Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 09-Dec-2020 | Report No: PIDC31020

BASIC INFORMATION

A. Basic Project Data

Country	Project ID	Parent Project ID (if any)	Project Name
Cote d'Ivoire	P175982		Forest Investment Project, phase 2 (P175982)
Region	**Estimated Appraisal Date**	**Estimated Board Date**	**Practice Area (Lead)**
AFRICA WEST	Mar 22, 2021	May 31, 2021	Environment, Natural Resources & the Blue Economy
Financing Instrument	**Borrower(s)**	**Implementing Agency**	
Investment Project Financing	Adama Coulibaly	Ministry of Environment and Sustainable Development	

Proposed Development Objective(s)

The Development Objective is to conserve and increase the forest stock and improve access to sources of income from sustainable forest management for selected communities in target zones.

PROJECT FINANCING DATA (US$, Millions)

SUMMARY

Total Project Cost	100.00
Total Financing	100.00
of which IBRD/IDA	100.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	100.00
IDA Credit	100.00

Environmental and Social Risk Classification	Concept Review Decision

Substantial	Track I-The review did authorize the preparation to continue

Other Decision (as needed)

B. Introduction and Context

Country Context

Côte d'Ivoire 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, the country's long coastline of 550 kms runs along the Gulf of Guinea. Côte d'Ivoire is divided into two main geographic regions: a forest zone in the south (48 percent of the surface area), and a savanna zone in the north (52 percent of the surface area).

The country has enjoyed a remarkable economic success since 2012, following the long political-military crisis between 2002 and 2011. According to the International Monetary Fund, Côte d'Ivoire has been one of the fastest growing economy in Africa in the past decade. While growth in 2020 slowed, due to the corona virus pandemic, it had reached an estimated 7% in 2019 and is expected to return to this rate or higher in 2021/22[1]. The country's gross domestic product (GDP) for 2019 was US$58.5 billion, placing it in the top quarter of African countries. However, despite the relative strength demonstrated by macroeconomic indicators, the poverty rate remains high, with 39.5 percent of the population having a daily revenue of under US$1.9 in 2018, and the country ranking 165 (out of 188) on the Human Development Index.[2] The agricultural sector is the main driver for economic growth employing close to half of the active population. Yet agriculture as a percentage of GDP is falling: in 2019, the World Bank reported that the agriculture sector produced approximately 17 percent of the country's GDP down from 28 percent in 2015. Côte d'Ivoire is the world's largest producer and exporter of cocoa and the sector accounts for about a third of total exports, yet in 2019, about 55 percent of Ivorian cocoa producers and their families lived below the poverty line.[3]

The country's population, which was estimated at 6.7 million in 1975, increased to 25.7 million by 2019[4]. 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). This demographic dynamic has put increasing pressure on the country's natural resources, especially in the forest zone, where the vast majority of the population lives (75.5 percent versus 24.5 percent in the savanna zone).

[1] The World Bank. World Bank Open Data: Cote d'Ivoire. https://data.worldbank.org/country/cote-divoire.

[2] Ibid. & UNDP (United Nations Development Programme). Human Development Indices and Indicators: 2019 Statistical Update. Côte d'Ivoire: http://hdr.undp.org/en/countries/profiles/CIV. (accessed November 2020).

3 The World Bank. Côte d'Ivoire Economic Outlook: Why the Time Has Come to Produce Cocoa in a Fully Inclusive and Responsible Manner. July 2019. https://www.worldbank.org/en/country/cotedivoire/publication/cote-divoire-economic-outlook-why-the-time-has-come-to-produce-cocoa-in-a-responsible-manner (accessed November 2020).

4 The World Bank. World Bank Open Data: Cote d'Ivoire. https://data.worldbank.org/country/cote-divoire. (accessed November 2020).

