over land boundaries or access rights, potentially restricting resource access and affecting livelihoods. Afforestation activities under Component 2 and support for MSMEs’ access to wood resources under Component 3 could restrict traditional grazing areas and access to non-timber forest products (NTFPs), increasing the risk of localized conflicts and unsustainable deforestation if supply chains are not effectively regulated for legality and traceability. Many forest landscapes also hold deep cultural and spiritual significance for local and Indigenous communities, including sacred trees, rivers, and intangible cultural heritage. If customary rights and cultural values are not systematically identified and protected, there is a risk of cultural heritage loss. Under Subcomponent 2.1, activities such as timber plantations by private investors or public agencies on degraded government forestlands may involve land acquisition or use restrictions, raising risks of involuntary resettlement. The project will ensure due diligence is undertaken to confirm land ownership and government authority, identify any existing claims or encumbrances—including informal settlers and Indigenous Peoples’ rights—and ensure alignment with relevant zoning and land use regulations. Although the project will not finance enforcement activities, its implementation will occur in contexts where Borrowers may continue to enforce national forest laws and management plans. Such enforcement, if inadequately governed, may result in conflict between communities and forest officials, restricted traditional land use, or abuses of authority. These risks could be further compounded by weak institutional capacity and governance challenges. To mitigate these, the program will apply due diligence measures in line with the ESF and the World Bank’s Interim Guidance Note on Protected Areas. While enforcement personnel are not considered project workers, Borrowers will undertake institutional assessment on the capacity of enforcement agencies and identify gaps in training, oversight, and grievance redress. Where needed, the MPA will provide support through capacity building, awareness-raising, and risk communication strategies. The MPA incorporates equitable access into its design, including participation of IPs and local communities.



These include mechanisms to strengthen tenure rights, promote alternative livelihoods, and ensure meaningful participation in forest governance. Under Component 1, the program will support legal reforms for community forest delineation and address institutional and legal barriers that hinder access to land and forest resources, especially for women and IPs. It will also promote equitable benefit-sharing arrangements and reinforce institutional mechanisms for inclusive participation. Under Subcomponent 2.3, communities will be supported to improve productivity and stewardship of their forests, including community and communal forests regularly used for fuelwood, charcoal, NTFPs, and grazing. Measures to manage human-wildlife conflict will also be included to safeguard livelihoods and reinforce community-led forest governance. Social, compliance, and reputational risks will be mitigated through functional Grievance Redress Mechanisms and targeted communication campaigns.

B. Environment and Social Standards (ESS) that Apply to the Activities Being Considered

B.1 Relevance of Environmental and Social Standards

ESS1 - Assessment and Management of Environmental and Social Risks and Impacts

Relevant

The region is ecologically sensitive, with globally significant biodiversity and extensive forest cover, but also faces systemic environmental threats including illegal logging, forest degradation, land use conflicts, and weak governance. The most critical risk is that support to wood processing enterprises could inadvertently increase demand for timber, potentially integrating illegally harvested wood into formal supply chains, especially in the absence of robust traceability systems. In addition to project-specific risks, broader sectoral and contextual risks are linked to transboundary environmental crimes, such as wildlife trafficking and illegal timber trade, often exacerbated by inconsistent enforcement and institutional capacity gaps across countries. The presence of artisanal and small-scale mining further contributes to deforestation, land degradation, pollution, and habitat disruption, posing both environmental and indirect health risks. These risks compounded by the FCV context of the participating countries, necessitate strong due diligence and adaptive environmental risk management strategies. Agroforestry and agro-silvo-pastoral interventions—including integration of trees with staple crops—are expected to generate positive environmental co-benefits. However, residual risks exist from limited use of agrochemicals, including potential soil and water contamination. Small infrastructure works (e.g., feeder roads, seed banks, market facilities) may result in localized impacts such as vegetation clearance, sedimentation, erosion, and waste generation. Eco-tourism and small-scale processing of forest products may increase pollution, energy demand, and waste generation if not properly regulated. Wildlife conflict mitigation measures—such as buffer zones or wildlife corridors—could also impact ecological balance if poorly designed. Construction and operation of facilities including MSME Wood Service Parks, Wood Logistics Centers, and Wood Exchange Centers carry short-term construction risks (e.g., noise, dust, erosion, OHS issues), but the more significant risks lie in operational phases. These include unsustainable timber harvesting, legal and reputational risks from illegal wood entering value chains, and increased forest pressure if market incentives are misaligned. Weak traceability and legality verification systems heighten the risk that program-supported enterprises could unintentionally drive forest degradation. Financing MSMEs and producer cooperatives through credit guarantees for wood sector could further amplify environmental risks if subprojects are not adequately screened. Inadequate environmental due diligence, monitoring, and enforcement by financial intermediaries and weak oversight from the apex financing institution may result in non-compliance with ESF requirements and undermine environmental safeguards. In terms of social risks, development of regulations to devolve forest management to communities while aiming to empower local populations, carries risks of elite capture, unequal



