Funding Proposal

SAP015 : Promoting zero-deforestation cocoa production for reducing emissions in Côte d'Ivoire (PROMIRE)

Côte d'Ivoire| Food and Agriculture Organization of the United Nations (FAO) | Decision B.26/02

21 August 2020
Promoting zero-deforestation cocoa production for reducing emissions in Côte d’Ivoire (PROMIRE)

Côte d’Ivoire

Climate Change Office (Bureau des Changements Climatiques, BCC), Minister of Environment and Sustainable Development, Tiangoua KONE

Food and Agriculture Organization of the United Nations

2019/11/08

This code is assigned to each project upon first submission of a Concept Note or Funding Proposal and remains the same throughout the proposal review process. If you have submitted this project/programme previously please indicate the GCF code here.
## A. PROJECT/PROGRAMME SUMMARY

### A.1. Has this FP been submitted as a SAP CN before?
- Yes ☒
- No ☐

### A.2. Is the Environmental and Social Safeguards Category C or I-3?
- Yes ☒
- No ☐

### A.3. Project or programme
- ☒ Project
- ☐ Programme

### A.4. Public or private sector
- ☒ Public sector
- ☐ Private sector

### A.5. RFP
- Not applicable

### A.6. Result area(s)
Check the applicable GCF result area(s) that the proposed project/programme targets. Indicate for each checked result area(s) the estimated percentage of GCF budget devoted to it. The summed up percentage should be equal to 100%.

**Mitigation:** Reduced emissions from:
- ☐ Energy access and power generation: Enter number %
- ☐ Low emission transport: Enter number %
- ☒ Buildings, cities and industries and appliances: Enter number %
- ☒ Forestry and land use: **100** %

**Adaptation:** Increased resilience of:
- ☐ Most vulnerable people and communities: Enter number %
- ☐ Health and well-being, and food and water security: Enter number %
- ☐ Infrastructure and built environment: Enter number %
- ☐ Ecosystem and ecosystem services: Enter number %

### A.a. Total investment (GCF + co-finance)
- Amount: **11,754,000** USD

### A.a.1 Total GCF funding requested
- Amount: **10,000,000** USD

### A.b. Type of financial instrument requested for the GCF funding
- ☒ Grant
- ☐ Loan
- ☐ Equity
- ☐ Guarantees
- ☐ Others:

### A.7. Implementation period
- Indicate the number of years the project/programme is expected to be implemented.
- (i.e. From the effective date of the Funded Activity Agreement to the Completion Date)
- 5 years (60 months)

### A.8. Total project/programme lifespan
- 20 years

### A.9. Expected date of internal approval
- 7/11/2019

### A.10. Executing Entity information
- Food and Agriculture Organization of the United Nations and the Republic of Côte d'Ivoire, represented by the Ministry of Environment and Sustainable Development (MINEDD)

### A.11. Scalability and potential for transformation (Eligibility for SAP, max. 100 words)

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1 This fields will be automatically calculated in the OSS system
2 Senior loans and subordinated loans
This project’s activities will build on the results and lessons of the REDD+ pilot project in La Mé (budget of € 2.5 m from AFD), which supported the activities of the La Mé Cooperative of Organic Cocoa Producers (Coopérative des Producteurs de Cocoa Biologique de la Mé) from 2017 to 2019. This pilot project developed effective and sustainable models for organic, fair trade cocoa production based on a zero deforestation production approach, which benefits small producer members of the cooperative. The proposed Green Climate Fund (GCF) project will generate a paradigm shift through the scaling up of these innovative agroforestry models, zero deforestation agriculture and organic cocoa production. The project is aimed at reducing GHG emissions while also providing adaptation co-benefits. The adoption of these low-carbon emission agricultural practices by communities will lead to increased value added per hectare, increased diversification of livelihoods and independence from public funds, particularly by better connecting smallholder farmers to financial institutions. Low-carbon emission agricultural practices will be implemented on 3,650 ha of land, 7,550 individuals (30% of whom are female), and three cooperatives (one per region), stand to benefit directly; 600,000 smallholder farmers stand to benefit indirectly. Furthermore, support to the operationalization of the REDD+ mechanism in the target area will also enable subsequent replication of activities and good practices in other regions to achieve national coverage as recommended by the REDD+ National Strategy, validated in November 2017 (REDD+ NS) and the National Investment Framework (NIF).

A.12. Project/Programme rationale, objectives and approach (max. 300 words)

Côte d'Ivoire currently has one of the world’s fastest rates of deforestation and forest degradation, with only 2.77 million hectares of remaining forest and almost no pristine forest outside the national parks. According to the Forest Reference Emission Level for Côte d'Ivoire (FREL), national forest cover was at 7.8 million hectares in 1990, 5.09 million in 2000 and 3.4 million in 2015. Current estimates indicate that 250,000 hectares of forest were lost every year between 1990 and 2015, which is a loss of 4.32% per year for the period 1990–2000 and 2.69% for 2000–2015. Greenhouse gas (GHG) emissions from land use, land-use change and forestry (LULUCF) were estimated at 5.5 million tCO2 eq in 2014, which represents approximately 13.75% of total national GHG emissions.

Agriculture contributes to 62% of deforestation, of which 38% is driven by cocoa production; Côte d'Ivoire is in fact one of the world’s leading cocoa producers. Despite deforestation-free cocoa commitments made during COP 23 in 2017 by leading chocolate companies and states through programmes such as the Cocoa and Forests Initiative, the trend continues even inside protected areas and National parks. This loss of forest cover has a significant effect on climate, people and crops. Tropical rainforests are essential for climate change mitigation, as they absorb CO2 from the atmosphere and store carbon in their vegetation and soil. They also provide key adaptation co-benefits, such as promoting favorable microclimates, decreasing soil erosion, increasing the soil’s ability to absorb and retain water, producing nutrients for plants, maintaining high levels of organic matter in the soil, and moderating soil temperatures. This is particularly relevant in Côte d'Ivoire, a country which is classified among the most vulnerable countries to climate change (145th out of 178 countries according to the ND-GAIN index). Côte d'Ivoire is in fact significantly affected by increasing temperatures and decreasing rainfall (see section B.1.). These climatic variations result in reduced soil fertility and increased water scarcity, conditions that are extremely detrimental for cash crops and food crops, including cocoa production. In Côte d'Ivoire, as in many developing countries, local communities extract raw products from forests and are highly dependent on climatic variations, particularly for family farming that supports their livelihoods.

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3 Côte d'Ivoire Forest Reference Emission Level, 2017.
4 Bureau National d'Etudes Techniques et de Développement (BNEDT) & Ecterra. 2016. Qualitative study of factors in deforestation and degradation of forests broken down by agro-ecological area.
5 Côte d'Ivoire Forest Reference Emission Level, 2017.
6 https://www.climatewatchdata.org/countries/CIV
7 Ibid BNEDT & Ecterra.
8 https://www.worldcocoafoundation.org/initiative/cocoa-forests-initiative/
In its Nationally Determined Contribution (NDC), Côte d’Ivoire has committed to reducing its GHG emissions by 28% compared to the baseline scenario by 2030 (see section 2.2 of the pre-feasibility study). REDD+ is a key mechanism to achieve this ambition, as the REDD+ NS aims to reduce deforestation by 80% compared with 2015 and to restore 5 million hectares of forest by 2030.\(^9\) In order to fast-track the implementation of low carbon investments in the forestry and land use sector, the Government is also engaged in an ambitious zero deforestation agriculture policy (2016).

The Government has committed significant domestic resources, and has worked closely with bilateral and multilateral donors to reach its current level of REDD+ readiness and ability to transform its forest and agricultural sectors. However, capacity and funding needs remain. In fact, although significant progress has been made in the development of the national REDD+ architecture, the REDD+ readiness phase is not yet complete and is facing some challenges. The main technical and financial support provided by partners dedicated to the REDD+ readiness phase (specifically the UN-REDD National Program and the FCPF/WB) ended in 2019. With no plan for additional funding to finalize and operationalize the elements of the Warsaw Framework, the GCF is the only financial partner who would finalize it as part of this project’s first component.

GCF resources (grant) for the project will be used to overcome the Government’s constraints to source public funding to invest in measures needed to reduce deforestation and forest degradation. The project will first finalize and operationalize the REDD+ architecture by building the institutional capacities to ensure effective implementation of the tools at national and subnational levels. At the same time, it will support a new agricultural model to begin a transitional path towards a low-carbon economy (see section 3.5 of the pre-feasibility study) and effectively implement zero deforestation agriculture. To achieve this, 3,650 ha of agroforestry systems will be established, and 1,500 ha of forest will be restored, thus generating a direct and indirect reduction in carbon emissions of 5.5 million tCO\(_2\) eq over the life of the project.\(^10\) Agroforestry will reduce pressure on forests by supporting smallholder farmers to increase their income whilst ensuring food security and fuelwood needs. This will lead to an improvement in livelihoods, reversal of deforestation trends,\(^11\) and co-benefits for climate adaptation. This initiative offers the opportunity to provide concrete support to agriculture, one of the pillars of the REDD+ NS, and to initiate the necessary transition towards a green and low-carbon economy.

Funding from the GCF will be a catalyst for the REDD+ implementation phase and for leveraging additional funds for the activities budgeted in the NIF. It will allow the Government to optimize future partnerships with the private sector thanks to leverage financing (see section 3.4 of the pre-feasibility study), and will help smallholder farmers obtain sustainable financial tools to end their dependence on public subsidies (see section B2 and pre-feasibility study section 3.4), thus allowing the low-carbon agricultural model to slowly become autonomous through its own investments. Grant funding is necessary for the rural population targeted by the project, which has neither the financial resources nor guarantees to repay a loan, but also to overcome the major financial constraints on the Government, which is barely implementing its own public policies due to insufficient resources.

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\(^10\) Estimations from evaluations using the Ex Ante Carbon-balance (EX-ACT) tool developed by FAO.
\(^11\) See section B.1.
B. PROJECT/PROGRAMME DETAILS

B.1. Context and baseline (max. 500 words)

Côte d’Ivoire faces a forest crisis given its extremely high level of biodiversity, and the population’s dependence on forest products (Myers et al., 2000). Expansion of cash crops is the main direct driver of deforestation due to its economic attractiveness. A 2016 report (BNEDT and Ecterra) provides an analysis of the deforestation drivers by major agro-ecological zones. For the south-east agro-ecological zone which includes La Mé, Agneby Tiassa and Sud-Comoe regions, the most important drivers of deforestation are agricultural expansion (especially cocoa, rubber, and palm oil), logging (mostly for charcoal production), and urbanization and informal mining (BNEDT and Ecterra, 2016). The proportion of these direct drivers in this area reflects national trends, with the exception of palm oil agriculture (responsible for 20% instead of 7% at the national level), and charcoal production because of demand in Abidjan (see more details in section 3.3 of the pre-feasibility study).

Agriculture accounts for 62% of deforestation, of which 38% is due to cocoa production (BNEDT and Ecterra, 2016). Côte d’Ivoire is the world’s leading cocoa producing country with an average production of 2.15 M tonnes in 2018/201912, representing about 32% of global offer.13 More than 75% of cocoa is produced in the south-west region where the most fertile forest areas are found. Only 30% of production is processed locally, the rest being exported.

In the targeted regions of Agnéby-Tiassa, La Mé and Sud-Comoé, massive deforestation is driven by land clearing to produce full-sun cocoa rather than growing shaded cocoa. Small producers lacking land tenure security often look for quick returns based on limited time horizons, and practicing shaded cocoa often results in a delayed first yield, which limits its attractiveness for adoption by local communities. In this context, slash-and-burn agriculture is often perceived as the cheapest and easiest way to proceed, to the detriment of the forests.

Cocoa production remains concentrated among vulnerable small producers. Cocoa farming is essential to the livelihoods of two million producers in Côte d’Ivoire: It provides 70% to 100% of the producers’ annual income and accounts for about 1/3 of the international producer workforce – nearly 9% of the population of Côte d’Ivoire. Low-income smallholder farmers remain mostly unorganized and lack secure land tenure. Women are particularly vulnerable as a result of weaker land tenure rights and less access to assets, inputs and services (see gender assessment). Additionally, smallholder farmers depend on rain-fed agriculture for their livelihoods, which increases their vulnerability to climate change.

In fact, according to the ND-GAIN Country Index,14 Côte d’Ivoire is among the most vulnerable countries to climate change, ranked 145th out of 178 countries for vulnerability and readiness. The country is in urgent need of investment in readiness and support to implement climate-responsive actions. At both the national and local level, rainfall decreased by 23% to 29% between 1940 and 2010, and temperatures increased by 1.6 degrees between 1960 and 2010 (Yao et al., 201315). This reduction in rainfall is attributed to the massive destruction of forests.16 Projections also indicate a mean temperature increase of 2°C for the whole country, with a peak of 3.5°C in January. Moreover, rainfall variations are expected to decrease by 9% for the April–May period, and increase by a similar amount in October (World Bank, 2018).17 The main impacts of climate change in Côte d’Ivoire are increased water scarcity and more intense droughts. Since average temperatures in Côte d’Ivoire are projected to increase because of climate change, evapotranspiration, and thus plant water demand, are also expected to increase, leading to increased drought stress of cocoa trees, especially during the dry season and in particularly dry (El Niño) years.

Climate change will, indeed, increasingly affect the climatic suitability for cocoa production in Côte d’Ivoire. This will, in turn, affect global cocoa output as well as the national economy and farmers’ livelihoods. Forests and natural habitat will also be at risk, as cocoa growing regions expand, shrink or shift. The NDC18 indicates that climate change will have a significant impact on cocoa production with financial losses estimated at USD 202 million and a 10% (estimated also

14 https://gain-new.ccrd.nc.edu/ranking
18 https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/C%C3%B4te%20d%27Ivoire%20First/INDC_CI_22092015.pdf
at 20% by Dje K.B., 2007) reduction in production by 2020, resulting from increased temperatures and decreased soil fertility (see section 3.1 of the pre-feasibility study).

The Government recognizes the importance of forests to tackle climate change mitigation and acknowledges its potential for climate change adaptation. Tropical rainforests play an important role in the fight against climate change because of the high carbon densities stored in their vegetation and soil, but also because of their potential to absorb CO2 from the atmosphere, as such contributing to climate change mitigation. Agroforestry systems in particular in Africa constitute the third largest carbon sink after primary forests and long-term fallows and are one of the most conspicuous land use systems across landscapes and agroecological zones in Africa. Forests and agroforestry systems also present important adaptation co-benefits: promoting favourable microclimates, decreasing soil erosion, increasing the soil’s ability to absorb and retain water, producing nutrients for plants, maintaining high levels of organic matter in the soil, and moderating soil temperatures.