Sectoral and Institutional Context

The country's forest areas are administered by two different entities:

- The Permanent Forest Estate of the State (*Domaine Forestier Permanent de l'Etat*) which covers 6,267,730 ha (19 percent of the total country area) and includes: (i) 234 Gazetted Forests (4.2 million ha), managed by the National Forest Development Agency (*Société de Développement des Forêts*, SODEFOR); and (ii) eight national parks (including the Taï National Park, the largest reservoir of biodiversity in West Africa) and eight natural reserves totaling 2,160,742 ha, managed by the Ivorian Office of Parks and Reserves *(Office Ivoirien des Parcs et Réserves, OIPR)*, and;
- The Rural Forest Domain of the State (*Domaine Forestier Rural de l'Etat*), managed by the Ministry of Water and Forests *(Ministère des Eaux et Forêts, MINEF)*, which constitutes a reserve of lands where priority is given to agriculture, but which may be granted for forest exploitation.

Deforestation in Côte d'Ivoire has occurred at a rapid rate since the 1960s. The country has lost approximately 13 million hectares (ha) of forest cover, reducing forest cover from about 46 percent of the country in 2000 to around 11% today.[5] From 1990 to 2015, Cote d'Ivoire had the highest deforestation rate in the world, losing on average 4.3% of its total area annually (BNETD 2016). According to the National Forest Development Agency (SODEFOR), encroachment on the state's Gazetted Forests has increased from 18% (1996) to around 50% (2014). From 2017 to 2018 the percent increase of forest lost in Cote d'Ivoire was the second highest in the world.[6] The main direct drivers of deforestation and forest degradation are: (i) expansion of extensive agriculture; (ii) uncontrolled harvesting of forests for timber and fuelwood; (iii) bushfires (accidental or intentional, often for agriculture or hunting); and, (iv) mining, notably illegal small-scale gold mining.

The health of the world's largest cocoa sector is closely linked to the nation's forest cover. As the producer of 40 percent of the world's cocoa, Côte d'Ivoire relies heavily on the crop as a major contributor to the country's gross domestic product (around 14%).[7] Given the obvious importance of cocoa production, forest health can sometimes be seen as conflicting with the needs of cocoa and the agricultural sector, with forests viewed as constraining growth in the sector. However, such a narrow view of 'agriculture versus forests' misses out on the full picture.[8] Forests are critical to the success of food and cash crop production, such as cocoa. Forest benefits include: prevention of soil erosion, regulating the flows of water for higher water availability during dry seasons, preventing flooding, decreasing the local temperature, increasing local humidity, and their integral role in creating (and even rebuilding) fertile soil, all essential elements for success of cocoa and other crops.

Climate change is creating changes that are already affecting cocoa production. Production is currently limited by water shortages in the dry season and climate-change projections are expected to make Côte d'Ivoire less suitable for cocoa production by 2050 (likely to be more negatively impacted than Ghana). One study estimated the cost of climate change on Côte d'Ivoire cocoa sector at $1.1 billion annually by 2050 (about 3.9% of current real GDP) from increasing temperature and decreasing water in dry seasons – both environmental conditions that healthy forests can mitigate[9]. Studies indicate that if nothing is done to reverse the trends of forest degradation and increase forest cover, Côte d'Ivoire, will risk losing over 90 percent of land suitable for cocoa cultivation (CIAT, 2018). Healthy forests are a key to carbon sequestration and mitigation of climate change.

Recognizing the role that cocoa production plays in deforestation and forest degradation and acknowledging that deforestation and degradation are the second leading causes of global warming, responsible for about 20 percent of global greenhouse gas emissions; in 2017, the governments of Côte

d'Ivoire and Ghana, along with 34 leading cocoa and chocolate companies, committed to working together through the Cocoa and Forest Initiative (CFI) to end deforestation and restore forest areas in West Africa, in line with the 2015 Paris Climate Agreement. Building on the lessons-learned and good practices from other commodities and sectors, such as the Consumer Goods Forum, the CFI has developed a concrete, time-bound, joint action plan that spells out the critical actions and realistic timeframe to end deforestation, with a focus on: (i) forest protection and restoration; (ii) sustainable cocoa production and farmers' livelihoods; and (iii) community engagement and social inclusion. CFI progress in Cote d'Ivoire includes *inter alia* commitments from private sector partners to no new conversion of forest lands for cocoa production and increasing traceability of cocoa sourcing to enable the future enforcement of agreements, such as the "elimination of cocoa production and sourcing from National Parks and Reserves."[10]