benefit distribution, and exclusion of vulnerable groups—including Indigenous Peoples (IPs) and women—from decision-making and benefits. Although the project will not finance Protected Areas, community forest delineation may trigger land and access disputes, potentially restricting traditional resource use and affecting livelihoods. Afforestation activities and support for MSMEs' access to wood may also limit access to grazing lands and non-timber forest products (NTFPs), possibly exacerbating localized conflicts and deforestation if supply chains are not effectively regulated for legality and traceability. Many targeted forest areas are culturally significant and inhabited by traditional communities; failure to recognize customary rights and spiritual values—such as sacred trees, rivers, or rituals—poses risks to cultural heritage. There could be risks associated with land acquisition and potential involuntary resettlement from activities like government or investor-led timber plantations on degraded lands. Though these areas are classified as public lands, the project will need to conduct due diligence to confirm legal status, address informal claims, and ensure consistency with zoning and ESF requirements. Under Subcomponent 2.3, communities will be supported to sustainably manage forests under their stewardship—including for fuelwood, charcoal, NTFPs, and grazing—and to implement measures to mitigate human-wildlife conflict. Although law enforcement activities and/or support for the establishment or redrawing of boundaries of existing PAs will not be financed, the project will finance construction and upgrading essential park infrastructure (guard stations, and park boundary markers). While the project does not finance enforcement activities, it will operate in environments where national forest laws and management plans need enforcement. These enforcement actions, though external to the project, could negatively affect local communities through land access restrictions or conflicts with officials, especially in contexts of limited oversight and capacity. As such, enforcement measures—though outside the scope of direct financing under phase 1 and the future phases of the program—may influence the operational environment of the MPA. This can present potential risk for the MPA particularly if such enforcement results in conflicts between local communities and forest officials, restricted access to traditional lands, or potential abuses of authority due to inadequate training, oversight, and accountability mechanisms. These risks can be further exacerbated by systemic governance challenges and limited institutional capacity in some participating countries. Institutional Assessments will be undertaken of relevant agencies prior to Negotiations to ensure that due diligence measures are put in place before the start of program implementation. To mitigate these contextual risks, the MPA will apply a due diligence approach consistent with the ESF. While enforcement personnel are not considered project workers—since enforcement activities are not financed under the MPA—borrowers will be required to assess the capacity of relevant agencies and identify gaps in training, supervision and grievance redress mechanisms (GRMs). Where needed, the project will support risk mitigation through awareness raising, communication strategies, and capacity building. To manage social, compliance, and reputational risks, the program will establish well-functioning Grievance Redress Mechanisms, appoint community liaison officers, launch targeted communication efforts, and strengthen monitoring systems. Participatory approaches and site selection will require demonstrated consensus from local communities and IPs. The program's design has been built on early and inclusive stakeholder engagement—spanning conservation NGOs, UN agencies, COMIFAC, IP networks, and local authorities—which has built trust and alignment with local priorities, reducing the likelihood of future conflict. The program embeds several design features including participatory frameworks for forest governance, legal reforms to secure land tenure, and benefit-sharing mechanisms tailored for marginalized groups. Each participating country has developed the following framework documents: Environmental and Social Management Framework (ESMF), Resettlement Framework (RF), Process Framework (PF), Indigenous Peoples Planning Framework (IPPF), Labour Management Plan (LMP) and Stakeholder Engagement Plan (SEP). These instruments provide overarching guidance on the application of mitigation measures and have been consulted and disclosed prior to project Appraisal. In countries with heightened security risks like CAR, Security Management Plan has been developed to address contextual safety concerns. The program builds in exclusion list