REDD+ mechanism in Côte D’Ivoire:
The country has committed to reducing its GHG emissions by 28% compared to the business as usual scenario (NDCs), has and has expressed interest in moving towards an ambitious REDD+ implementation phase in order to achieve its targets. Côte d’Ivoire has been involved in the REDD+ mechanism since June 2011, and REDD+ is one of the instruments that the country wishes to mobilize to achieve its GHG emission reduction objective (see Section A). The country has committed significant domestic resources to these efforts, and has received support from several technical and financial partners since 2011 (see Section 2.2 of the pre-feasibility study), thus laying the preliminary foundations for a future system of results-based payments (RBPs).

However, despite these efforts from the Government and partners, capacity and funding needs remain. Previous interventions did not reach the stage of RBPs because the readiness phase had not been achieved. In fact, funds mobilized for this readiness phase were insufficient to achieve results. To date, there are no accurate national estimates of Emission Reductions (ERs), and the technical annex of the Biennial Update Report (BUR) has not yet been submitted to the United Nations Framework Convention on Climate Change (UNFCCC). Continuation of the preparation process faces additional constraints. For example, the bulk of the support from technical and financial partners for the REDD+ readiness phase ended in 2019, and the country requires additional funds to finalize the architecture of the REDD+ mechanism and the elements recommended by the Warsaw Framework to start its operationalization (see Table 1). Technical and financial partners of the Republic of Côte d’Ivoire currently provide sporadic support for the REDD+ readiness phase, primarily for technical training. The country also needs additional funds for the finalization and operationalization of REDD+ tools. Amongst them, National Investment Framework needs to be revised as a result of the adoption of a new forest code in July 2019, which stress forest preservation, rehabilitation and extension strategy as well as actions taken by the government to mobilize technical and financial partners to accompany its implementation. Furthermore, certain institutional aspects of REDD+ still need to be consolidated at different levels. The legal framework on carbon rights and the transfer of carbon titles within the context of the benefit sharing plan still need to be established and the REDD+ fund management structure needs to be finalized (see Section 2.2 of the pre-feasibility study for gaps).

Table 1. State of the Warsaw Framework in Côte d’Ivoire in 2019

<table>
<thead>
<tr>
<th>Warsaw REDD+ elements</th>
<th>In place</th>
<th>To be finalized</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Strategy or Action Plan</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>A National REDD+ Strategy was formulated in 2016 with the goal to reduce deforestation by 80% compared to the 2015 baseline in classified forests and protected areas and the restoration of 5 million hectares of degraded land by 2030.</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>National Forest Reference Emission Level/Forest Reference Level</td>
<td>☒</td>
<td>☐</td>
</tr>
</tbody>
</table>


21 The country is aiming for GCF RBP pilot programme but will also think about selling carbon credits on private market. To be noted that for the FCPF, emissions reductions are already the ownership of the FCPF Carbon Fund and will be deducted from the national account.
A Forest Emission Reference Level was submitted to the UNFCCC in 2017. An updated version of the national FREL is planned by Jan 2022, with sub-national estimates.

National Forest Monitoring System ☒ ☐
The NFMS is in place. It will be operationalized, improved and adapted to subnational/local needs.

Safeguard Information System ☐ ☒
The safeguards information system is under development.

Most Recent Summary of Safeguard Information ☒ ☐
The summary of safeguards information was submitted to the UNFCCC in 2019.

Zero deforestation agriculture:
In order to fast-track the implementation of low carbon investments in the forestry and land use sector, the Government is also engaged in an ambitious zero-deforestation agriculture policy (2016)22. Zero deforestation agriculture has been defined in Côte d’Ivoire as ‘an intensive agriculture in rural land, which preserves parks, reserves, gazetted and sacred forests, contributes to the restoration of forest cover through agroforestry, is resilient to climate change and respects communities’ human rights while improving their livelihoods’ (Ministère de l’Agriculture et al., 2015).

Zero deforestation agriculture in Côte d’Ivoire aims to stop the deforestation generated for the production of agricultural commodities by 2025, mainly in the permanent domain of the state (protected areas and classified forests) while improving agricultural productivity in rural areas, the conservation of biodiversity and improving the living conditions of producers, including by contributing to the national effort to replenishment of forest cover.

Private sector engagement in zero-deforestation cocoa production:
Efforts towards accelerating low carbon investments have also been made by the private sector in Cote D’Ivoire, particularly by companies involved in the Cocoa and Forest Initiative.23 This initiatives includes 54 companies such as Mars Inc, Ferrero Group, Mondelēz International, Meiji Co Ltd, Hershey Co, Nestlé SA, Lindt & Sprüngli AG, Ezaki Glico Co Ltd, Pladis and Kellogg Co. The CFI is an active commitment of top cocoa-producing countries part of the WCF to end deforestation and restore forest areas through no further conversion of any forest land for cocoa production. The agreement committed the participating companies to develop and present a joint public-private framework of action named Joint Framework of Action of the Cocoa & Forest Initiative24 to address deforestation.

To deliver the commitments set out in the Joint Framework of Action of the Cocoa & Forest Initiative, the WCF companies agreed to develop a detailed individual action plan that spells out the specific actions to be taken during the 2018-2022 period. The CFI companies, the government of Côte d’Ivoire and national stakeholders, have also agreed to start planning the second phase of the action plan covering the 2021-2030.25 (see Section 2.2. of the pre-feasibility study for more details). As for now, private sector companies are reticent to invest in zero-deforestation cocoa production activities as they expect to be provided by evidence and concrete examples from the field and at local producers’ level. PROMIRE project will bring this experience and evidence and to serve as input for the second phase of the abovementioned action plan.


23 http://www.worldcocoafoundation.org/cocoa-forests-initiative/ . PROMIRE activities will be included in this initiative.


25 http://www.worldcocoafoundation.org/cocoa-forests-initiative/


27 Discussions on the second phase were expected to take place in April 2020 but have been postponed to June 2020 due to the current COVID-19 emergency.
Microfinance institutions engagement in zero-deforestation cocoa production:

There are several microfinance institutions (MFIs) in Côte d'Ivoire. These institutions mainly operate in agriculture, trade and services. According to the database published by the Directorate of Regulation and Supervision of Decentralized Financial Systems of the Ministry of Economy and Finance, there are 11 institutions operating in the project area (see details in the pre-feasibility study). While most of these MFIs cover only one or two regions, three institutions work across the three regions: Union Nationale Des Coopec De Côte d'Ivoire (UNACOOPEC); Réseau des Caisses Mutuelles d'Epargne et de Crédit (RCMEC); and CELPAID-Finances SA. All of these MFIs provide financial services for the agriculture, forestry and fisheries sectors, which require a sufficient level of cash to take into account operating cycles and climate shocks. However, while MFIs provide financial services for the agriculture, forestry and fisheries sectors, these are not adapted to the specific conditions and constrains of the forestry and agroforestry sectors, in particular the cocoa subsector. Financial products have to, as such, better match Ivorian cocoa farmers' needs, especially to help them manage irregular incomes.

As an example, CECKA (in La Mé region) is working in the following development areas: school loans, investment, plantations with reforestation, vegetable crop production, commercial solidarity, and agricultural loans. Conditions for loans are that (a) one has to be a member of the institution (have an account with it), and (b) one benefits from the first loan three months after joining the MFI. The credit provided depends on the formulas chosen: 15% and a duration of 12 months for agriculture, and 15 months for reforestation. The maximum amount is normally USD 8,250, but customers with a bank account can benefit from loans exceeding that amount if they are in the position to do so. Moreover, customers with a savings account can benefit from a loan equivalent to double their savings. It should be noted that loans are more easily obtained if the customer is a cooperative.

Advans supports the improvement of agricultural production through the adoption of sustainable agricultural practices. Credit starts from USD 300 and goes up to USD 300,000. The interest rate for loans is 1.6% per month, and is declining (interest is calculated on the remaining due amount, and not on the initial amount). For Advans cocoa credit, loans range from USD 8,000 to USD 170,000, with a maximum duration of 10 months. The interest rate is 1.33% per month on borrowed capital. There are some requirements to be met for a loan, such as a credit signature to fill the request, and information on the cooperative to assess farmers’ requests and to identify documents to open the account (number of members wishing to benefit from the loan, past cocoa tonnages, cocoa tonnages planned for the year, banking history, number of hectares of desired inputs). Advans has also developed a product called "cocoa credit", which meets farmers’ needs for production inputs and processing equipment. This product has not been tested nor implemented yet.

Despite political will and investments from different partners in progressing in REDD+ and low carbon agriculture, the country is still challenged by barriers for REDD+ implementation through zero-deforestation agriculture. In particular the barriers are as follows:

Social/Governance barriers
- Weak/nonexistent land tenure rights and plans: In Côte d'Ivoire, smallholder farmers (especially women smallholders) lack secure land tenure rights, and land-use plans are not developed. It is essential to ensure that plots are delimited and secured, as reforestation is a long-term process – species grow at different speeds and native species will need more time to grow. Moreover, securing land ownership is essential to attract investment and implement actions in the long-term.
- Lack of organization and association of productive activities.
- Weak enabling policies and legal framework.

Technical/knowledge barriers
- Insufficient skills and experience in agroforestry and restoration among smallholders.
- Unsustainable agricultural practices (i.e. slash-and-burn farming and agricultural expansion are widespread in forests).
- Weak financial skills.

Financial barriers
REDD+ projects are being developed by partners and future investments will be mobilized within the context of blended National Park Management Support project in the south-west (Projet d’Appui à la Gestion du Parc National de Taï).

The mission Reduction ER -Programme (FCPF), Forest Investment Programme (FIP), and other potential a total budget of USD 5 million, of which USD 554,000 will be used for the PROMIRE project as co-financing. The action areas are largely in rural areas and will benefit forest - territory over time (see Section E5). FIP is another REDD+ initiative with the double objective of restoring forest areas and making forest management more sustainable. The action areas are largely in rural areas and will benefit forest - territory over time (see Section E5). FIP is another REDD+ initiative with the double objective of restoring forest areas and making forest management more sustainable. The action areas are largely in rural areas and will benefit forest - territory over time (see Section E5). FIP is another REDD+ initiative with the double objective of restoring forest areas and making forest management more sustainable.

The PROMIRE project will build on experiences and draw on lessons learned from past projects – e.g. AFD project in La Mé, FCPF readiness fund, FIP and others. It will also seek complementarity with ongoing initiatives (e.g. GEF FOLUR), and will remove financial, technical and institutional barriers to allow for additional resources (public, private and results-based payments) to flow to and to scale up sustainable and zero-deforestation agriculture and forestry approaches. This project is in fact part of an essential step in scaling up REDD+ activities and finalizing the Warsaw Framework necessary for national coordination of the REDD+ process (mandate of the REDD+ Permanent Executive Secretariat – SEP REDD); the long-term objective of scaling up actions that aim to effectively reduce the country’s GHG emissions will thus contribute fully to achieving the country’s NDC objectives. To this end, the country has adopted a phased approach. Following implementation of the pilot projects, including in the La Mé region, the country will implement the first phase of the project in coordination with other projects funded by other partners. One example is the “Scaling up Cocoa-based Food Systems, Land Use and Restoration Transformative Innovations in Côte d’Ivoire - SCOLUR-CI” project, implemented by FAO and funded by the GEF FOLUR program with a total budget of USD 5 million, of which USD 554.000 will be used for the PROMIRE project as co-financing. The SCOLUR-CI project, which is currently being formulated, will target 9 regions in the east and west and will extend the activities of this project in the only common region (La Mé), with complementarities which will progressively contribute towards the scaling up of successful experiences.

The second phase will consist of further extending REDD+ interventions to the national level. The “REDD+ project in the Republic of Côte d’Ivoire: Forest restoration, reforestation and reduced deforestation through zero deforestation agriculture” project, already submitted to the GCF, will be part of this second phase, as well as the future RBPs that the country will submit to the GCF in 2021 (based on rough national estimates of 15M tCO2eq for the period 2015–2017). The Emission Reduction ER-Programme (FCPF), Forest Investment Programme (FIP), and other potential REDD+ projects are being developed by partners and future investments will be mobilized within the context of blended finance. The geographical complementarity of these interventions is preferred in order to be able to cover the national territory over time (see Section E5). FIP is another REDD+ initiative with the double objective of restoring forest areas and making forest management more sustainable. The action areas are largely in rural areas and will benefit forest-dependent communities through sustainable forest management. FIP will be implemented through two projects: The Forest Capital Restoration project in the center of the country (Projet de Restauration du Capital Forestier), and the Tai National Park Management Support project in the south-west (Projet d’Appui à la Gestion du Parc National de Tai).

Lack of access to income-generating, low-carbon activities: To generate income quickly, cocoa is usually cultivated using slash-and-burn farming. Forest is cut down and burned before planting, and then, when the plot becomes infertile, the farmer moves to fresh forestland and repeats the production practice. This is mostly because, currently, smallholder farmers do not have alternative and sustainable livelihood options in the forestry and agroforestry sector. Weak access to financial systems: Despite the importance of cocoa production in the country, the supply of financial services to farmers is still limited and is not adapted to the specific conditions of the cocoa sector. In addition, farmers are usually paid in cash when receiving their payment during the harvest. Managing this cash flow can be a challenge and undoubtedly poses risks, as the income earned needs to cover all the year’s expenses. Few farmers have access to banking institutions, making it difficult for them to save their earnings or to ask for a loan. Farmers may turn to friends and family for loans (Lonie et al., 2019) when emergency cash is needed and when they are unable to save enough to cover the year’s household expenses.

The PROMIRE project will build on experiences and draw on lessons learned from past projects – e.g. AFD project in La Mé, FCPF readiness fund, FIP and others. It will also seek complementarity with ongoing initiatives (e.g. GEF FOLUR), and will remove financial, technical and institutional barriers to allow for additional resources (public, private and results-based payments) to flow to and to scale up sustainable and zero-deforestation agriculture and forestry approaches. This project is in fact part of an essential step in scaling up REDD+ activities and finalizing the Warsaw Framework necessary for national coordination of the REDD+ process (mandate of the REDD+ Permanent Executive Secretariat – SEP REDD); the long-term objective of scaling up actions that aim to effectively reduce the country’s GHG emissions will thus contribute fully to achieving the country’s NDC objectives.