The World Bank is supporting the Government of Côte d'Ivoire (GoCI) to implement the CFI through: (i) the proposed Cocoa Integrated Value Chain Development project (P168499), which will support innovative PPP models to be developed to ensure that both the Government and private sector co-invest in long-term cocoa development, in line with the CFI action plans; (ii) a Development Policy Operation (P166388), which includes prior actions on cocoa production sustainability, including supporting reforms related to the Forest Code as well as production norms, standards and measures that will help to provide appropriate reforms conducive to successful implementation of the CFI, particularly through Pillar 1 on Sustainable Growth;[11] (iii) a South-South Knowledge Exchange between Cocoa Producers in West Africa and Latin America (P171856) which will develop a cocoa agroforestry guide to be implemented in the context of the CFI; and (iv) the payment for results Emissions Reduction Program (ERP) around the Taï National Park (P170309), targeting the entire Cocoa belt and where Phase 1 of the country's Forest Investment Program (FIP) (P162789) is currently under implementation for enhanced carbon sequestration through agroforestry and conservation of protected areas. Despite these initiatives, the resources currently devoted specifically to reforestation and forest protection are not commensurate with the country's needs in order to promote sustainable forest management, nor do they fully allow for a successful integration of the needs of the cocoa sector, small farmers and forests.

The value of forests extends well beyond their connections to the cocoa industry including for: lumber/timber; energy/fuelwood; nature-based tourism; climate change mitigation; biodiversity protection and habitat; and other ecosystem services. The official lumber sector accounts for a modest 1% share of the nation's economy, derived from around 65,000 m^3 (2018) of harvested timber.[12] However, a current lack of data tracking on processing, transport and marketing of the value-added products directly linked to timber

[5] Sources: Forest Preservation, Rehabilitation, and Expansion Strategy, June 2018 & Global Forest Watch. Cote d'Ivoire 2019. (https://www.globalforestwatch.org/dashboard/country/CIV).

6 Weisse, M. & Goldman, E.D. "The World Lost a Belgium-sized area of Primatry Rainforest Last Year. The World Resources Institute. April 2019. https://www.wri.org/blog/2019/04/world-lost-belgium-sized-area-primary-rainforests-last-year.

[7] World Bank.2019. *Au Pays du Cocoa. Comment transformer la Côte d'Ivoire*. Situation Economique en Côte d'Ivoire.

8 Between 2006 and 2011, Brazil was able to significantly reduce deforestation levels using a landscape approach, which put a moratorium on deforestation from cattle and soybean production and focused on outlining and enforcing zoning of areas suitable for sustainable agricultural expansion within a forest-agriculture landscape. Both the cattle and soybean industry were able to grow successfully during these years without encroaching on existing forests. (McNally, Richard. 2015. "Understanding the Relationship between Forests and Agriculture: The Need for A Landscape Approach." Landscapes for People, Food, and Nature. www. Peoplefoodnature.org (accessed January 24, 2020).

[9] International Center for Tropical Agriculture (CIAT), 2018. The Economic Case for Climate Action in West-African Cocoa Production.

10 Cocoa and Forests Initiative Annual Progress Report, 2020: Cargill. https://www.cargill.com/doc/1432159394919/cargill-cocoa-forests-initiative-annual-report-2020.pdf (accessed November 2020).

[11] Pillar 1 supports the establishment of the policy and regulatory framework for environmentally sustainable investments in cocoa, agroforestry, renewal energy and energy efficiency. In Agriculture, the objective of the operation is to support the reduction of deforestation associated with cocoa production and encourage private investments into sustainable and formal supply chains for cocoa