and clear site-selection criteria along with systems for verification of land ownership. Following activity selection through a participatory approach, Borrowers will be required to prepare site-specific instruments proportionate to the level and nature of risks and impacts. These may include, as applicable, site-specific E&S documents such as Environmental and Social Management Plans (ESMP), Resettlement Plan (RP), Indigenous Peoples Plan (IPP), Biodiversity Management Plan, Waste Management Plan, Occupational Health and Safety Plan etc. The Financial Intermediaries who will be involved in Component 3 will be required to develop and implement Environmental and Social Management System (ESMS) to assess, manage, and monitor E&S risks associated with on-lending activities to beneficiary sub-projects. The project will also include Incident Reporting protocols to guide Borrowers in identifying, reporting and addressing incidents. Project management will include environmental and social impact assessments and monitoring, including an independent supervision agency during implementation; management of a robust GRM and coordination with the Regional Stakeholder Platform and e-GRM managed by COMIFAC. The Environmental and Social Commitment Plan (ESCP) will outline the Borrower responsibilities and a timeline for the preparation and implementation of site-specific instruments to ensure full compliance with the ESF throughout the project cycle.

ESS10 - Stakeholder Engagement and Information Disclosure

Relevant

The engagement of the World Bank in the forest sector at this scale will be scrutinized by NGOs and CSOs as well as the private sector, given the history of past Bank engagement in the region in forestry. There may be winners and losers from sector reform measures which is likely to generate negative feedback for the Program. Measures to improve governance and transparency could be met with resistance. There is also a risk that the project's dedicated support to MSMEs will be captured by large companies, which could lead those companies to refuse to supply logs or products from primary or secondary processing to the smaller wood-processing MSMEs supported by the project. Those risks will be mitigated through a dedicated platform for stakeholder engagement at country level and as part of the Regional Platform for Learning to enable early and continuous stakeholder engagement. A communications strategy for the Program will be developed and the Program will integrate inclusive and non-discriminatory citizen engagement activities into its design to facilitate continuous learning and improved project outcomes. Each country will prepare a very robust SEP to ensure that all key stakeholders (local communities, CBOs, NGOs, Private sector, local administration, IP networks, stakeholders involved in protected areas conservation) are fully involved during preparation and implementation. One of the key stakeholders are the IP and their representing institutions. The SEP including the GRM should be culturally appropriate and accessible to affected indigenous people. Particular attention should be given to the participation of Indigenous People/ Sub-Saharan African Historically Underserved Traditional Local Communities (IP/SSAHUTLC) to ensure that their rights are preserved and to NGOs/Civil Society Organization to ensure that there is an efficient monitoring of Program's activities. Each SEP will cover consultations to inform the choice for the proposed management model for subproject(s) and propose strategies for the continuous engagement with stakeholders at regional, national, provincial and local levels. In addition, the Project will hire an independent Grievance Management firm or NGO to verify actions taken to operationalize and respond to recorded grievances. A number of consultation session with various stakeholders were carried out during project preparation in three countries, including Cameroon, CAR and Congo. During the consultation, the participants were well informed about the following: i) The objective, scope, and components of the proposed program; ii) Potential environmental and social risks identified related to the program implementation; iii) relevant environmental and social instruments prepared and required by the World Bank Environmental and Social Framework. The details of the consultation sessions are summarized in the SEPs of three countries. Below are some key findings of the consultations: • Stakeholders consulted are supportive of the project • It is suggested that more youth can be



employed in the implementation of the project • The stakeholders suggested ensuring the confidentiality of the information collected, particularly for the most vulnerable groups. • There is concerns about gender-based violence. The project needs to carry out awareness campaigns on the risks related to GBV/SEA/HS, but also on the aspects of vulnerability • Many stakeholders have adequate knowledge about forest and wildlife species in the project area and the role or function that each of these species plays. • Another concern is the conflict between farmers and herders in forest management. Mitigation measures need to be put in place during the implementation program. Separate consultation sessions were also carried out with indigenous peoples. Below are some key findings: The main conclusions concerning them are: • Indigenous communities welcome the project and point out some current bad practices that contribute to the destruction of forests need to be changed. They hope the program can be an opportunity for such changes. • They suggested recruitment of indigenous peoples during the implementation of the project • They also suggested that the project implementation will need to respect the seasonal and traditional calendar of the affected people and communities, such as gathering, hunting, traditional ceremonies, or fishing, and schedule the missions or activities accordingly.