To this end, the country has adopted a phased approach. Following implementation of the pilot projects, including in the La Mé region, the country will implement the first phase of the project in coordination with other projects funded by other partners. One example is the “Scaling up Cocoa-based Food Systems, Land Use and Restoration Transformative Innovations in Côte d’Ivoire - SCOLUR-CI” project, implemented by FAO and funded by the GEF FOLUR program with a total budget of USD 5 million, of which USD 554.000 will be used for the PROMIRE project as co-financing. The SCOLUR-CI project, which is currently being formulated, will target 9 regions in the east and west and will extend the activities of this project in the only common region (La Mé), with complementarities which will progressively contribute towards the scaling up of successful experiences.

The second phase will consist of further extending REDD+ interventions to the national level. The “REDD+ project in the Republic of Côte d’Ivoire: Forest restoration, reforestation and reduced deforestation through zero deforestation agriculture” project, already submitted to the GCF, will be part of this second phase, as well as the future RBPs that the country will submit to the GCF in 2021 (based on rough national estimates of 15M tCO2eq for the period 2015–2017). The Emission Reduction ER-Programme (FCPF), Forest Investment Programme (FIP), and other potential REDD+ projects are being developed by partners and future investments will be mobilized within the context of blended finance. The geographical complementarity of these interventions is preferred in order to be able to cover the national territory over time (see Section E5). FIP is another REDD+ initiative with the double objective of restoring forest areas and making forest management more sustainable. The action areas are largely in rural areas and will benefit forest-dependent communities through sustainable forest management. FIP will be implemented through two projects: The Forest Capital Restoration project in the center of the country (Projet de Restauration du Capital Forestier), and the Tai National Park Management Support project in the south-west (Projet d’Appui à la Gestion du Parc National de Tai).

28 There is no political or regulatory provision at the agricultural production sector level that aims to avoid land clearing by fire during the installation of crops. Coaching services just focus on good cultivation practices. The new Forest Code approved in July 2019 provides specific regulations for the protection of forests requiring prior authorization for deforestation and land clearing in its articles 45 and 47, in the private forest environment, and in article 46 in the public forest domain. The implementing decree developing article 47 is in the discussion phase within the government, as of the beginning of 2020 and will be approved in the first semester with binding measures for deforestation and clearing by slash and/or burn. Although it mentions activities likely to cause deforestation in these areas, there is nothing specific about slash and burn agriculture being restricted and/or punished if found.


30 GCF Projects and FAO-GEF projects are distinct, but they are complementary. The PROMIRE project will also be considered as co-financing for the SCOLUR-CI project. No double accounting is foreseen.

Access to results-based financing requires investment in deforestation-free agriculture, sustainable forest landscape management and the creation of an enabling environment. The FAO project will implement activities targeting zero deforestation agriculture in the cocoa sector to achieve concrete results in emission reductions. Component 2 will greatly benefit from successful practices implemented under the REDD+ pilot project in La Mé. The main lesson drawn from the project in La Mé concerns the sustainability of its models, which are threatened by overdependence on public funds. Lessons from the implementation of this pilot project are detailed in the pre-feasibility study (see Section 3.2). The project will therefore consolidate and scale up these successful initiatives through concrete actions accompanied by consolidation of the enabling framework and the technical and institutional capacities of the different stakeholders, taking gender equality concerns into account.

B.2. Project/Programme description (max. 1,000 words)

The project’s general objective is to contribute towards the reduction of GHG emissions through the implementation of the REDD+ mechanism, thus enabling Côte d’Ivoire to access results-based payments. The project is broken down into two components and targets three regions (Agnéby-Tiassa, La Mé and Sud-Comoé, see map below). Thirty villages have been chosen according to the following criteria:

- Ongoing pre-existing initiatives related to the project objectives – continuity and complementarity of actions initiated by the REDD+ project or REDD+ aligned projects, such as the La Mé REDD+ Pilot Project, “Partnership For Forests” project, “Sustainable agricultural chain values of Côte d’Ivoire (FADCI)” programme under its sub-component “Support for National Parks and reserves of Côte d’Ivoire” implemented in Sud-Comoé.
- Intervention area of the PAMOFOR project (Projet d’Amélioration et de Mise en Œuvre de la Politique Foncière Rurale de Côte d’Ivoire), which will support rural certification activities as parallel financing.
- Environmental criteria:
  - Location of well or moderately preserved forests;
  - Proximity of protected areas and fragile ecosystems (mangroves) and priority of the Government for their conservation;
  - Low environmental and social risks;
  - Agricultural activities identified as the main drivers of deforestation and forest degradation, and potential expansion of agriculture using remaining forest area;
  - Climate change impacts which are felt by, and affect the activities of local communities (e.g. reduction and/or irregularity of rainfall, increased temperatures);
  - Vulnerability of areas to erosion.
- Social criteria:
  - Demography (village size) and village formation;
  - Household income level and household dependency on forest resources;
The pre-feasibility study provides a detailed description of the reference level, status and deficiencies of the Warsaw Framework in Côte d’Ivoire.

These technicians are already identified as they have been/are involved in the REDD+ process in Côte d’Ivoire.

- Geographic criteria:
  - Existence of local structures (associations, civil society organizations, etc., and especially women's associations) which can be enhanced and strengthened by the project to achieve its objectives. In the three regions, cooperatives or associations implemented by women range from cocoa production to food crop production, including Attiéked production and fish smoking. A few women's organizations, or those led by women, have been identified for each region;
  - Vulnerability of local communities to the effects of climate change;
  - Strong demand from local communities given the observed effects of climate change.

Agnéby-Tiassa, La Mé and Sud-Comoé regions have been chosen for the following reasons:

- To contribute to this REDD+ geographical complementarity and implement the NS REDD+ on the whole territory at a jurisdictional scale;
- To build on lessons learnt from the la Mé project, and replicate this approach in neighbouring regions; and
- To address the high deforestation rate from cocoa in remaining humid forest areas in the eastern part of the country. The section below gives a summary of each component, output and activity. A more detailed narrative is available in Section 3.4 of the pre-feasibility study.

Component 1. Finalization and operationalization of the REDD+ architecture for REDD+ results-based payments (RBPs)

This component aims to support the SEP REDD+ in finalizing and operationalizing the REDD+ architecture by building institutional capacities for effective implementation of REDD+ at national level.

Output 1.1: REDD+ architecture finalized for REDD+ RBPs (GCF funding: 1,050,710 USD).

In order to finalize the REDD+ architecture, activities under output 1.1 will support the finalization of the elements of the Warsaw Framework at a national level for the effective implementation of the REDD+ mechanism. The elements of the Warsaw Framework to be finalized are as follows: i) update its NIF; ii) update its reference emission level – FREL (inclusion of degradation); iii) consolidate its national forest monitoring system – NFMS; and iv) finalize its safeguard information system (SIS). The finalization of these elements is the first essential step to enable Côte d’Ivoire to access results-based payments.

Additionally, the capacities of the technicians in the Republic of Côte d’Ivoire, represented by the SEP REDD+ and the Ministry of Environment and Sustainable Development (Ministère de l’Environnement et du Développement Durable, MINEDD), as well as the technicians involved in the REDD+ process from the Ministry of Water and Forests (Ministère des Eaux et Forêts – MINEF) and the Ministry of Agriculture and Rural Development (Ministère en charge de l’agriculture et du Développement rural, MINADER) will be strengthened so that they can sustainably operationalize these tools. Trainings by FAO experts will be provided for each element of the Warsaw framework. Equipment will be...
purchased and specific experts, who will strengthen the capacity of the government staff, will be hired for technical work. Missions will be carried out for quality insurance and for technical exchange. It should be noted that, through the operationalization of the NFMS, potential results in terms of reduced emissions from deforestation will be refined in 2021 to compile the REDD+ Technical Annex of the BUR necessary for RBP submission. The pilot near real-time alert system in the current NFMS will also be translated into a transparent, open-source version implemented directly by the national coordination team inside the System for Earth Observation Data Access, Processing and Analysis for Land Monitoring (SEPAL) platform. The validation process for the alerts will be further strengthened and translated into local level intervention protocol. The validated alerts will be regularly included in the bi-annual change detection (see Section 3.4. of the pre-feasibility study). The following are activities under this Output:

Activity 1.1.1 Update of the National Investment Framework (NIF)

Activity 1.1.2 Update of the Reference Emissions Level (FREL) with regional (sub-national) estimates

Activity 1.1.3 Update and consolidation of the National Forest Monitoring System (NFMS)

Activity 1.1.4 Finalization of the safeguard information system (SIS) for its operationalization

**Output 1.2: REDD+ Warsaw Framework operationalized for REDD+ RBPs (GCF funding: USD 1,008,196; Republic of Côte d’Ivoire co-financing USD 630,000).**

In addition to the finalization of the elements of the Warsaw Framework carried out in Output 1.1, Output 1.2 will ensure the consolidation of their interrelationship through a portal dedicated to REDD+ that incorporates the registration of REDD+ projects. The following enabling elements will be developed and finalized by this project:

- the national benefit sharing plan,34
- the REDD+ funds management mechanism,35
- the Free, Prior and Informed Consent (FPIC)36 guidelines, and
- the complaints management mechanism – these last two activities being entirely co-funded by the Government of Côte d’Ivoire as well as UNFCCC reporting.

Moreover, the nesting issue must be taken into consideration for implementation of REDD+, as it is not possible for the country to directly target national coverage for REDD+ activities; therefore, Côte d’Ivoire will develop its own methodology, suitable for the country context. Indeed, mitigation efforts at multiple levels can potentially overlap, but double counting emission reductions must be avoided to have clear vision and accounting at country level. To achieve this, the nested approach shall provide a means to clarify which claims competing projects and programmes can make. Consistency with national and sub-national registry and tracking systems will be ensured. Implementation of this activity will be funded jointly by the government and GCF (GCF will cover the cost of equipment, training, missions, additional experts and technical backstopping). A stakeholder engagement plan will also be developed through the activity 1.2.5 (see pre-feasibility study).

Mixed types of instruments will be considered to ensure that local stakeholders and investors duly benefit from the mechanism. Following a first assessment, a combination of in kind and in cash benefits in the context of REDD+ is likely to generate optimum outcomes in Côte d’Ivoire. On the other hand, as land titling still needs to be secured in most of the rural areas, for the time being it will be challenging to define carbon rights in association with tenure rights. Payment for environmental services (PES) contracts could be signed instead to incentivise companies and local people to change their agricultural practices, promote restoration and avoid deforestation. A study currently under process with Payment for environmental services refer to “the incentive instruments providing benefits in cash or in kind to compensate the implementation of practices promoting environmental conservation (Article 1)”. In particular, Article 13 states that “the State promotes the creation of carbon sinks to reduce greenhouse gas emissions. To that end, a mechanism to share the benefits derived from carbon sinks.

**Background information on the benefit-sharing mechanism:**

The Forest Code, which very recently entered into force, defines a benefit-sharing mechanism as “the set of principles, models and processes developed and applied to allocate both monetary and non-monetary benefits generated by the implementation of the national forestry policy”. Payments for environmental services refer to “the incentive instruments providing benefits in cash or in kind to compensate the implementation of practices promoting environmental conservation (Article 1)”. In particular, Article 13 states that “the State promotes the creation of carbon sinks to reduce greenhouse gas emissions. To that end, a mechanism to share the benefits derived from carbon sinks.

34 The benefit sharing plan will be developed and used by the country for REDD+ RBP.
35 The REDD+ fund is one of the tools the Government wants to put in place in order to channel future REDD+ financing which will be triggered by the implementation of REDD+, including the RBP. The fund could help the country to catalyse financing for the REDD+ process, in order to better link their impact with future GHG accounting/reductions. The fund management mechanism will be identified in a planned study with its governance. The issue of duplication with other existing funds will also be considered for an economy of scale in terms of operational cost. An operational manual will also be developed.
36 These guidelines are used within the context of stakeholder commitment to Côte d’Ivoire’s REDD+ process and do not refer to the concept of Indigenous People as defined by the United Nations.
and the implementation of forest strategies and policies is developed. The modalities to implement those provisions are regulated by decree. In addition to the draft decree defining the benefit-sharing mechanism currently under revision, an assessment of REDD+ benefit-sharing options is also under construction under the guidance of CIFOR, involving relevant stakeholders, including the Government, civil society representatives, and the private sector, among others. In particular, the benefit-sharing mechanism should create incentives to encourage actors to address drivers of deforestation and forest degradation, which are identified in the National REDD+ Strategy, including:

1. agricultural production of cocoa, cashews, rubber, coffee, and palm oil, as well as food crops, such as mango, pineapple, banana, cotton, and cola;
2. forestry, timber and wood industry (promoting legality and tackling illegal logging);
3. firewood in rural areas and charcoal in urban areas;
4. extractive industries and gold washing;
5. insecure tenure, land-use conflict, and displacement;
6. demographic factors (e.g. increasing population and migration from neighbouring countries); and
7. lack of incentives for people to protect, manage and restore forests and corresponding policies of measures.

A national workshop (expected in 2020) will validate the results of the study describing options for the national benefit-sharing mechanism, and additional analysis will be carried out for the finalization of the mechanism and its operationalization. The approach is thus to ensure that the benefit-sharing mechanism under development will consider inclusive and transparent principles as well as clear criteria for designating beneficiaries, and specify how the benefits (and under which form) will flow to the local stakeholders, in order to meet the expectations of all relevant actors.