[12] Data supplied directed from Cote D'Ivoire Ministry of Water Resources and Forests

results in what is likely a gross underestimate of the value of the sector. Most importantly, this figure does not include the estimated 3 million m^3 per annum of wood cut by illegal, small-scale loggers (*approximately 35 times larger than estimates for the official industrial sector*). The wood industry is estimated to provide 50,000 direct jobs and over 100,000 indirect jobs, according to the Ministry of Water and Forest Resources report (2018), and the turnover generated by the wood sub-sector is around 150 billion FCFA.[13] Although this sector is currently unsustainable as demonstrated by the rapidly diminishing forest reserves, it remains a vitally important opportunity for maintaining jobs, providing domestic needs (energy and building materials), and as an export earner as it transitions to a more sustainable model.[14]

Côte d'Ivoire's forests currently provide around three-quarters of the country's household energy and/or cooking needs and are essential to meeting its international climate change commitments. As urbanization increases, charcoal is increasingly favored by urban households over wood energy because it is perceived as having less dangerous smoke than untreated firewood. Charcoal production in the country increased by 22% in the ten years from the 2002 (400,850 tons) to 2012 (488,128 tons).[15] Firewood production did also increase during this time, but at a much lower 4% (9.03 million m^3 in 2012).[16] Although Cote d'Ivoire aims to transition its citizens to more sustainable and efficient energy sources, firewood and charcoal will continue to be important for the foreseeable future. In the 2015 Paris Climate Agreement, Cote d'Ivoire has committed to reducing its greenhouse gas emissions by 28% below business as usual by 2030, which is partly based on the reduction of greenhouse gases caused by deforestation and degradation. The Intended National Determined Contribution (INDC) submitted by Côte d'Ivoire highlights the need for increasing the productivity and competitiveness of the forestry sector, improved forest management, and increasing the national forest cover to 20% as some of the most important actions to reaching these climate commitments.

Although the tourism industry has not fully recovered from the long political-military crisis (2002-2011), the Taï National Park was previously important for nature-based tourism and holds considerable potential if preserved for future tourism-related investment. In 2015, researchers estimated that protected areas globally received 8 billion visits and generated US$600 billion of tourism expenditures, in contrast to only US$10 billion being spent protecting them.[17] The demand for all types of nature tourism, particularly adventure tourism and wildlife tourism, is predicted to expand rapidly over the next two decades.[18] Tai National Park is the largest remaining protected rainforest in West Africa and one of the most indispensable areas for conserving unique West African biodiversity. It contains many charismatic species that are attractive to tourists, such as elephants, 11 species of primates (including West African Chimpanzees), and one of the last populations of Pygmy Hippopotamus. However, this area is under threat of degradation and encroachment, particularly highly destructive and polluting artisanal gold mining. For this important area to remain available not only for the future tourism activities but also as a carbon sink of global importance, its integrity must first be protected.

To address these challenges, Côte d'Ivoire has responded ambitiously with the 2018 Forest Preservation, Rehabilitation, and Extension Strategy (SPREF), aimed at recovering the country's forest cover from 11 percent to 20 percent by 2040. Guided by the strategy, the Government also adopted a New Forest Code in July

[13] Magazine des eaux et forêts, « l'exploitation forestière en Côte d'Ivoire, le marché ivoirien du bois et des produits dérivés ».

[14] With funding from the PROFOR Trust Fund, the World Bank is developing a Country Forest Note for Côte d'Ivoire which will, inter alia, assess the productive potential of forests in terms of its contribution to the GDP and other economic sectors (e.g. agriculture, energy, tourism sector) and an analysis of key forest commodities (timber, fuelwood, charcoal)

[15] Zidago, A.P. and Wang, Z. **2016**. *Charcoal and Fuelwood Consumption and its Impact on Environment in Cote D'Ivoire (Case Study of Yopougon Area).* Environment and Natural Resources Research **6**:4 16-35.

[16] *Ibid.*

17 Balmford, *et al*. **2015.** Walk on the wild side: estimating the global magnitude of visits to protected areas. PLOS Biology **13**(2): e1002074

18 World Bank Group. 2018.

2019**.** This new forest strategy outlines the country's vision for managing forest reserves and works with the local population and industry to strengthen the enabling environment, namely completion of an up-to-date legislative and regulatory framework, introducing the concept of 'agroforest' in the new Forest Code, and classifying the country's 234 Gazetted Forests (GFs) into four categories

The Government also passed a series of decrees and *arrêtés*[19] in November 2019 aimed at supporting implementation of the Forest Code and the new SPREF, thereby laying down the necessary policy guidance for World Bank operations.