ESS2 - Labor and Working Conditions

Relevant

The program's implementation will involve direct, contracted, and community workers, who face a range of occupational and social risks. Workers participating in civil works may face significant Occupational Health and Safety (OHS) hazards arising from working in rugged terrain, exposure to extreme climate such as intense rainfall heat and humidity, and biological risks including vector-borne diseases, allergens, and potential encounters with venomous reptiles, insects, and wild animals. In addition, there are standard construction-related risks—such as injuries from machinery operation, vehicle movement, slips and falls, fatigue, and dehydration—which may also be present across civil work sites. Other risks include the potential use of child labor and forced labor, wage discrimination, and non-compliance with national labor regulations or with ESS2. There is also the risk of discriminatory hiring practices, excessive or unpaid working hours, lack of access to safe and responsive grievance redress mechanisms, and insufficient information on workers' rights. Specific attention must be paid to vulnerable workers—including women, youth, and informal laborers—who may face elevated risks of exploitation or exclusion. To address these concerns, each participating country has prepared Labor Management Procedures (LMPs), which have undergone stakeholder consultations and have been finalized and disclosed. These LMPs outline mechanisms for fair recruitment, clear terms and conditions of employment, non-discrimination, safe working conditions, and accessible grievance redress systems. They also establish protocols for monitoring contractors and community-based organizations to ensure adherence to agreed labor standards throughout project implementation. Since enforcement is not directly financed under the MPA, enforcement personnel are not classified as project workers, there may be forest guards, rangers, or other officials tasked with enforcing national forest regulations whose actions can impact local communities, especially in contexts where enforcement practices are heavy-handed or inadequately supervised. Given this interface, the Borrowers will be required to assess the institutional capacity and conduct risk screening and track record of enforcement agencies and gaps in training. Where appropriate, the program will support mitigation measures and capacity strengthening

ESS3 - Resource Efficiency and Pollution Prevention and Management

Relevant

The MPA includes agroforestry, agro-silvo-pastoral practices, and wood and non-wood forest product processing, all of which could lead to inefficient resource use if not well managed. Agroforestry operations may result in indiscriminate fertilizer and pesticide application which can contribute to soil or water contamination. Energy



consumption in small-scale processing (e.g., drying, sawing, or extraction of NTFPs) may drive demand for non-renewable sources such as fuelwood or fossil-based electricity, increasing pressure on local resources. Improper management of agricultural and processing by-products poses risks of land, water, and air pollution. Small-scale infrastructure for wood and non-wood product processing can generate significant waste and emissions and chemical residues from preservation treatments. Without proper disposal or recycling measures, these processes could contribute to local pollution. Air pollution can result from increased use of biomass or fossil fuels for drying or processing activities. Infrastructure and civil works can result in solid and construction liquid waste, fuel spills, and dust emissions. In addition, the increased demand for fuelwood or power for processing operations could lead to localized deforestation, further affecting ecosystem services relied upon by communities for water, food, and energy. Given the scale and geographic spread of activities, cumulative pollution impacts are possible—particularly in high-biodiversity areas or near water bodies. Weak institutional capacity to enforce pollution control regulations, inadequate environmental monitoring tests and lack of waste management protocols and infrastructure can further add to the risks associated with the MPA.