The AE/EE is currently performing a close follow-up and is participating in the initial process aimed at identifying options for the future benefit-sharing mechanism. Having SEP-REDD initiating the discussion is a guarantee of the consistency of the intervention. The mechanism is going to pay particular attention to vulnerable groups, not only smallholder forest owners and local communities, but also individuals or groups comprising women and youth, who often do not hold property rights. In particular, based on the experiences of other countries that have already developed a benefit-sharing plan, the project will ensure the following:

1. **A participatory approach will be adopted** to guarantee stakeholders’ active engagement in all the regions involved, so that their views and concerns are duly reflected in the construction of the plan, and that the plan is implemented at the right level;\(^{37}\)
2. **Land and forest property rights will be assessed and clarified, where possible.** Though vulnerable groups are not tenure holders, they contribute towards generating ERs; therefore, it will be important to assess the legislation in place related to payment for environmental services and forest tenure rights, and to refine eligibility criteria.\(^{38}\)

As an eligibility criteria, a performance-based approach was also taken into consideration in the context of the ERP workshops, identifying efforts in four major groups of activities: (1) forest conservation, (2) carbon sequestration, (3) activities avoiding deforestation and forest degradation, and (4) activities enhancing carbon stocks. This may also take into consideration a balance between different groups of actors, including government agencies, NGOs, the private sector, local village communities, riverside populations along protected areas, and research communities focusing on vulnerable groups. Finally, the ability of actors to reinvest in activities that can lead to emission reductions will also be considered as a relevant eligibility criteria. In addition to the results of discussions already undertaken in the context of the ERP programme, those elements will be considered to accurately identify eligibility criteria that matches regional specificities, priorities of vulnerable groups and real capacities to further increase ERs in the selected pilot areas. The following are activities under this Output:

**Activity 1.2.1 Development and operationalization of the benefit-sharing mechanism**

\(^{37}\) To date, a first assessment, funded by the Republic of Côte d’Ivoire through SEP-REDD, has been carried out, focusing on existing options related to the establishment of a benefit-sharing mechanism. In this context, five regional consultation workshops were organized in six ecological regions. These regional consultation workshops acted also as platforms for raising awareness and exchanging information linked to REDD+. In addition, twelve focus group discussions were conducted to understand the perceptions, interests and concerns of local women, men, and indigenous peoples related to forests and land-use change related issues. In addition to a focus on local authorities, rural producers’ cooperatives, research institutes, decentralized communities, and non-state actors (including the private sector), a more consistent focus on gender considerations will duly be taken into consideration both in the development and implementation phases of the benefit-sharing plan. Those aspects will be reflected in the eligibility criteria.

\(^{38}\) As for now, the New Forest Code provides a legal framework for stakeholders to participate in forest protection and development activities. However, the relationship between tree and land ownership remains unclear in both Land Law and Forest Code. Clarifying carbon rights and relationship between tree and land ownership will help to determine how the REDD+ benefits will be distributed among relevant stakeholders.
Activity 2.1.1 Creation of Local Development Plans

Activity 2.1.2 Strengthening of land tenure security (GCF funding: USD 227,000).

This activity will focus on the development and implementation of Local Development Plans for village-owned land in 20 villages in the regions of Agnéby-Tiassa and Sud-Comoré and 3 additional villages in the La Mé region (local plans are usually supported by public finance or through a development project). Such plans do not currently exist in targeted villages, except for La Mé, but they enable the consistency of future activities with regional zoning plans. The Government has drawn up guidelines for local and regional authorities for the preparation of Regional Spatial Planning Schemes (SRAT) and Local Development Plans (PDL) for regions and municipalities. These two instruments for local planning work together with the National Spatial Planning Scheme (SNAT). Planning is a double approach with guidance from the national level thanks to the SNAT, and implementation at a local level through SRAT and PDL (see Section 2.2 of the pre-feasibility study). Climate change is mainstreamed indirectly into this planning process: indeed, without good planning, no action can be sustainably achieved in the field no matter which area is targeted (forestry, energy, agriculture, etc.). With the land use, land-use change, and forestry (LULUCF) sector contributing greatly to CO2 emissions, improving land-use planning is crucial if the country wants to tackle and reduce emissions. In fact, the La Mé project demonstrated that the development of these plans facilitated understanding of the region’s environmental issues and led to improved identification of activities to be conducted according to requirements. Several plans have indeed been successfully implemented as part of the La Mé project.

Land security will also be supported in order to reduce the trend towards uncontrolled land access, and to promote long-term investment through the private sector, such as forest restoration and agroforestry, which require private, demarcated and registered plots. The project will support the development of 23 local, land-use plans, involving information sessions on the delimitation of activities and mapping, and sensitization. This intervention will take place together with parallel financing from the PAMOFOR project, which supports security of private land plots and the issuance of land certificates. Component 2 of the PAMOFOR project will support the implementation of the National Rural Land Tenure Security Programme to secure land in selected areas. It will be achieved by supporting the Rural Land Agency to oversee the development and test the initial implementation of a new system. One of the project results is the issuance of land certificates or a lease agreement, issued by the government for at least a total of 1,950 ha. Such certificates are necessary for private sector investment (see output 2.4) and could be used as a guarantee for credit and loans by farmers. This GCF project will therefore complement the PAMOFOR project by concentrating more on raising community awareness about land security through information campaigns in the villages.

The following are activities under this Output:

Activity 2.1.1 Creation of Local Development Plans
Activity 2.1.2 Strengthening of land tenure security

39 For example, Marie-Esther Foundation is a women's organization for the empowerment of women in terms of agricultural, economic and social development located in the Aboudé area (see section 3.3 of the pre-feasibility study and Annex 4 on gender for other examples)

40 Exchanges are already underway with the PAMOFOR project for the coordination of all our synergetic projects around cocoa and land tenure. Meetings with the PMU and the World Bank will be organized at the start of the PROMIRE project to specify ways to better coordinate these two initiatives, and to strengthen the complementarity between both projects.
Key results: 23 local development plans created; 60 information sessions organized, land certificates for 1950ha.

**Output 2.2: Reinforced local governance (GCF funding: USD 165,000).**

A consolidation of the institutional and legal framework at jurisdictional level will be implemented depending on the context and needs of the regions. A REDD+ committee will be created and operationalized in each region in order to conduct activities and manage the complaints management mechanism within the same regions. In line with the national benefit-sharing mechanism that will be established in component 1, a benefit-sharing plan will also be developed, tested, and operationalized at a more local level to allow the subsequent receipt of potential funds from results-based payments at these levels. The project will thus support the cost to operationalize the system, including the annual meeting cost for the 3 local REDD+ committees. The following are activities under this Output:

- **Activity 2.2.1 Establishment of 3 REDD+ regional committees**
- **Activity 2.2.2 Creation of 3 regional (sub-national) grievance management committees**
- **Activity 2.2.3 Operationalization of subnational benefit-sharing systems**

**Key results:** 3 REDD+ regional committees established, and 3 local grievance management committees created.

**Output 2.3: Zero deforestation agricultural production and reforestation (GCF funding: USD 5,974,117; Republic of Côte d’Ivoire co-financing: USD 510,000; FAO project co-financing: USD 386,000).**

Zero deforestation agriculture has been defined in Côte d’Ivoire as “an intensive agriculture in rural land, which preserves parks, reserves, gazetted and sacred forests, contributes to the restoration of forest cover through agroforestry, is resilient to climate change and respects communities’ human rights while improving their livelihoods”. This output will support the development of agroforestry systems in rural areas and forest restoration. The agroforestry systems selected will enable the reduction of emissions from the business as usual scenario, and will improve productivity and crop diversification – a co-benefit that will increase the resilience of smallholder farmers to climate change impacts on cocoa production.\(^{41}\) The models tested during the REDD+ pilot project in La Mé will be in fact replicated with agro-systems and food crop plantations (such as bananas and cassava), with a focus on organic and fair-trade productions. Activities in La Mé proved that the development of such systems in rural areas reduced the pressure on gazetted forests and reduced GHG emissions. Activities in this output will help 3,650 smallholders to increase their productivity and to produce certified organic and fair trade and deforestation-free high quality cocoa by regenerating their plots, providing added value to their fields, and supporting them with the organic certification needed (see the section on co-benefits).

For the rehabilitation of cocoa plots, and more broadly, for the improvement of the agroforestry system, the project will support producers to set up nurseries with the distribution of bags and will provide all the necessary technical assistance to enable an average of 300 cocoa plants to be replaced. Technical capacities of small producers will be strengthened through trainings (by meetings and specific technical support to producers directly in the field), specifically with the involvement of the trainers of ANADER (National Agency for Rural Development Support), so that they can acquire organic and fair-trade cocoa production techniques, as well as processing and storage techniques to ensure production compliance with the targeted organic market. For this purpose, 2,200 additional farmers will receive these trainings.

The project will also support the rehabilitation of old coffee plantations by including food crops – such as plantain, and cassava – with special emphasis placed on women through a gender approach developed within the project (see Annex 4). Applying a gender lens is particularly important, as women are active in food crop activities (see Annex 4 for more details on gender aspects).

Plots diversification is key to stabilizing and even increasing income, which increases smallholder farmers’ resilience to the impacts of climate change on cocoa production. This model is essential to avoid deforestation as agrarian diagnosis carried out during the first year of implementation of the REDD+ Project of La Mé revealed that every year, around 0.25 hectare of forest per household is destroyed for the establishment of food crops. Agro-systems of coffee-rubber and cocoa-rubber will also improve families’ incomes and increase the value per hectare by renewing old cocoa or coffee plantations. The model implemented has already been successfully tested in Côte d’Ivoire.

Another core activity of the project will be to support the rehabilitation of cocoa plantations by introducing trees (timber, firewood and fruit trees, with the choice of species used being left to small producers). For all these activities, the project will provide funds for the following: clearing, cutting old trees, transport of seedlings, marking, digging, planting, weeding, pruning, fertilizer, plant protection, harvest, and post-harvest actions, such as building a stockage warehouse. Equipment will also be purchased under this output. Additionally, the project will cover the cost of technical staff and equipment.

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\(^{41}\) See EX-ACT tool for details about emission reductions.
for technical backstopping/monitoring. The identification of the location of the restored plantation is key to mitigating the risks of potential spillovers into forest areas if agricultural productivity is increased through successful agroforestry systems. Forest restoration, which will benefit from a more intensive monitoring by SODEF OR (Société de Développement des Forêts) and the local forest administration, will mainly target the buffer zone of these protected areas in order to strengthen the delimitation between the agroforestry plantation and forest, and the value of standing forests/standing trees. Finally, the SCOLUR-CI project, which has a region in common with this project, will implement conservation and restoration techniques in the la Mé landscape, and support the test of a traceability system to ensure more sustainable cocoa production.

This system will allow small producers to generate much more substantial profit margins. Profits will be generated through two different strategies: 1) Thanks to agroforestry systems, crop diversification will bring more income to households; 2) the organic and fair-trade and deforestation-free cocoa market is more profitable for smallholders, as the purchasing price is higher. As the producers from the three regions are not at the same level with regard to techniques and market access (the producers from the 7 villages in La Mé have already received more technical support than the producers in the Sud-Comé and Agnéby-Tiassa regions), a differentiated approach will be adopted, taking into account the level of progress of the targeted regions and producers.

Sustainable forest management will also be carried out through the restoration of degraded forests on 1,500 ha (mangroves including in the Sud-Comé region) with the technical partnership of SODEFOR and local communities. Additional hectares will be added as one of the results of private sector resource mobilization, leveraging investment in restoration development, subject to local producers and communities obtaining land certificates (see output 2.4). The project will provide technical and financial support for the following activities and 1,500 beneficiaries: nurseries – at least 1 per region (seeds, bags, tools, self-protection equipment, agro-chemicals, clearing, shaded area, bag filling) and land preparation; plantation (survey, clearing, stump extraction, digging, seedling transport, planting) and forest maintenance (weeding, compensatory planting, shape pruning, fire breaking, pruning). The objectives are ecological (enrichment with timber species), self-consumption (wood energy, fruit trees), climatic (CO₂ absorption) and economic (diversification of production systems). The government will co-finance monitoring of agricultural activities while the FAO project – funded by GEF – will co-finance landscape restoration and the traceability system test (see Section 3.4 of the pre-feasibility study). For the specific mangrove case, the project will support the establishment of a nursery for forest plants and strengthen the capacities of communities for the management of banks, estuaries and fish breeding areas. It will also support the functioning of villages committees to monitor these ecosystems.

Finally, free and open-source tools will be introduced at a community level for forest monitoring activities. The Collect Mobile application developed in the Open Foris suite will be tweaked for a specific survey integrating the different information collected on the ground. Information will be combined with spatially explicit alerts, and land-use maps to guide decision making on forestry activities, thus enabling local communities to be participate in forest monitoring. A strategy for community-based forest monitoring has been developed and tested in the La Mé region with the technical support of FAO. A community-based forest monitoring guideline will be developed and published, and this local forest monitoring will be deployed in the targeted villages of the project. All data collected by this activity will be used to strengthen the accuracy of data in the NFMS. The following are activities under this Output:

**Activity 2.3.1 Agricultural technical support to small producers and restoration of degraded lands and forests**

**Activity 2.3.2 Conservation and restoration of natural habitats**

**Activity 2.3.3 Validation of the traceability system for sustainable cocoa production**

**Activity 2.3.4 Monitoring of agriculture and restoration activities;**

**Key results:** 7,550 small producers supported, 3,650 hectares of agro-systems rehabilitated, 1,500 hectares of forest restored, 4,000 hectares of landscapes under improved management, 3,000 farmers informed, 500 jobs created for restoration activities.

**Output 2.4: Strengthened agricultural financing structures and business capacities for cocoa cooperatives and smallholders (GCF funding: USD 688,796; FAO project co-financing: USD 144,000).**

Finally, one of the most important output is related to the engagement of cocoa cooperatives, the private sector and microfinance institutions. Through this output, the project will leverage private sector resources from identified cocoa companies, traders and MFIs. The activities under this output will be implemented in collaboration with the Coffee-Cocoa Council (Conseil Café-Cocoa, CCC).

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42 The purpose of existing cooperatives is to support their producers in improving production conditions and above all to facilitate the marketing of cocoa beans. Cooperatives in Côte d'Ivoire do not export cocoa directly, it is bought by chocolate manufacturers.
PROMIRE will concretely engage small producers and cooperatives as well as the private sector cocoa companies and MFIs in zero-deforestation cocoa production through a two-pronged strategy (see annex on strategic engagement with PS and MFIs). This strategy - to be refined at the initial stage of implementation - will target these actors to enable them to find a common ground to work together sustainably. In particular:

- The project will engage with small producers. In Côte d’Ivoire most of the production of cocoa is produced by poor rural farmers who remain mostly unorganized (only 8% belong to cooperatives) and do not usually have access to credit (only 11% have access to credit lines).  
- PROMIRE will engage with cocoa companies and traders in Côte d’Ivoire to include the project sites in their supply of zero-deforestation cocoa production based on the sustainable forestry and agroforestry activities to be implemented by the project.  
- PROMIRE will engage with MFIs to enhance their capacities in the provision microcredit lines taking into consideration the specific features of investment needed in the forestry and agroforestry sector (e.g., tenor, flexibility for the interest rate).