Relationship to CPF

The proposed Forest Investment Project, Phase 2 (FIP 2), will contribute to achieving the goals set out in the Country Partnership Framework (CPF) FY16-FY19 (Report No. 96515-CI), discussed by the Board of Executive Directors on August 17, 2015, confirmed and extended to 2021 by the Performance and Learning Review (Report No. 122566-CI) of April 24, 2018. The project lends significant direct and indirect contributions to the CPF Objective 1: Improve productivity in agriculture/agribusiness value chains and Objective 4: Formalize and enhance access to land for business and agriculture through support to zero-deforestation agriculture in collaboration with the cocoa industry and enhancement of public-private partnerships for sustainable management of activities in Gazetted Forests.

The project aligns with the WB's twin goals of shared prosperity and extreme poverty reduction. Despite being one of the fastest growing economies in Africa, Côte d'Ivoire's estimated share of the population living in poverty remains high: in 2018, 39.5 percent of the population lived below the national poverty threshold (down from 46.3 percent in 2015). Poverty levels in rural areas are even higher than those in urban areas. While this is particularly true of the drier northern regions, the volatility in cocoa and coffee prices and other difficulties with accessing fair payment for cocoa have adversely affected rural poverty rates in the forested zones of the moister, richer South-West where cocoa production by small-scale farmers is a primary means of income generation. Project activities target local communities and the improvement of livelihoods as well as overall efforts to improve sustainable forest management in order to diversify income generation opportunities, enable effective forest management, and enhance the effectiveness of agroforestry efforts in this and other agriculture sector projects in order to more effectively address rural poverty rates.

[19] Decree n°2019-979 of November 27, 2019 on the terms and conditions for the management of agro-forestry, the exploitation of agricultural plantations and the marketing of agricultural products in agro-forestry. This decree defines the modalities for the development of agro-forestry, the exploitation of agricultural plantations and the marketing of agricultural products in agroforestry.

Decree n°2019-977 of 27 November 2019 on procedures for the classification of forests and agroforests. This decree stipulates that any forest in the national forest estate regularly acquired by the State may be classified in the private forest estate of the State or of the territorial collectivities: either on the initiative of the Forest Administration or at the request of a territorial collectivity.

Ministerial Order no. 861/MINEF/CAB of 13 December 2019 on the modalities for the elaboration and implementation of forest and agro-forestry management plans. The purpose of this order is to define the modalities for the elaboration and implementation of forest and agro-forestry management plans. In addition, the Government has published on an open digital platform data on the spatial boundaries of national parks, reserves and Gazetted Forests.

The Project supports the World Bank's Forest Action Plan (FAP).[20] The project covers the main interventions of the FAP's Focus Area 1 on Sustainable Forestry, namely "to protect and optimize the use of forest, both natural and planted, to sustain livelihoods, create jobs and economic opportunities in rural areas while preserving ecosystem services delivered by forests," as well as the cross-cutting themes of rights, participation, institutions and governance, climate change, and resilience. The project's strategic involvement in the forestry and agriculture sectors will strengthen the foundations for positive forest outcomes while improving living conditions and livelihoods of the targeted rural population.

The project's approach also embodies many of the United Nations (UN) Sustainable Development Goals (SDGs). Overall, the project interventions will contribute to poverty reduction (SDG-1: No Poverty) and inclusive and sustainable economic growth (SDG-8: Decent Work and Economic Growth). The project will promote sustainable forest management and reverse land degradation (SDG-15: Life on Land), and promote climate change action, awareness-raising, and human capacity in climate change mitigation and adaptation, which will increase the resilience of the rural population (SDG-13: Climate Action). It will also contribute to capacity building of local communities, enhancing multi-stakeholder partnerships to mobilize and share knowledge, expertise, and technology in the targeted forest areas while at the same time, encouraging and promoting effective partnerships with public, private, and civil society organizations (SDG-17: Partnerships for the Goals).