ESS4 - Community Health and Safety

Relevant

The increase in road traffic—particularly from heavy vehicles transporting logs and other forest products—may increase the risk of road accidents and damage to local infrastructure. The transport and handling of wood and NTFPs may increase air pollution and dust emissions, chemical use, and waste generation, posing environmental health risks to nearby communities. Labor influx during construction or value chain expansion may strain local services, and contribute to social tensions, including between newcomers and host communities. These pressures can heighten risks of communicable disease transmission, including sexually transmitted infections, and may disproportionately affect vulnerable groups such as IPs, women, children, and persons with disabilities. The arrival of a workforce in remote or underserved communities may also elevate the risk of gender-based violence (GBV), sexual exploitation and abuse (SEA), and sexual harassment (SH), especially in areas with weak institutional oversight and social services. Physical restrictions on access to traditional resources, even if unintended, may increase tension and contribute to community grievances. . Weak emergency communication and early-warning systems in rural or forest communities may reduce their ability to anticipate or respond to such risks effectively. Program implementation in conflict-affected or politically fragile areas may pose security risks for workers and local populations. Security Risk Assessment and Management Plan has been prepared for Central African Republic to address security risks and ensure the safety of workers and communities. Gender-Based Violence (GBV) and Sexual Exploitation and Abuse (SEA) Prevention Plans have been developed for all 3 countries to mitigate risks of GBV, SEA, and sexual harassment in project areas. The interactions with enforcement officials can be a source of tension, especially if these are discriminatory, or threatening to traditional rights. Due diligence mitigation measures in accordance with the Interim Guidance Note on PAs will be identified, financed and implemented to minimize potential conflict.

ESS5 - Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

Relevant

Under the subcomponent 2.1, activities such as Large-scale timber plantations (> 1000ha) by private sector investors and Reforestation and timber plantations on degraded forest lands by government agencies on government lands may lead to Land Acquisition, Restrictions on Land Use, and Involuntary Resettlement. Even though activities under this subcomponent focus on government lands, it will be important to carry out a due diligence to (i) clarify the ownership status and government authority over the land, (ii) Check for existing claims or encumbrances (e.g., informal settlers, Indigenous Peoples' rights) and (iii) Review zoning laws and land use restrictions. The development



of economic zones, forest plantations, and protected areas may lead to physical and/or economic temporal or permanent displacement, as well as inappropriate occupation of private or communal lands. These risks necessitate careful land mapping, fair compensation processes, participatory planning, and compliance with ESS5 to avoid forced resettlement and livelihood loss among affected communities. Access restrictions may arise particularly where activities intersect with customary lands, communal forests, or areas traditionally used for subsistence, including grazing, collection of fuelwood, charcoal, timber, and NTFPs. Such restrictions—whether physical or economic—can disproportionately impact vulnerable groups, including IPs and women, by limiting access to livelihood resources and cultural sites. To address these risks, each participating country has prepared a Process Framework (PF) outlining procedures for identifying, assessing, and mitigating access restrictions in a transparent and participatory manner. While the physical relocation of households is not expected, the project may still affect livelihoods by restricting access to grazing areas, firewood collection, hunting, and fishing. To address such livelihood impacts, Process Frameworks (PF) have been developed as a precautionary measure since the participating countries have not selected the final sites to be financed by the project. These frameworks set forth eligibility criteria, benefit-sharing approaches, and measures for restoring or enhancing livelihoods. The PFs also define institutional responsibilities and grievance mechanisms to support affected communities in voicing concerns and accessing redress. For IPs affected by project activities, Free, Prior, and Informed Consent (FPIC) will be required in accordance with ESS7. The PFs will be updated to reflect site specific aspects once identified and will be implemented through the development of site-specific access restriction mitigation plans, tailored to local contexts and prepared in close consultation with affected communities. Each participating country has also prepared Resettlement Framework (RF). These documents have undergone consultations, including conducting extensive consultations with government authorities, local municipal councils, International conservation NGO and IP networks. RFs and PFs have been finalized and disclosed. Prior to works start, as needed each country will prepare and implement a Resettlement Action Plan as per ESS5 provisions. A strong Monitoring and Evaluation system will be put in place during project implementation to track the effectiveness of mitigation measures included in the PFs

ESS6 - Biodiversity Conservation and Sustainable Management of Living Natural Resources