Cooperatives: The project will engage with small producers and cooperatives as cooperatives are the best vehicle for ensuring the link between producers and markets through fair negotiations with private sector entities in Côte d’Ivoire. The project will provide technical assistance to support the establishment of two new cooperatives of organic cocoa producers in the Sud Comoé and Agnéby Tiassa regions (as well as the deployment of branches in targeted villages) by the establishment of the necessary administrative and operational procedures and the formalization of their legal documents. The project will also strengthen the capacities of the existing La Mé cooperative (SCOOP-PCBM for ‘Société Coopérative Simplifiée des producteurs de cacao biologique de la Mé’). Cooperatives will receive technical, operational, and financial training. In terms of financial literacy capacity, training will include funds management, bookkeeping and accounting, benefits of the adoption of sustainable production, investment, and negotiation with traders/cocoa companies.

The project will also support the development of robust business plans informed by a market assessment to explore the legal aspects needed for promoting potential eligible investments among key beneficiaries (cooperatives and small-scale producers), the priorities in each region regarding contracts, the legal context which enable the promotion of potential eligible investment in the regions, the alignment with local policies e.g. development plans and the assessment of the cocoa sector (highlighting the priority and potentiality of the beneficiaries-cooperatives and small-scale producers) and the update of the economic and financial analysis of the different agroforestry models. Cooperatives will receive technical assistance to present their business plans to cocoa companies and MFIs. These business plans will aim at the following (depending on the specific needs of the cooperative and the targeted region context):

1. Establish purchase agreements with cocoa companies based on the experience of the premium prices established by the La Mé cooperative for the high-quality cocoa produced through project output 2.3;
2. Be subject to receiving microcredit lines from MFIs through loan agreements;
3. Extend sustainable agroforestry activities through investments from the cocoa companies (investments in this regard will be guided by the land use planning and tenure right activities developed through project output 2.1).

As a result, cooperatives will be in a better position to negotiate price and purchase agreements with potential buyers, cocoa companies and traders and members of CFI, for the certified organic and fair-trade cocoa production and for the deforestation-free cocoa production.

Cocoa business sector: The project will aim at attracting private investors who will be interested in becoming involved in the production of fair trade organic and/or deforestation free cocoa, specifically within the context of blended finance (cost of meeting, training, expertise and missions covered by GCF funding). The project will actively contribute to the national technical exchange and dialogue (through CFI and cocoa innovation platform amongst others) on the development of deforestation-free cocoa production principles and criteria (in line with future EU regulations amongst others) and on the advocacy for the adoption at national level of a principle of a “premium price” for deforestation-free cocoa production. Regular meetings (every 3 months) with Cocoa and Forest Initiative and

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43 One of the results of the former La Mé project was to establish a cooperative in the La Mé region
44 Content of trainings will be tailored to cooperative’s needs: La Mé cooperative needs will be assess in order to better identify its needs.
45 Detailing the objective of the cooperatives and their financial and technical needs. This will help the cooperative to better target the potential future partners in the framework of resource mobilization.
member cocoa companies will be established to expand on forestry and agroforestry interventions and to seek additional opportunities for the establishment of purchase contracts based on national and international market development and dynamism. The project will also participate with stakeholders in dialogues on optimal business models for the sustainable development of agroforestry systems and value chains to delineate policies aimed at ultimately changing the behaviour of all stakeholders along the cocoa value chain.

**MFIs:** The project plans to mobilize microfinance institutions to support cooperatives working in cocoa production.\(^46\) This will be carried out through i) an in-depth assessment of the three micro-finance institutions present in the three regions; ii) an identification of site specific barriers which influence the level of investment required on agroforestry and forestry sector; iii) a capacity gaps and needs assessment for potential involvement of additional MFIs.\(^47\) The project will enhance MFI's ability to invest in sustainable cocoa interventions and ensure robust environmental and social management systems are in place, and identify and test adequate financial instruments to be used for the benefit of smallholders and/or newly established cooperatives; while being respectful of environmental and social safeguards. The project will also explore the potential to tailor their services to the project beneficiaries and/or design an innovative financial mechanism (and/or MFI products) in close collaboration with MFIs, in order to increase access to finance for targeted beneficiaries.

Finally, the project will support capacity building and the strengthening of cocoa innovation platforms through FAO co-financing (Activity 2.4.4.). As part of a jurisdictional approach to natural resource development and management, a multi-stakeholder dialogue platform will create a space where stakeholders can exchange information, develop a common understanding of the problems, decide jointly on desired outcomes, and jointly design and implement action plans and catalyse investments aimed at sustainable natural resource management that ensure sustainable production of agricultural goods and improve the living conditions of local communities. The SCOLUR project will establish 3 multi-stakeholder platforms (MSPs) which will be set up in 3 regions on a permanent basis. The MSPs will be piloted by the Regional Councils and chaired by the Prefects of the regions. For this purpose, (i) the project will provide support to the Regional Council and help forge a common vision and facilitate constructive dialogue among all partners through methodologies that will be developed for the proper functioning of the framework for dialogue; (ii) the capacities of experts from the Regional Councils will be strengthened in terms of human and material resources. Capacity building will focus on a systemic approach to strengthen the leadership of the Regional Council experts, who will lead this change process. The platform of the governance structure will comprise 3 governance bodies, namely: (i) a Steering Committee chaired by the Prefect of the Region; (ii) a Technical Committee; and (iii) the Secretariat of the dialogue framework provided by the Regional Council.

The Steering Committee, chaired by the Prefect, is a political body. Its role will be to validate the proposals of the Technical Committee, in particular the regional strategic plan for zero deforestation cocoa production and to ensure its monitoring and evaluation. The Technical Committee will be made up of thematic working groups according to the priorities defined by the stakeholders after analysis of the results of the studies. The Secretariat will be led by the Regional Council and its technical officers. Its role will be to organize the meetings of the various bodies, take the minutes of meetings and communicate the results of the dialogue framework. The MSP will thus bring together officials from the Government's decentralized structures, representatives of producers, women's and youth organizations, civil society groups, the private sector of value chains and financial actors in order to ensure a participatory and inclusive process. The process will be conducted with a gender and youth perspective to ensure that women as well as young men and women participate equitably and actively, and that their views are taken into account.

The following are activities under this Output:

- **Activity 2.4.1.** Creation, strengthening and capacity building of cocoa cooperatives;
- **Activity 2.4.2.** Development of business plans and financial literacy for cooperatives and producers;
- **Activity 2.4.3.** Development of partnerships with private sector and microfinance institutions;
- **Activity 2.4.4.** Strengthening of multi-stakeholder dialogue and cocoa innovation platforms

**Key results:** 2 cooperatives created, 1 cooperative strengthened, 3 business plans developed and presented to microfinance institutions and the private sector, 1 platform strengthened, purchase and loan agreements established.

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\(^{46}\) At this stage, the project has identified the micro-finance institutions present in the target regions, and has started their characterization (type of activities, credit or loans availed, requirements/conditions for credit, etc.). See Annex 5 of the Pre-feasibility study for further details on MFIs.

\(^{47}\) Not currently present in the targeted regions
Communication activities will be undertaken to disseminate the results and lessons learned from the project and from previous REDD+ initiatives to farmers and local communities, mainly in the targeted regions. Cocoa producers and cooperatives focused on cocoa production will be prioritized. Some technical exchanges between villages and with other regions will be also organized. Methodological guidelines will be published, particularly for agroforestry and landscape management, using appropriate media for the local and national targets (website, radio broadcast, etc.), so that these tools can be used to scale up successful experiences. Priority will be given to sharing tools and guidelines with all direct beneficiaries as well as interested farmers / cocoa producers who won’t directly benefit from the project financial support. The cost of the communication materials, such as printing, media outreach, as well as expertise (consultants and top-up for additional Government staff) are covered by GCF funding. The beneficiaries of the technical exchanges will be the same as the project beneficiaries.

The following activity will be undertaken:

**Activity 2.5.1. Capitalization of experience and results dissemination.**

The beneficiaries (smallholder farmers) of the project will be selected by the PMU and validated by FAO according to the following criteria:

- Dependence on agriculture, natural resources and forests, and located close to a forest area (potential actors for deforestation and forest degradation);
- Low income (up to USD 2 per day, as defined by the Ministry of Finance and Economy of the Republic of Côte d’Ivoire);
- “Ownership” of degraded cocoa / coffee plantation, or ownership of degraded plot with high restoration potential;
- Vulnerability of key livelihoods to climate change impacts;
- No access / very limited access to public finance;
- No or limited access to microfinance institution;
- Two cooperatives or associations implemented by women, with production ranging from cocoa to food crops, including Attiéké production and fish smoking.

Criteria to strengthen activities (and access to finance) for cooperatives in the La Mé area:

- Already part of the La Mé project (for the consistency of the activities planned in the project);
- Organic cocoa production;
- Member of the targeted cooperative;
- One cooperative or association implemented by women, with production ranging from cocoa to food crops, including Attiéké production and fish smoking.

Identification of the potential MFI by the Project Management Unit (PMU) and in collaboration with stakeholders will be done through the following criteria:

- Presence of the MFI in the targeted area;
- Credits allocated to cooperative (not only individuals);
- Credits allocated for agriculture, forestry, fishery activities;
- Reasonable credit rate (the level of the “reasonable rate” will be defined before applying the criteria);
- Simplified process (with low or without financial guarantee).

Other criteria could be added during a deeper characterization of MFI which will be undertaken during the project implementation. For the selection process, a score will be attributed to each criteria, and the MFI with the higher score, and which is willing to work with the project, will be selected.

**B.3. Implementation / institutional arrangements (max. 750 words)**

FAO will serve both as the Accredited Entity (AE) and the Executing Entity (EE) for this project, with a structure that encourages a high level of appropriation and implementation by the Government and supports capacity building objectives. FAO's AE and EE functions will be clearly defined to differentiate project coordination and project supervision functions. As the Executing Agency, FAO will take responsibility for the effective implementation and coordination of all project components through a dedicated team. The Republic of Côte D’Ivoire, represented by the Permanent REDD+ Executive Secretariat (SEP/REDD+) in the Ministry of Environment and Sustainable Development (Ministère de

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48 Restoration potential of gazetted forests was one of the selection criteria for reforestation activities with SODEFOR.
49 Please refer to pre-feasibility study for more details on the criteria.
The Republic of Côte d'Ivoire co-financing contribution is in kind and will consist of:
- Staff time of existing staff in the Ministry of Env, allocated to the SEP REDD department, also to carry out activities related to monitoring,
- Meetings of national committee REDD+,
- GOE (fuel, insurance, etc.).

l’Environnement et du Développement Durable (MINEDD) will also act as the Executing Entity and co-financer. FAO’s longstanding and successful partnership with MINEDD- SEP REDD+ in implementing REDD+ projects in the country, formed the basis for identifying MINEDD as a reliable co-executing entity.

FAO and MINEDD will establish a Project Management Unit (PMU) for the day-to-day management, coordination and implementation of the project. The PMU will be based on the SEP REDD+ premises and will include a mixed team of FAO and SEP REDD+ specialists. One technical expert per region will be based locally in order to ensure the presence in the field. These specialists will provide expertise and material related to the project’s themes if necessary (agriculture, forestry, gender, resource mobilization, etc.).

Implementation will be via letters of agreement (in compliance with FAO policies) between FAO and national entities (such as MINEDD), which will implement specific project activities, in accordance with FAO’s procurement rules. FAO will select the partners (procured entities) to perform services against a set of general and technical criteria that would include, inter alia, expertise in the technical field and past successful engagement with FAO.

The FAO Country Office’s relationships with the government, technical and financial partners (TFPs) and civil society organizations may be used in the implementation of this project to ensure continuity and sustainability of the activities at the end of the project. FAO also has specialists in REDD+ and forest monitoring based at FAO headquarters in Rome, and in the Regional Office for Africa (RAF), as well as innovation experts in agroforestry, funding and value chains. These individuals will strengthen the technical pool at the project’s disposal by providing experience, knowledge and expertise from other regions in Africa, particularly West Africa, where FAO is currently working with its member states to develop understanding of climate change mitigation options in forests and land use.

The project will be directed by a Project Steering Committee (PSC), which will act as a decision-making organ and provide guidance by ensuring that links and appropriate coordination are maintained with relevant national programs and projects and the National REDD+ Committee. The PSC will be co-chaired by the Government representative and FAO, and will include representatives from different implementing partners, the GCF focal point and involved sectoral ministries, but also from technical and financial partners, from civil society organizations to private sector representatives. The PSC will hold meetings at least twice per year to supervise activities and make the decisions needed for their implementation (see the pre-feasibility study for details on the composition of the Committee). Presence in territories will be ensured by 1 technical assistant per region, development structures such as SODEFOR and ANADER, the REDD+ committee, involvement of the decentralized office of the MINEF (Ministry of Forestry), and possibly local partner organizations duly contracted for this purpose.

The project will establish a grievance mechanism at field level to file complaints during the project inception phase. Contact information and information on the process to file a complaint will be disclosed in all meetings, workshops and other related events throughout the project lifetime. In addition, it is expected that all awareness raising material to be distributed will include the necessary information regarding the contacts and the process for filing grievances. The project will also be responsible for documenting and reporting as part of the safeguards performance monitoring on any grievances received and how they were addressed (all details are available in Section 5.3 of the pre-feasibility study).

The project team will report regularly to the PSC on project progress. The unit, jointly led by a Chief technical adviser and the REDD+ Permanent Executive Secretary, should have an extensive overview of the project.

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50 The Republic of Côte d’Ivoire co-financing contribution is in kind and will consist of:
- Staff time of existing staff in the Ministry of Env, allocated to the SEP REDD department, also to carry out activities related to monitoring,
- Meetings of national committee REDD+,
- GOE (fuel, insurance, etc.).
As the Accredited Entity, FAO will receive the funds – at headquarters level – from GCF. The funds will then be transferred to the FAO Representation in Côte d’Ivoire, who will hire technical experts as part of the PMU in charge of executing the project (as such, the PMU will be composed of FAO-contracted experts, with the exception of SEP REDD+ specialists who will be staff co-financed by the Ministry of Environment). The funds will be managed by FAO’s Côte d’Ivoire office, which will establish the PMU. As the Executing Entity, FAO will manage the GCF funds, manage financial expenditures against budgets, execute payments, and provide technical assistance. Both GCF and FAO will enter into an FAA, under which FAO shall administer the relevant GCF Proceeds to be used for the financing of the project, in accordance with the FAA and AMA. Accountability on the use of financial resources will be facilitated through the review of annual and bi-annual project reports, as well as through audit and monitoring reports.
The partners that will receive GCF proceeds – through fund transfer in accordance with FAO’s procurement rules – are implementing partners, in other words, organizations involved in the project implementation, such as SEP REDD+, SODEFOR, ANADER, and ECOCERT (see the procurement plan for more details). AFD will not constitute a co-financing partner as their project ended. The technical and financial management capacity of implementing partners will be assessed during the identification of the implementing partners and before the officialization of the Letters of Agreement (LoA), as stated by the FAO procurement rules – Manual Section 507. Some of the targeted implementing partners have already had an LoA with FAO, meaning no additional capacity assessment is needed. Fund transfers to these various partners involved in the implementation of the project will be in line with FAO procedures, and pursuant to the Accreditation Masters Agreement signed with the GCF. More specifically, FAO will transfer funds to the various implementing partners via LoAs, which will specify the procedures (activities, deliverables, schedule, payments, monitoring and evaluation) to be followed by these partners on the advice of the SEP REDD+. Procurement will be done through a competitive process in line with FAO rules and procedures.