The project contributes directly to the Africa Climate Business Plan (ACBP), launched by the World Bank's President at the 21st Conference of the Parties (COP21) in Paris, specifically to the 'creating climate-resilient landscapes' cluster, for which Côte d'Ivoire is a key implementation partner on forest management. The objective of the ACBP is to help African countries access climate finance to scale up their action toward more sustainable practices and boost the resilience of their natural capital. In this pursuit, the World Bank is supporting country efforts to improve governance systems, address drivers of deforestation, and engage communities in sustainable forest management.

C. Proposed Development Objective(s)

The Development Objective is to conserve and increase the forest stock and improve access to sources of income from sustainable forest management for selected communities in target zones.

Key Results (From PCN)

The achievement of the PDO will be measured through the following indicators:

a. Targeted Gazetted Forest areas under sustainable management based on defined criteria [21](ha);
b. Net GHG emissions (tCO_{2eq});
c. Targeted forests dependent communities with increased access to income sources derived from sustainable GF management

[20] World Bank, Forest Action Plan (FY16-FY20). Retrieved from http://documents.worldbank.org/curated/en/240231467291388831/Forest-action-plan-FY16-20

[21] The criteria include : (i) the number of GF management plans developped ; (ii) adoption and implementation of agroforestry schemes and taungya taungya methods ; establishment of conservation areas in GF for natural regeneration of degraded lands, establishment of areas dedicated to production forests for timber and fuelwood

d. Satisfaction of target beneficiaries (level of engagement by gender and age per target area) (%).

D. Concept Description

Through the first phase of the Forest Investment Project (P162789), the World Bank has been supporting the Government with:

(i) the implementation of the CFI and the SPREF by undertaking the development of management plans for the largest Category 3 GFs (Goin-Débé, Rapides Grah and Haute-Dodo) in the cocoa belt with the view to granting concessions as agroforests to two private investors (Siat for Goin-Débé, and Olam for Rapides Grah and Haute-Dodo). The two investors have signed memoranda of understanding with the Ministry of Water and Forests to sign long-term concession agreements when the management plans are delivered (expected by mid-2021); and

(ii) the implementation of the SPREF by launching reforestation efforts in four highly degraded Category 4 GFs in partnership with forest-dependent communities.

The FIP-2 will scale up Bank support to the implementation of the CFI and the SPREF through:

(i) the development and implementation of additional management plans of selected GFs in the cocoa belt in four high priority "landscape sites"[22] (as depicted in the map below) targeted by Government for implementing the CFI. These sites have been selected by both the FIP 2 and the Cocoa Integrated Value Chain Development project (PDIC) to synergize Bank interventions under one single program in support to the Government strategy for sustainable cocoa production in line with the CFI and in collaboration with other partners intervening in the cocoa belt. The four "landscape sites" also constitute the carbon accounting area of the Results-based Emissions Reductions (ERs) Payment Project.[23] The concentration of investments in cocoa-based agroforestry creates a dual benefit, addressing the drivers of deforestation related particularly to cocoa-agriculture, while also enhancing the ERs potential and contribution to climate change mitigation.

(ii) a large-scale reforestation program in selected Category 4 GFs in the Center region in line with the Government aim to extend its forest cover from the current 11% to 20% by year 2040 as outlined in the SPREF. These GFs have been selected given their production potential for plantations and their limited human settlements (minimizing potential social risks).

The project is divided into four operational components:

(i) Development of Participatory GF Management Plans (MPs);

(ii) Support to the Implementation of the MPs in the cocoa belt in synergy with PDIC and the Private Sector

(iii) Support to Large Scale Reforestation Program in the Center Region;

(iv) Support to Sustainable Management of National Parks; and one administrative component for Project Management and M&E

[22] The GFs of Goin-Débé, Rapides Grah and Haute-Dodo are also located in these high priority landscapes

[23] The Emissions Reduction Purchase (ERP) project is the first jurisdictional large-scale REDD+ program which spans five contiguous regions in the Cacao belt in the Southwest of Côte d'Ivoire (Cavally, Nawa, San Pedro, Guémon, and Gboklè) across 4.6 million ha (more than 14 percent of the country), representing the ER accounting area

Environmental Safeguard

Intensification and agroforestry: this activity could necessitate the use of pesticides with negative impacts on the environment. To mitigate these risks, project beneficiaries, including cocoa farmers and forest-dependent communities involve with this activity will be required to apply good pest management approach in line with the Integrated Pest Management Plan (IPMP), in addition to adopting as much as possible alternatives to chemical pesticides (i.e. homologated biopesticides).