Relevant

The MPA will not fund the creation of new community forests but will focus on enhancing the performance and sustainability of existing ones. A key contextual is the potential for unsustainable harvesting of wood and non-wood forest products, such as fuelwood, timber, medicinal plants, and bushmeat, which communities depend on for their livelihoods and subsistence. The promotion of agroforestry and agro-silvo-pastoral systems, such as cocoa and food crop production, and various forms of plantations (community, public-private partnerships, and government-led) poses a further threat to biodiversity, which can result in land clearing, loss of natural vegetation, and habitat fragmentation. There is a risk of monoculture plantations and introduction of non-native species, if such activities are not carefully managed. Small-scale agroforestry plantations generally do not heavily rely on agrochemicals While small-scale agroforestry plantations generally do not heavily rely on agrochemicals, there could be some fertilizer or pesticide use which carry risks of soil degradation and water contamination. The processing of wood and non-wood products, while generally small-scale in nature, could result in air pollution from burning or milling, increased demand for energy—especially fuelwood, and the generation of solid and liquid waste. Improper handling and disposal of wood residues, sawdust, chemicals, and by-products can further degrade local habitats and contribute to pollution of soil and water bodies. Component 3 will finance infrastructural investments, including construction and/or rehabilitation of infrastructure Wood Exchange Centers, SME wood service parks, Wood logistics center and



establishment of “plug-and-play” clusters/service parks (including drainage, roads, utility connections kiln-drying and effluent treatment for wood processing). The construction activities may pose risks of biodiversity loss which will require mitigation through rigorous impact assessments or Biodiversity Management Plans if needed. Improved access can inadvertently promote logging, hunting, and agricultural expansion in high-conservation-value areas. These pressures can contribute to human-wildlife conflict, illegal wildlife trade, and ecosystem destabilization. Given that some of the proposed interventions span multiple sites and countries, transboundary biodiversity impacts may also arise, requiring coordinated efforts to manage landscape-level changes. The risks associated with inadequate institutional oversight and weak governance poses a risk of increased encroachment, over-exploitation and overharvesting of natural resources.

ESS7 - Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities

Relevant

Ancestral territories occupied by indigenous people (IP) are located within the CBF. Their survival is inextricably linked to those forests. Indigenous Peoples (IPs) in the Congo Basin Forest (CBF) belong to various ethnic groups, including the Baka, Bagyeli, and Batwa across Cameroon, DRC, Congo, Gabon, and CAR. Project activities may impact their traditional land use and cultural practices. If adverse effects such as land acquisition, displacement, or cultural heritage are affected, Free, Prior, and Informed Consent (FPIC) will be required, alongside robust consultations integrated into Stakeholder Engagement Plans (SEPs). IPs often face marginalization, weak participation in decision-making, and limited access to services. Compliance with ESS7 requires meaningful consultation, culturally appropriate benefits, and protection of traditional rights. In Congo, gaps in forest governance include the exclusion of IPs from fiscal instruments, forest strategies, and reforestation initiatives. Gender dimensions and Indigenous knowledge are often overlooked, posing risks of exclusion and non-compliance with ESS7 and ESS10. Protected area management frequently proceeds without engaging IPs, leading to concerns over land use rights, hunting, and traditional practices. The forest sector’s private investment strategies lack Indigenous inclusion, raising risks under ESS7 and ESS10 due to inadequate consultation and benefit-sharing. Each participating country has prepared an Indigenous Peoples Frameworks , which have undergone consultations with government authorities, NGOs, and IP networks. These plans have been finalized and disclosed. The IP plans must be developed before implementation, informed by social assessments, meaningful consultations, and FPIC when land or displacement is involved. The IPPP will ensure that subprojects enhance benefits and includes risk analysis, mitigation measures, stakeholder engagement, grievance redress mechanisms, and capacity-building.

ESS8 - Cultural Heritage

Relevant

Since the CBF is home to many indigenous peoples, there is likelihood that the forest biome is imbued with cultural heritage significance, including sacred trees, plants, groves, rocks, streams, rivers, waterfalls etc. It is also likely that the traditional communities in project area have intangible cultural heritage practices. The proposed program activities may impact these sites through land use changes and construction activities. Local communities will be engaged while designing the project activities to identify and protect these cultural heritages. There is potential for adverse impacts on cultural heritage from infrastructure development and tourism promotion. Activities in ecologically and culturally sensitive areas could unintentionally damage or disturb tangible or intangible heritage. Projects must conduct cultural heritage assessments and ensure chance-find procedures and community engagement to safeguard these assets.