The Ministry of Environment via the SEP REDD+ will manage their co-financing funds. FAO has a longstanding and successful partnership with MINEDD (SEP-REDD+) in implementing REDD+ project activities in the country through LoAs. Additionally, a capacity assessment of MINEDD, performed in 2016 by an independent audit firm, deemed the financial management capacity and procedures risk of the SEP REDD+ to be moderate. Since then, the Ministry has taken active measures to address the recommendations indicated in the assessment through the recruitment of personnel, capacity building and strengthening of internal mechanisms. These two elements have been the basis for identifying SEP as a reliable, co-executing entity.

### C. FINANCING INFORMATION

#### C.1. Total financing

<table>
<thead>
<tr>
<th>(a) Requested GCF funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i + ii + iii + iv + v + vi)</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>GCF Financial Instrument</th>
<th>Amount</th>
<th>Currency</th>
<th>Tenor</th>
<th>Pricing</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Senior loans</td>
<td>Options</td>
<td>years</td>
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<tr>
<td>(ii) Subordinated loans</td>
<td>Options</td>
<td>years</td>
<td>%</td>
<td></td>
</tr>
<tr>
<td>(iii) Equity</td>
<td>Options</td>
<td>% equity</td>
<td>return</td>
<td></td>
</tr>
<tr>
<td>(iv) Guarantees</td>
<td>Options</td>
<td>years</td>
<td>%</td>
<td></td>
</tr>
<tr>
<td>(v) Reimbursable grants</td>
<td>Options</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(vi) Grants</td>
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#### (b) Co-financing information

<table>
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<th>Name of institution</th>
<th>Financial instrument</th>
<th>Amount</th>
<th>Currency</th>
<th>Tenor</th>
<th>Pricing</th>
<th>Seniority</th>
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<td></td>
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</tr>
</tbody>
</table>

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51 Implementing partners are those entities to which FAO will transfer funds via Letters of Agreement, which will specify the procedures (activities, deliverables, schedule, payments, monitoring and evaluation) to be followed by these partners on the advice of the SEP REDD+. This is in line with both FAO and AMA procedures: procurement activities will be carried out through a competitive process in line with the procedures set out both by FAO and the procurement plan under the SAPs as further described in Annex 8 of the FP.

52 According to FAO rules, partners will be selected through open tenders as mentioned in the procurement plan. It is expected that well-established partners – with a specific mandate at national level such as SEP-REDD, ANADER, SODEFOR – will participate to the open tender.

53 Flow of funds for co-financing will not transit through FAO, but will be managed by partners which are considered EEs for their own financing. Co-financing from financial partners is expected to be materialized in accordance with the project work plan. Conditions are linked to activities necessary for the project implementation.

54 If the co-financing is provided in a different currency other than the GCF requested, please provide detailed financing information and a converted figure in the GCF requested currency in the comment box. Please refer to the date when the currency conversion was performed and the reference source.
### C.2. Financing by component

Co-finance\(^{55}\) will pay for activities related to the operationalization of the Warsaw Framework, including FPIC and the preparatory reports to be submitted to UNFCCC, and also monitoring and traceability activities under component 2. Project management costs will also be co-financed for the meetings of the institutions in charge of the REDD + process (national committee).

<table>
<thead>
<tr>
<th>Component</th>
<th>Outcomes</th>
<th>Indicative cost (USD)</th>
<th>GCF financing</th>
<th>Co-financing</th>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Amount (USD)</td>
<td>Financial Instrument</td>
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<tr>
<td>Component 1. The national REDD+ architecture is finalized and operational</td>
<td>Outcome 1. M5.0 Strengthened institutional and regulatory systems</td>
<td>2,688,906</td>
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<td>Grants</td>
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<td>PMC</td>
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</tbody>
</table>

### C.2.1 Financing structure (if applicable, mandatory for private sector proposal (max.300 words))

N/A

### C.3 Capacity Building and Technology development/transfer

| C.3.1 Capacity building | Amount: 1,149,640 USD |
| C.3.2 Technology development | Amount: Choose an item. |

\(^{55}\) Co-financing letter from MINED has been issued with the old project title but is considered valid as the content of the project remains the same (only the title has changed).
C.4. Justification for GCF funding request (max. 500 words)

The Government has committed significant domestic resources and has worked closely with bilateral and multilateral donors to reach its current level of REDD+ readiness and ability to transform its forest and agricultural sectors. The mapping of financial flows aligned with REDD+.\textsuperscript{56} conducted in 2015 illustrates the public financing flows supporting all activities deemed “relevant” within the context of the NS REDD+ in Côte d’Ivoire. It shows that the means used are still not equal to the country’s ambitions. In total, nearly USD 140 million in public funds were invested in 2015 in the “grey” or “business as usual” activities of intensification and support to agricultural productivity. Unfortunately, the need for financial and technical assistance is still high to fill technical gaps and implement the REDD+ mechanism. Previous activities did not explicitly take into account the risks of deforestation and thus require the implementation of additional policies and support measures, such as land-use planning and land security, in order to prevent the conversion of forest areas. In 2015, only 13% (USD 17.7 million) of relevant funding from donors contributed to the REDD+ objectives. The same year, only USD 19 million was disbursed to support REDD+ enabling measures, such as land-use planning, land security, reforms and "green" planning, MRV and traceability, research and development or capacity building. In particular, land-use planning was largely underfinanced with only USD 0.7 million disbursed by the Public Treasury and with no international support. Land security received USD 5.5 million, mainly from international partners, but inclusion of the land aspect in all projects related to land use requires more significant resources. Yet, these aspects are extremely important to tackle deforestation and fight climate change, as tropical rainforests play an important role in this fight – by means of the high carbon densities stored in their vegetation and soil, and also thanks to their potential to absorb CO₂ from the atmosphere.

In order to reduce deforestation and fight climate change, the NS REDD+ must be implemented. The REDD+ readiness phase, however, must first be finalized to have an operational REDD+ mechanism in the country. As explained above, this is not yet the case, but this objective will be achieved through the first component of the project. There is also an urgent need to secure funding, particularly in terms of reaching the NIF’s objectives – the REDD+ NS will cost USD 5.37 billion over the period 2018–2040.\textsuperscript{57} As part of this national REDD+ process, the Government of Côte d’Ivoire has designed an ER-PD under the Forest Carbon Partnership Facility (FCPF) Carbon Fund. It is currently in negotiations regarding the Emission Reductions Payment Agreement (ERPA), through which it is expected to generate results-based payment (RBP) for approximatively 16.5 MtCO₂ between 2020 and 2027. Although the FCPF represents the most immediate and concrete source of REDD+ results-based payments, other sources may materialize in the future, especially through the United Nations Framework Convention on Climate Change (UNFCCC) Warsaw Framework. Yet, to obtain results-based financing, investment is needed to create the necessary enabling environment, promote deforestation-free agriculture and improve sustainable forest landscape management. The PROMIRE project is fully aligned with these objectives and explicitly supports programmes that lead to results-based payments (such as the FCPF Carbon Fund and potentially the GCF RBP Programme).

Thus, GCF, as a new world fund created in order to support countries in their efforts to meet climate change challenges, can provide a sustainable alternative to support the country. The requested funds will be used to reduce emissions from deforestation and forest degradation at a national scale, and more broadly, to ensure that the REDD+ mechanism contributes fully towards achieving the objectives announced by the country’s NDCs. GCF resources (grant) will be used with this project to overcome the Government’s constraints to use public funding to invest in measures needed to reduce deforestation and forest degradation. Based on the financial analysis, different activities will lead to the generation of financial reflows. For example, a GCF grant is the most efficient and effective financial instrument to promote the agroforestry model in the second component, which is financially more attractive than baseline agricultural practices. Indeed, small-scale farmers in the targeted regions face very substantial barriers that prevent them from capturing any financial upside from sustainable farming. In particular, farmers lack knowledge, capacities and expertise in agroforestry cultivation, and lack access to downstream markets for any crops other than conventional cocoa and cash crops. Technical assistance and capacity building funded by the GCF grant will address these crucial barriers. The project will support the implementation of long-term, fair-price purchase agreements between cooperatives and agro-industrial enterprises in Côte d’Ivoire (or abroad), in order to stimulate demand for agricultural and forestry products that will be produced with project support. This development will be via partnerships with cooperatives and enterprises with the potential to create demand among producers, in a grouped and organized manner.

\textsuperscript{56} Falconer et al., 2016.

\textsuperscript{57} Lack of visibility in NS REDD + implementation led, for most of the activities, to the creation of a budget at a national level first. Then, distribution of the investment at regional level was made according to the commitment and characteristics of each region according to the different activities (area, surface of gazetted forests, protected area, etc.) and their representation compared to the national total. Finally, 300 actions were identified for a total budget of USD 5.37 billion.
These three regions were chosen to capitalize on the achievements of the REDD+ project in La Mé, and to extend this approach to neighbouring regions, where forests (and livelihoods) are under immediate threat. Mitigation activities in agriculture will reduce crop pressure on forests and also optimize yields for small producers supported by the project. A crucial component to mitigate emissions is to stop slash-and-burn agriculture – the driving force of deforestation – by creating a new agricultural model supported by a new agricultural policy. Implementing REDD+ and a climate-resilient as well as a low-carbon agricultural model starts at the local level and extends upwards and outward to reach the national level. Funding from the GCF for this project will contribute towards the common effort to implement the NS REDD+ by complementing other ongoing initiatives, such as the Forest Investment programme (FIP), and the Emission Reduction Programme (ERP) – see Figure 5 of the pre-feasibility study which presents a map of other REDD+ projects. With funding support, the project can be effectively linked to other local public or private projects that are under development, including the SCOLUR-CI project submitted by FAO to the GEF. It will also enable support in leveraging additional funding, specifically from the private sector, thus fostering long-term financial sustainability. This approach will help disentangle the relationship between agriculture and deforestation, and will help small producers equip themselves with the sustainable financial tools they need to end their dependence on public assistance (blended finance).

C.5. Exit strategy and sustainability (max. 300 words)

Côte d'Ivoire is resolutely committed to respecting its international agreements relating to the UNFCCC, particularly the development and submission of the necessary elements to access results-based payments (decisions 1/CP.16 and 9/CP.19). In fact, the country developed and adopted its REDD+ NS budgeted by the NIF, in November 2017 and submitted its FREL to the UNFCCC the same year. The NFMS was created, and the SIS is being developed. Using funding from the GCF for this project, its tools will be updated, operationalized using the latest technology and IPCC requirements, and adapted to enable smaller-scale implementation of the REDD+ mechanism. Furthermore, the legal texts to be developed within the context of the project should also strengthen the sustainability of the operation of these tools and establish the legality of the actions that will be conducted under the REDD+ process.

In order to progress within the context of the REDD+ process as such, the results in terms of emission reductions will be appraised at the beginning of project implementation. If these results are conclusive, the REDD+ Technical Annex and the BUR will be submitted to the UNFCCC Secretariat during the second quarter of 2021. This implies that the concept note for the future RBP project will be submitted in the same year during the last quarter or the first quarter of the following year, with a complete proposal being possible by the end of 2021. This will allow the country to receive supplementary funds, thanks to its efforts in progressively extending the areas covered by REDD+ activities.

The potential for replication of technically successful activities is based on activities related to training and capacity building of beneficiaries in innovative techniques and technologies within the context of agroforestry and forest restoration. Such training will enable them to appropriate new techniques that they can then reproduce for themselves, and pass on to other people in the village, thus consolidating the sustainability and continuity of the interventions. Furthermore, subnational implementation of REDD+ activities will also be replicated in other regions so as to progressively cover the whole country, thus consolidating the sustainable nature of the project, given that the REDD+ mechanism is a long-term process. Finally, another potential for replication is also possible through microfinance institutions. Their role for the sustainability of organic cocoa production is important in the sense that these institutions will be sensitized and reinforced in the financing of producers. The strong presence of MFIs in large parts of the national territory means that the project has a high potential for replication and to transfer knowledge across regions.

The activities in component 2 will focus on progressive financial independence for producers and cooperatives thanks to access to the most profitable niche markets and a larger range of affordable and appropriate financial instruments (bank microcredit, working capital, bank guarantee, etc.). Building the technical and administrative capacities of cooperatives and small producers, primarily for La Mé region, will help them to create business plans, develop project documents, apply for credit and microcredit with banks and also invest in additional material or resources. This project is innovative in that it guides cooperatives and small producers through the steps to becoming independent of external public investment, such as donations and subsidies, in order to achieve independent and autonomous production models. In addition, leveraged funding will be sought from the private sector and microfinance institutions within the context of blended finance to promote private sector (and other potential investor) investment in organic cocoa, lumber and fuelwood. All of these elements, in place, will ensure long-term emission reductions, beyond the project’s end date. Thus, the exit strategy is also based on leveraging additional funding during the project implementation, smallholder’s financial independence, and private sector engagement, even if funds from RBPs are no longer available. The

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58 The GEF project idea in Côte d'Ivoire was selected at the GEF meeting in June 2018. The preparation of the full project is underway and is expected to be finalized in June 2020.

59 A rough estimate gives 15M tCO₂eq for the period 2015-2017
The estimated leverage impact of the project is USD 410 million for the whole REDD+ mechanism. Private sector financing will also be leveraged by the project (see Table 2 and Figure 1 in the pre-feasibility study).