Development of participatory GFs management plans: development of management plans for GFs and their implementation are likely to result in environmental risks and impacts, as well as significant economic and social repercussions. In order to identify and mitigate potentially adverse impacts, Strategic Environmental and Social Assessments (SESAs) will be required. These assessments will take into consideration the cumulative and synergistic impacts of the initiatives underway and those to be undertaken in classified forest zones. Moreover, this process will set the framework for subsequent project environmental and social assessments such as ESIAs.

Establishment of productions forests for timber and fuelwood: These activities could take place in areas containing tangible and intangible cultural heritage, important to local communities (holy/secret sites such as sacred groves, sacred forests etc.). The implementation of these activities will be guided by Cultural Heritage Management Plan (CHMP) and the ESMF. In the event any intangible and tangible cultural heritage is identified or determined to be impacted during implementation, a "chance find" procedure will be followed. This procedure sets out how chance finds associated with the project will be effectively dealt in compliance with ESS 8 requirements. It will be included in all contracts relating to the project's activities. All works in and around the cultural heritage site will cease until the case is declared resolved by an expert possibly, and in accordance with relevant authorities.

The environmental management of the FIP 2 in Côte d'Ivoire will be based on the implementation of the safeguard instruments, namely, the Environmental and Social Management Framework (ESMF), the Pest Management Plan (PMP), and the Cultural Heritage Management Plan (CHMP) and the Strategic Environmental and Social Assessments (SESAs) as well as other safeguard instruments to be prepared during project implementation.

Social Safeguard

Sustainable management of forests through agroforestry, establishment of production forests and sustainable management of national parks: these activities will be implemented in line with the conservation needs of the GFs and forests management plans will be developed that could lead to a restricted access of natural resources including non-timber forest products for forest-dependent communities, which depend on these resources for their livelihoods. For farming individuals and communities this could also result in changes or losses of their livelihoods, if agroforestry activities are being conducted in GFs. Thus, management plans will need to be prepared in a participatory manner with forest riparian communities to ensure their continued access to forest resources and maintenance of their livelihoods. Moreover, recommendations from the social assessment to be conducted will need to be implemented to mitigate any potential impacts.

The project will develop a Resettlement Process Framework, as various of the activities will likely lead to the need for involuntary resettlement or restrictions in livelihood activities, both temporary and permanent due to the fact that project activities are being undertaking in Gazetted Forests category 1-3. Where these impacts occur, site specific Resettlement Action Plans will be prepared, funded by the Government, that will need to be implemented prior to commencing any related project activities. The compensation for the population will be calculated and paid in line with the Bank's ESS5.

Opportunity cost: The payment will need to take into account the individuals and communities' situation, as the payment needs to be at the same level or higher than their current livelihood, as otherwise there is a risk that the opportunity cost for the land will be too high and therefore people will not correctly participate. Therefore, the participatory plans that will be made, need to take into account the market value equivalent for payments and benefits, so that they are aligned with the actual livelihoods and needs of the people undertaking the conservation activities. Moreover, prompt payments are essential, as delayed payments can affect the credibility of the project and can deter people from participating. Therefore, payment schedules need to be clearly communicated and upheld. If this is not the case, then affected populations need to be informed promptly and an alternative payment schedule will need to be discussed.