ESS9 - Financial Intermediaries

Relevant

In CAR, the MPA will establish a dedicated credit and leasing guarantee line under the i-Compete program (ICOMPETE, P176274) to reduce banks' risk and enable SMEs to acquire modern processing equipment. This line will be managed by the National Guarantee and Investment Fund (FNGI), which will apply an approved operations manual and Environmental and Social Management Systems (ESMS), conduct due diligence on participating financial institutions, and ensure that guaranteed loans comply with ESMS requirements.

B.2 Legal Operational Policies that Apply

OP 7.50 Operations on International Waterways

Yes

OP 7.60 Operations in Disputed Areas

No

B.3 Other Salient Features

Use of Borrower Framework

No

The MPA spans multiple countries in the Congo Basin, with multiple institutions and varying levels of E&S implementation capacity. While some national legal frameworks reflect elements of the ESF—such as environmental impact assessment procedures, labor regulations, and land acquisition laws—these systems vary in terms of enforcement, institutional coordination, and are not often consistent with ESF. There are substantial gaps in institutional capacity, especially in areas of environmental and social risk screening, stakeholder engagement, grievance management, and monitoring and evaluation and with issues related to ESS2, ESS6, ESS7 and ESS8. National systems generally lack robust processes for free, prior, and informed consent (FPIC) or culturally appropriate grievance redress mechanisms. The institutions often lack the technical resources, staffing, and logistical support required to ensure consistent and quality implementation

Use of Common Approach

No

At this stage of the MPA, there are no financing partners

C. Overview of Required Environmental and Social Risk Management Activities

C.1 What Borrower environmental and social analyses, instruments, plans and/or frameworks are planned or required by implementation?

Each participating country has developed the following framework documents: Environmental and Social Management Framework (ESMF), Resettlement Framework (RF), Process Framework (PF), Indigenous Peoples Planning Framework (IPPF), Security Management Plan (SMP), Labour Management Plan (LMP) and Stakeholder Engagement Plan (SEP). These documents provide the frameworks to guide the mitigation measures to address the Environmental and social risks detailed above; and have been consulted and disclosed in country and on WB website prior to project Appraisal. The MPA also includes an exclusion criteria list to ensure activities that are likely to generate irreversible Environmental and social impacts and for which mitigation measures might not be efficient will not be eligible for funding (such as conversion of ecosystems and critical habitats, significant impacts on biodiversity or large scale physical displacements



and resettlement). Based on the exclusion list and site-specific criteria, Borrower countries will identify sites and will determine their specific activities based on a participatory approach, after which they will be required to prepare site-specific instruments, which could include Environmental and Social Impact Assessments and Management Plans (ESIA/ESMP), Resettlement Action Plan (RAP), Indigenous Peoples Plan (IPP), Biodiversity Management Plan, Waste Management Plan, Occupational Health and Safety Plan etc, in accordance with the risks and impacts to be addressed on site. Prior to Negotiations, Borrowers will undertake institutional assessments to determine the risk associated with direct or indirect enforcement activities. The Financial Intermediaries who will be involved in Component 3 will be required to develop Environmental and Social Management System (ESMS) to assess, manage, and monitor environmental and social (E&S) risks associated with the beneficiary sub-projects. The program will also include Incident Reporting protocols which will guide Borrowers to investigate and report incidents and adopt corrective measures.

The Environmental and Social Commitment Plans (ESCPs) for all participating countries outline the detailed requirements for such site-specific instruments and other Borrower responsibilities to ensure that all activities are implemented in strict alignment with the Environmental and Social Framework. Implementation will be further enhanced through the inclusion of robust capacity building and monitoring programs.

III. CONTACT POINT

World Bank

Task Team Leader:	Madhavi M. Pillai	Title:	Senior Natural Resources Management Specialist
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Email:	mpillai3@worldbank.org
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TTL Contact:	Michael Corlett	Job Title:	Senior Financial Sector Specialist
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Email:	mcorlett@worldbank.org
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TTL Contact:	Patrice Savadogo	Job Title:	Senior Forestry Specialist
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Email:	psavadogo@worldbank.org
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IV. 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>

V. APPROVAL

Task Team Leader(s):	Madhavi M. Pillai, Michael Corlett, Patrice Savadogo
ADM Environmental Specialist:	Ruma Tavorath
ADM Social Specialist:	Boyenge Isasi Dieng