Private sector resources will be leveraged by the implementation of the activity 2.4.3. of the PROMIRE project, based on the first Cocoa and Forest Initiative (CFI) investment plan which covers the period 2018 to 2021 and, amounts to 210 million USD. The plan is the framework for all cocoa companies willing to invest zero deforestation, it covers various activities (planning, development of the traceability system, and improvement of agroforestry system, etc.), and targets 5 regions (including La Mé, one of the PROMIRE target area). The CFI is going to prepare a second investment plan for the period 2021-2030, and is going to replicate/scale up the agroforestry developed by PROMIRE and benefit from the technical participation and assistance of the project. As such, FAO will estimate the potential leverage finance during the implementation of the project, depending on the final second CFI investment plan.

The involvement of the private sector and Micro Financing Institutions (MFIs) will entail the following, which will constitute leveraged financing during project implementation:

- Purchase contracts by major cocoa companies for cocoa and coffee organic products produced under zero-deforestation in the project areas, at preferential prices;
- Extend sustainable agroforestry activities through investments from the cocoa companies;
- Provision of micro-credit by MFOs to producers engaging in zero-deforestation cocoa production.

The PROMIRE project will be the first project in Cote D’Ivoire, together with the FAO GEF SCOLUR project, that will be promoting and operationalising the commitment of this private sector zero-deforestation cocoa financing.

Finally, the Government’s desired vision and strategic position will also be supported through this project. As the REDD+ mechanism should be national, cross-cutting and envisioned for the long-term, it is important for the SEP-REDD+ to move away from per-project funding, which does not allow for continuity of its teams or action on the ground. An institutional and organizational audit is currently in progress to propose a new status and method of operation that is more inclined to be cross-cutting and sustainable.

The rationale for GCF’s support is primarily based on the fight against climate change, which is the common point for all actors, needs and benefits that the paradigm shift will bring for sustainable cocoa farming. This project can be the first significant investment made by a donor for a sustainable, low-carbon cocoa sector, involving both private and public investors. Lessons learned from the long phase of pilot projects will support the necessary institutional, legal and partnership frameworks that are needed to achieve transformational change and to move away from the business as usual (BAU) approach. Section 4.3 of the pre-feasibility study details the withdrawal strategies and works on perspectives related to the REDD+ mechanism.

C.6. Financial management/procurement (max. 300 words)

The project will be executed by FAO, and Letters of Agreement will be signed between FAO and its partners in order to implement the planned activities. The Letters of Agreements will be a key vehicle for FAO to deliver this project in a collaborative manner and in the spirit of partnership. The Permanent REDD+ Executive Secretariat (SEP/REDD+) in the Ministry of Environment and Sustainable Development, as co-financier of the project, will also act as Executing Entity for the implementation of the project for the activities it co-finances. The funds from this co-financing will be managed directly by the MINEDD and won’t transit through FAO.

FAO-Côte d’Ivoire, as the Budget Holder (BH), will be responsible for the operational, administrative and financial management of the resources directly managed by FAO, as well as general project monitoring and the compilation of mandatory reports. The BH will also be responsible for supervising management and results of implementation partners as mentioned in the feasibility study and as specified in the Letters of Agreement to be signed. This includes financial management and procurement performed by the SEP/REDD+ (as Executing Entity).

The BH and implementation partners will prepare annual procurement plans for the main items that will be used as a basis for procurement requests during implementation. The plan will include a description of the goods, works of services to be acquired, and the estimation of the budget and source of funds, the schedule of procurement activities and the proposed procurement method. Details on purchases to be made are described in Annex 8. IPs are procured agencies with whom FAO will enter into Letters of Agreement to procure services. As per FAO Manual Section, the LoAs will specify the activities, deliverables, schedule, payments, monitoring and evaluation for the services to be procured (see procurement plan in Annex 8 of the FP).
**FAO, as the Executing Entity, is responsible for the reporting, monitoring and implementation of its activities under the Project, and is expected to ensure that competent and qualified contractors are identified and procured to achieve the objectives of the Funded Activity (as per FAO procurement rules and procedures and as per AMA). It should be noted that SEP-REDD+, SODEFOR, ANADER and ECOCERT are only procured entities (implementing partners) and not EE.**

Financial management and procurement under this project will be guided by relevant FAO rules and regulations, as well as relevant provisions in the Accreditation Master Agreement (AMA) signed by FAO and the GCF. These rules and regulations were reviewed and deemed satisfactory by the GCF Secretariat and Accreditation Panel as part of FAO’s accreditation to the GCF. In the project execution, GCF resources will be managed directly by FAO as the Executing Entity, in accordance with its rules, regulations, policies and procedures.

FAO has deployed an Oracle based Enterprise Resource Planning (ERP) system entitled ‘Global Resources Management System’ (GRMS). This system provides all FAO employees around the world with travel, human resources, procurement and finance functionalities. Using GRMS improves the flow of financial information, supports financial monitoring and reporting, increases transparency and visibility, and strengthens internal control. FAO maintains a Chart of Accounts which is used by the whole Organization and that allows for a separation of income and expenditure by donor and project and it provides a standardized coding structure that enables data to be recorded, classified and summarized to facilitate internal management and external reporting requirements.

Direct procurement during the project lifetime, by FAO, is done in accordance with the FAO Manual Section 502, “Procurement of Goods, Works and Services”. To sub-contract the delivery of specific activities using Letters of Agreement, FAO operates in accordance with its Manual Section 507, “Letters of Agreement”. Such services are managed under the FAO Procurement Service, which provides policy and operational support to FAO offices and staff undertaking these activities to ensure the Organization procures goods, works and services based on “Best Value for Money” principles.

The project will be subject to FAO’s audit regime, including the external audit and internal audit function. When contracted through Letters of Agreement, according to the audit close of Manual 507, the Service Provider will maintain financial records that are open to inspection by FAO Officials or by the relevant authority (e.g. national audit office or for UN Entities their internal auditors) for a minimum of 3 - 5 years.

**D. LOGIC FRAMEWORK AND MONITORING, REPORTING AND EVALUATION**

This section refers to the project/programme’s logic framework in accordance with the GCF’s Performance Measurement Framework under the Results Management Framework to which the project/programme contributes as a whole, including in respect of any co-financing. This is different from the project/programme-level log frame (as there may be other impact measures for example that go beyond those defined by the GCF).

A project-level logical framework, with specific indicators, baselines and targets, means of verification and assumptions should be provided as part of Annex 2.

**D.1. Paradigm shift objectives**

<table>
<thead>
<tr>
<th>Shift to low-emission sustainable development pathways</th>
</tr>
</thead>
<tbody>
<tr>
<td>The project should enable a transition to a green, low-carbon economy by attacking the drivers of deforestation and forest degradation while aiming at progressive independence of producers/cooperatives from assistance and public funds. The project will also strengthen the REDD+ mechanism through the Warsaw Framework in order to access results-based payments. The REDD+ tools will be finalized to become operational and the enabling framework will be strengthened to allow long-term investments and to enable the country to mobilize more resources for scaling up.</td>
</tr>
</tbody>
</table>

**D.2. Impacts measured by GCF indicators**

The detailed logframe, with indicators and milestones are in Annex 2a.

<table>
<thead>
<tr>
<th>Expected Result</th>
<th>Indicator</th>
<th>Means of Verification 60</th>
<th>Baseline</th>
<th>Target</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Mid-</td>
<td>Final</td>
</tr>
</tbody>
</table>

60 All GIS information related to the project (location of the restored plots, restored forest, etc.) will be available through the NFMS national portal and its registry (public).
M4.0 Reduced emissions from land use, reforestation, reduced deforestation, and through sustainable forest management and conservation and enhancement of forest carbon stocks

M4.1. Tons of carbon dioxide equivalent (tCO₂eq) reduced or avoided (including increase and removals) - forest and land use

BUR submitted to UNFCCC (government source UNFCCC platform)

2.65 MtCO₂eq of avoided emissions every year in the country for the period 2000-2015

550,000 t CO₂eq reduced

1.375 MtCO₂eq reduced

GHG estimates are based on the twenty-year project lifetime, estimated with EX-ACT tool, and monitored by the national forest monitoring system.

D.3. Outcomes measured by GCF indicators

<table>
<thead>
<tr>
<th>Expected Outcomes</th>
<th>Indicator</th>
<th>Means of Verification (MoV)</th>
<th>Baseline</th>
<th>Target</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>M5.0 Strengthened institutional and regulatory systems</td>
<td>M5.2. Number and level of effective coordination mechanisms</td>
<td>National forest monitoring system and REDD+ portal (including the REDD+ portal which will connect the full REDD+ platform) Minutes of meeting of the National REDD+ committee Minutes of meetings of the Regional REDD+ Committee</td>
<td>1 national coordination mechanism (National REDD+ committee) = Level 2 3 sub-national coordination mechanisms (Regional REDD+ Committee) = Level 1</td>
<td>1 national coordination mechanism (National REDD+ committee) = Level 3 3 sub-national coordination mechanism (Regional REDD+ Committee) = Level 2</td>
<td>Government, through MINEDD and SEP-REDD, is strongly involved in the REDD+ mechanism, for the finalization and operationalization of REDD+ Warsaw framework elements (National investment Framework, National forest monitoring system, Forest reference level and Safeguards information system), and willing to create incentives to...</td>
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61 FREL, 2017.

62 The impact potential for the project lifetime (20 years) is 5.5 MtCO2eq.

63 Forest is defined as: Minimum land area of 0.1 ha, minimum tree height at maturity of 5 m and minimum canopy cover of 30 per cent. Deforestation is defined as: Direct anthropogenic conversion of a continuous area of minimum forest land area 0.10ha to non-forest land area. It has been estimated that at project start, the total forest area equals 168,490 ha. Four drivers of deforestation are considered for this project in the three regions: agriculture (70%), logging (20%), mining (4%) and infrastructure (6%). With and without project scenarios are described in ExAct Tool.

64 Level 1 = no coordination mechanism; Level 2 = coordination mechanism in place; Level 3 = coordination mechanism in place, meeting regularly with appropriate representation (gender and decision-making authorities); Level 4 = coordination mechanism in place, meeting regularly, with appropriate representation, with appropriate information flows and monitoring of action items/issues raised.

65 https://www.geoportaillest.com/

66 http://reddplus.ci/
M9.0 Improved management of land or forest areas contributing to emissions reductions

M9.1. Hectares (ha) of land or forests under improved and effective management that contributes to CO₂ emission reductions

| National Forest Monitoring System and georeferenced data in REDD+ web-portal | Evaluation of the implementation of the local development plan (report by the Government) | 0 hectares of forests restored | 0 hectares of restored/rehabilitated agroforestry systems | 500 ha of forest restored | 1,200 ha of hectares of restored/rehabilitated agroforestry systems | 1,500 ha of forest restored | 3,650 ha of hectares of restored/rehabilitated agroforestry systems |

FAO and government staff (from MINEDD/SEP-REDD, MINEF, SODEFOR, ANADER) provide the technical support needed for the implementation of project interventions. Local communities are interested and involved in field activities about forest and agroforestry, including the land-use planning development process.

D.4. Arrangements for Monitoring, Reporting and Evaluation (max. 300 words)

FAO will serve as the Accredited Entity for the project. As such, FAO will be responsible for the overall management of this project, including: (i) all aspects of project appraisal; (ii) administrative, financial and technical oversight and supervision throughout project implementation; (iii) ensuring funds are effectively managed to deliver results and achieve objectives; (iv) ensuring the quality of project monitoring, as well as the timeliness and quality of reporting to the GCF; and (v) project closure and evaluation. FAO will assume these responsibilities in accordance with the detailed provisions outlined in the Accreditation Master Agreement (AMA) between FAO and GCF. Accountability on the use of financial resources will be facilitated through the review of annual and bi-annual project reports, as well as through audit and...
monitoring reports. The project will oversee activities through the data that will be produced regularly by the NFMS coupled with community monitoring of forests, which will establish the reference levels for the project from the outset. Regular monitoring of activities, based on evidence including collected and georeferenced evidence, will take place through the use of these tools established in component 1, and which will be consolidated by the work of the monitoring-evaluation expert (who must have competence in gender aspects) recruited for the project. Section 3.6 of the pre-feasibility study details the M&E plan.

Project technical reports (annual reports and mandatory reports requested by GCF), as well as the financial reports, will be the responsibility of the project manager, who will establish them with the Project Management Unit (PMU, see Section 5.2 and Annex 4 of the pre-feasibility study). Likewise, all BTOR and technical reports will be developed under the responsibility of the project manager. All potential risks inherent to the project were assessed and mitigation measures are detailed in Annexes 7 and 12. The project has been considered as Low Risk by the GCF and the FAO ESM-Unit. A Project-level grievance mechanism in line with FAO standards will also be put in place. Contact information and information on the process to file a complaint will be disclosed in all meetings, workshops and other related events throughout the lifetime of the project. In addition, it is expected that all awareness raising material to be distributed will include the necessary information regarding the contacts and the process for filing grievances. The project will also be responsible for documenting and reporting as part of the safeguards performance monitoring on any grievances received and how they were addressed. The mechanism is detailed in the pre-feasibility study. In addition, the project will support the establishment of a REDD+ grievance mechanism at national level, thus reinforcing actions in this direction.

To perform these Accredited Entity functions, FAO will set up a dedicated FAO-GCF project supervision team comprising relevant staff from the FAO Country Office in Cote D’Ivoire, the FAO Regional Office for Africa, and FAO headquarters. Members of this project supervision team will perform the necessary supervision and oversight functions, including supervision and backstopping missions during the entire implementation period, as required. The project supervision team will remain independent of the Executing Entity functions also performed by FAO. In line with the GCF policy on fees adopted through GCF Board Decision B.19/09, the above-mentioned segregation of responsibilities within FAO will ensure that the Organization can independently and effectively perform the types of Accredited Entity functions listed in the GCF General principles and indicative list of eligible costs covered under GCF fees and project management costs. With respect to the administration of the proposed project, as the Executing Entity (EE), FAO will hold the project to its standards for project financial management, procurement, auditing and reporting. These standards have already been reviewed and approved by the GCF in the context of the Organization’s application to become a GCF Accredited Entity in 2016.

In accordance with the AMA, the FAO Office of Evaluation will be responsible for the interim and final evaluation of the intervention. The evaluations will be conducted with a question-driven approach, and may include assessments against the broad criteria of relevance, effectiveness, and sustainability, amongst others, as appropriate. The interim evaluation will be instrumental for contributing – through operational and strategic recommendations – to improved implementation, setting out any necessary corrective measures for the remaining period of the project’s life. The final evaluations will assess the relevance of the intervention, its overall performance, as well as sustainability and scalability of results, results achieved and lessons learned. The evaluation will adhere to the UNEG Norms & Standards.