Clear communication, information and inclusion of stakeholders is essential, so that all potential beneficiaries have the same access to information and understand the system to be put in place. The project will prepare a Stakeholders Engagement Plan (SEP), which outlines how all stakeholders will be engaged with but it is equally as important for the project to design an effective communication and awareness raising strategy for the project at the field level to ensure all project participants have the same knowledge. This strategy needs to take into account people's ability to read and write, the local languages and cultural appropriateness. It is also important that the project include women in these sessions and provide the necessary conditions for them to be able to participate. Community liaison officers will be deployed to conduct these sessions and the grievance mechanism will be made available to all project participants to be able to request more information. It's implementation will be monitored by a third party and project staff to ensure that all grievances registered and treated accurately.

As the project will be undertaking interventions with cacao communities, it will need to take into account the high incidences of child labor, particularly worse forms of child labor and trafficking that has been experienced in Gazetted Forests. The project will develop a labor management plan, which will include child labor and forced labor mitigation measures and it will also assist the Cocoa Integrated Value Chain Development (P168499) in implementing the child labor action plan developed for the areas of intervention.

Safeguards implementation. Responsibility and oversight of the FIP 2 overall compliance with national and World Bank Environmental and Social Standards will sit with the environmental and social specialists of the UIAP. They will work in close collaboration with the National Environmental Protection Agency (*ANDE: Agence Nationale de l'Environnement*) responsible for ensuring compliance of the FIP 2 activities in line with the national legislation. ANDE will conduct periodic monitoring of project's compliance with proposed mitigation measures using the National Safeguards Information System prepared under the FCPF-Readiness. ANDE will also receive guidance and technical support from the World Bank environmental and social safeguard specialists based in the Abidjan country office.

Capacity-building efforts to support project implementation will be done by adopting recommendations contained in the safeguard instruments prepared for the program. UIAP and ANDE will receive trainings from the World Bank environmental and social specialists based in the Abidjan country, for the implementation of ESS1 (Assessment and Management of Environmental and Social Risks and Impacts); ESS2 (Labor and Working Conditions); ESS3 (Resources Efficiency and Pollution prevention and Management); ESS4 (Community Health and Safety); ESS5 (Land Acquisition, Restrictions of Land Use, and Involuntary Resettlement); ESS6 (Biodiversity Conservation and Sustainable Management of Living Natural Resources); and ESS10 (Stakeholder Engagement and Information Disclosure). In addition, community liaison officers will be mobilized at the local level to support the implementation and monitoring of the stakeholder engagement plan and the communication strategy. The effectiveness of these community liaison officers will be reviewed periodically by ANDE with support from the Safeguards unit of UIAP with their activities being included in the

reporting for the Bank. A GRM has been developed for the REDD+ mechanism in 2016 with contribution of all relevant stakeholders and also for the FIP, building on existing administrative and traditional complaint resolution committees and mechanisms at different scales (these are listed below). The mechanism put in place will be expanded for the FIP 2 as it is an instrument for the implementation of the REDD+ mechanism. The GRM will need to be made available to the communities prior to starting any project activities. The GRM will need to be monitoring following its establishment to verify if the mechanism has been put in place correctly and that all people are aware of how to use it and have access to it. The community liaison officers must raise awareness of the GRM, providing specialist assistance to those who are vulnerable, illiterate or unable to access the GRM independently. In total there are six levels for handling grievances for the project which include:

- Level 1: Village Complaint Management Committees, which are set up in the villages, where REDD+ activities are carried out. They are chaired by village chiefs.
- Level 2: Traditional Complaints Management Committees that are set up in Cantons, tribes or kingdoms where REDD+ activities are taking place. They are presided, as the case may be, by the Canton Chief, the Chief of Tribe or the King.
- Level 3: The Sub-prefectural Complaints Management Committees that are set up at the sub-prefecture chief town in each REDD+ intervention zone. They are presided over by the Sub-Prefects and include all the local actors who are involved in the management of natural resources.
- Level 4: The Departmental Complaints Management Committees, which are installed the Chief town of the department where REDD+ activities take place.
- Level 5: The Regional Complaints Management Committees, which are located in the Chief Place of the region where REDD+ activities are taking place.
- Level 6: The National REDD+ Steering Committee, which is the supreme body chaired by the Prime Minister.

Legal Operational Policies	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

Summary of Screening of Environmental and Social Risks and Impacts

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APPROVAL

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