The evaluation will adopt a consultative and transparent approach with internal and external stakeholders throughout the evaluation process. Triangulation of evidence and information gathered will underpin the validation of evidence collected and its analysis and will support conclusions and recommendations. It will develop specific evaluation tools to respond to each of the overarching evaluation question. These may include:

- Review of existing documentation: project document, outputs, monitoring reports (e.g. Project inception report, meeting reports and reports from other relevant meetings; Project Implementation Reports; quarterly and six-monthly progress reports), and other internal documents including consultant and financial reports, project website, annual work plans, publications produced at HQ or at country level and other materials and reports;
- Semi-structured interviews (direct or by phone) with key informants, stakeholders and participants.

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67 All GIS information related to the project (location of the restored plots, restored forest, etc.) will be available through the NFMS national portal and its registry (public). An M&E officer will be hired for the project and the community forest monitoring will contribute to this project monitoring, at the same time as the production of more accurate land-use data for the NFMS.

68 To be noted that the project is going to use FAO methodology on gender mainstreaming: every staff should be responsible of the gender mainstreaming during the implementation of his work. This means that all staff will receive gender training at the beginning of the project, and will have to mainstream gender into the activities they undertake. The M&E officer will rely on all the staff for the respect of the gender mainstreaming as this will be done throughout the project implementation. All staff should report on the gender aspect during the monitoring of activities. This methodology will help mainstream gender aspects into all activities and improve the participation of women during the overall project implementation.
Interviews and focus group discussions with beneficiaries paying particular attention in ensuring participation and consultation of women and of under-privileged groups vulnerable groups. Insofar as possible and appropriate, interaction will also take place with non-participants to canvass their opinions.

Direct observation during field visits.

The interim and final evaluation will draw on the existing monitoring system and reports prepared by project staff, including baselines, surveys implemented and mid-term and at project completion and polygons and geo-references provided on the project sites. In particular the accurate geo-referencing of the project implementation sites should allow a costs/benefits analysis (including land productivity, carbon sequestration and other ecosystem goods and services) of large-scale land restoration.

### E. EXPECTED PERFORMANCE AGAINST INVESTMENT CRITERIA

#### E.1. Impact potential (max. 300 words)

<table>
<thead>
<tr>
<th>Results</th>
<th>Targets</th>
<th>Climatic justification</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mitigation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tons of CO₂ equivalent (t CO₂ eq) reduced or avoided</td>
<td>5,500,000 tCO₂ eq</td>
<td>The project will generate 5.5 million tCO₂ eq during its lifetime, with activities from component 2 focused on innovative models of managing low-carbon emission land thanks to agroforestry (2.3) and building the investment capacities of cooperatives and small producers (2.4).</td>
</tr>
<tr>
<td>Hectares of land or forest areas contributing towards emission reduction through improved management</td>
<td>3,650 ha of agroforestry, 1,500 ha of forest restoration</td>
<td>The activities will increase forest cover by 5,150 ha using agroforestry and forest restoration techniques in specific areas, but also by building the capacities of small producers in agricultural techniques and those of cooperatives in the development of business plans that should allow them to focus more on private sector investors.</td>
</tr>
<tr>
<td>Strengthening of institutional and regulatory systems for planning and development that are more sensitive to climate change</td>
<td>Operational Warsaw Framework</td>
<td>The project will enable the finalization and operationalization of the REDD+ national infrastructure through 4 elements in the Warsaw framework. It will contribute indirectly to emissions reduction by implementing a successful REDD+ mechanism and will help the country to access future RBPs.</td>
</tr>
<tr>
<td><strong>Adaptation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total number of direct and indirect beneficiaries (reduced vulnerability or increased resilience)</td>
<td>7,550 smallholders and 3 cooperatives as direct beneficiaries, 600,000 indirect beneficiaries</td>
<td>The main climate change impact in Côte d’Ivoire is increased water scarcity, which is extremely detrimental for cash crops and food crops, as well as for access to water for the local population (associated localised changes in climate conditions result in lower rainfall regimes). This project targets mitigation, and as such will focus on the main drivers of deforestation in the country to reduce it.</td>
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</tbody>
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69 Republic of Côte d’Ivoire and FAO prerequisite
climate change and its impacts at national level and more broadly to contribute to the fight against climate change. Indeed, the Government's strong political will of the Government of Côte d'Ivoire to implement REDD+ by reducing deforestation and forest degradation at both national and sub-national level, with the two levels mutually reinforcing each other. This is the case thanks to the long-term coordination, policy consistency and a socially inclusive and strong commitment, specifically through validation before the project implementation.

Finally, this paradigm shift will also be seen by the integrated implementation of REDD+ through intersectoral and multi-party coordination, policy consistency and a socially inclusive and strong commitment, specifically through validation of gender aspects, and including all stakeholders. To achieve this, the REDD+ mechanism must be implemented at national and sub-national level, with the two levels mutually reinforcing each other. This is the case thanks to the long-term political will of the Government of Côte d'Ivoire to implement REDD+ by reducing deforestation and forest degradation at national level and more broadly to contribute to the fight against climate change. Indeed, the Government wants to take the lead in this process and to provide evidence that the country is contributing to global efforts to combat climate change and its impacts. Finalization of the REDD+ architecture will then consist of completing the development

E.2. Paradigm shift potential (max. 300 words)

The anticipated project paradigm shift, while ensuring a new way of development in the three regions, will also support the optimal scenario of Vision 2040. According to Vision 2040, Côte d'Ivoire will move from an agricultural economy to the strong economy of a newly industrialized country and will have the conditions and activities needed to achieve the objectives of the REDD+ NS. This possibility is based on the fact that the country should profoundly transform its extensive model of natural resource use, starting at the local level, in particular with regard to cash crops, such as cocoa, but also logging and firewood. There is an urgent need for more sustainable agricultural models, better land security and renewable energy sources to meet the growing needs of the population. Therefore, to support the REDD+ mechanism and realize this optimal scenario, the project will launch a paradigm shift focused on the REDD+ mechanism at both national and local levels through three transformative effects: (i) strengthened institutional and regulatory systems, (ii) improved management of land or forest areas contributing to emissions reductions, (iii) reduction of emissions from land use, land-use change and forestry, and (iv) increased access to finance through building the business case for profitable, community-based cocoa production, as well as designing innovative financial schemes/products.

Improved management of land and forest areas contributing towards emission reductions is anticipated thanks to the REDD+ activities implemented in the country’s three regions. This project will implement activities that directly aim to reduce emissions caused by deforestation and forest degradation, specifically by the intensification of agricultural activities in the cocoa value chain and, as far as possible, other permanent crops that are deemed relevant (coffee and rubber for example71). This will be possible through the scaling-up of successful and innovative agroforestry models tested in la Mé that will lead to community appropriation of low-carbon emission agricultural practices and, globally, to zero deforestation agriculture based on added value per hectare and diversification of community livelihoods, with the replicated model being the pilot REDD+ project in La Mé. As the largest cocoa producer in the world, the country is committed to improving its cocoa production so that it is sustainable and part the evolution of its agricultural model. In addition to the traditional trade in wood products, the project will also stimulate markets of non-wood forest products (rattans, edible mushrooms, seeds and plants, etc.). Moreover, land security and land-use planning are essential for effective development, and their absence may cause land-use conflicts. To remedy this, these cross-cutting aspects should be consolidated by the project, and aligned with existing initiatives (PAMOFOR) at a relevant time-space level. The activities will also strengthen the financial independence of small producers and cooperatives through an improvement in the quality of their production (organic fair trade products), the creation of an enabling environment that allows them to access the most profitable niche markets and a wide range of affordable and appropriate financial instruments (microcredit, working capital, guarantee, etc.). Innovation comes from the implementation of local models of low carbon land management towards a progressive financial independence of producers and cooperatives which did not exist in the BAU scenario. These actions will allow them to effectively engage with the private sector and to target basic product markets, as well as the carbon market via the RBP. As a result, small producers and cooperatives will reduce their financial dependence on public assistance in la Mé region while maintaining their agricultural production of at least 3,750 small producers.

This will be possible through the scaling-up of successful and innovative agroforestry models tested in la Mé that will lead to community appropriation of low-carbon emission agricultural practices and, globally, to zero deforestation agriculture based on added value per hectare and diversification of community livelihoods, with the replicated model being the pilot REDD+ project in La Mé. As the largest cocoa producer in the world, the country is committed to improving its cocoa production so that it is sustainable and part the evolution of its agricultural model. In addition to the traditional trade in wood products, the project will also stimulate markets of non-wood forest products (rattans, edible mushrooms, seeds and plants, etc.). Moreover, land security and land-use planning are essential for effective development, and their absence may cause land-use conflicts. To remedy this, these cross-cutting aspects should be consolidated by the project, and aligned with existing initiatives (PAMOFOR) at a relevant time-space level. The activities will also strengthen the financial independence of small producers and cooperatives through an improvement in the quality of their production (organic fair trade products), the creation of an enabling environment that allows them to access the most profitable niche markets and a wide range of affordable and appropriate financial instruments (microcredit, working capital, guarantee, etc.). Innovation comes from the implementation of local models of low carbon land management towards a progressive financial independence of producers and cooperatives which did not exist in the BAU scenario. These actions will allow them to effectively engage with the private sector and to target basic product markets, as well as the carbon market via the RBP. As a result, small producers and cooperatives will reduce their financial dependence on public assistance in la Mé region while maintaining their agricultural production and preserving forest resources. As for them, Agneby Tiassa and Sud Comoé will reach the level of the La Mé region before the project implementation.

Finally, this paradigm shift will also be seen by the integrated implementation of REDD+ through intersectoral and multi-party coordination, policy consistency and a socially inclusive and strong commitment, specifically through validation of gender aspects, and including all stakeholders. To achieve this, the REDD+ mechanism must be implemented at national and sub-national level, with the two levels mutually reinforcing each other. This is the case thanks to the long-term political will of the Government of Côte d’Ivoire to implement REDD+ by reducing deforestation and forest degradation at national level and more broadly to contribute to the fight against climate change. Indeed, the Government wants to take the lead in this process and to provide evidence that the country is contributing to global efforts to combat climate change and its impacts. Finalization of the REDD+ architecture will then consist of completing the development

70 Ibid NIF.
71 Having different crops in a single plot will make producers more resilient to market fluctuations but also to climate change through the increase of forest cover.
of the tools necessary for the operation of the Warsaw Framework (NIF, NFMS, SIS – FREL was submitted, emission reductions evaluated using the results submitted via the BUR Technical Annex). The country will then be eligible for GCF’s RBP, and will thus be in a position to expand and intensify its area of intervention by applying the successful lessons and experiences from the initial initiatives (in addition to potential parallel co-funding sought within the context of this project). Above all, through this project, the Government will increase actions on the ground by attracting more investors and by communicating the benefits of REDD+.

The project will contribute to pathways towards deforestation-free cocoa – funded by both the public and private sector – by strengthening capacities of national counterparts through the REDD+ mechanism, and by leveraging private funding. The estimated leverage impact of the project from the private sector will be assessed during project implementation (estimated with the private sector entities in order to scale up the cocoa-based agroforestry model), and USD 410 million for the REDD+ mechanism. If the country manages to transform this experience, the REDD+ objectives will be better integrated into development projects, national policy and the regulatory framework, thus leading to reduced emissions from land use, land-use change and forestry, and a profound transformation of the economic model or the “business as usual” scenario – a prerequisite for the optimal scenario of Vision 2040. The theory of change in section 3.5 of the pre-feasibility study illustrates this new paradigm.

E.3. Sustainable development (max. 300 words)

The project will generate numerous co-benefits, as it focuses on improving the quality of life of people and the environment in rural areas. It will also contribute towards the achievement of numerous Sustainable Development Goal (SDG) objectives: 1 (No poverty); 2 (Zero hunger); 5 (Gender equality); 8 (Decent Work and Economic Growth); 10 (reduced inequalities); 13 (Climate action); and 15 (Life on land).

Environmental co-benefits:
- Restoration of forest cover – up to 3,650 hectares of agroforestry systems and 1,500 hectares of degraded forest will rebuild a forest area of 5,150 hectares in the project zone. This reforestation will reduce soil erosion, and thus improve water catchment at the level of the groundwater table, enabling increased and controlled release of source water during the year, thus limiting the impact of drought periods;
- During floods, the presence of trees and the absence of vast quantities of suspended mud and sand limits the impact on flooded land and particularly agricultural areas;
- Good quality water is also a key element for aquatic biodiversity;
- Benefits in terms of restoration of terrestrial biodiversity are numerous due to the restored connectivity of natural forest remnants and the increase in their natural habitat, as well as the improvement of the ecosystem in agroforestry systems. Species may therefore recolonize their living environments, increasing the speed of forest regrowth; local food resources will again become available and natural pest control will be established due to regrowth of the fauna; pollination is better owing to the rapid increase in insects and therefore the availability of non-timber forest products increases (fruits in particular). Generally, all ecosystem services are improved by the implementation of agroforestry and the restoration of forests planned in this project.

Social co-benefits:
- Increased and diversified income of 7,550 people from organic cocoa will improve the standard of living of the project beneficiaries and, more broadly, local communities;
- Property rights to a plot or the contents of a plot thanks to land certificates will give people a “right to remain” that can be passed on to spouses and future generations, thus creating a deeper sense of responsibility in terms of the value of the land as a “finite” natural resource that needs to be conserved;
- Increased food self-sufficiency through the implementation of agroforestry will improve the health of households and the quality of life of rural populations;
- Communication, sharing of information and training will take place within the context of the project, and will aim at consolidating the involvement of women in economic activities, raising awareness against child labour and developing awareness about the implementation of fair trade activities that also respect the social safeguards developed by the country within the context of the REDD+ process;
- Increased support for women through the development of food crops, the rehabilitation of commodity plantations, and forest restoration.

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72 A conservative amount of 10 million has been agreed with the relevant actors but will be adjusted following the discussions on the second phase of the CFI. The volume was estimated following technical exchanges with potential private sector investors (Cargill, Mondelez, etc.), and also following technical exchanges with IDH and Conseil Café Cacao.

73 T21-Côte d’Ivoire, scenarios on Vision 2040, 2016.
Economic co-benefits:
- Improved yields of existing plantations and the incorporation of higher-performing new practices that could cause household income levels to rise;
- Diversified income sources will help households deal with market fluctuations and variations in raw material prices more easily;
- Income diversification means that income will be spread out throughout the year, rather than being subject to a system of sudden wealth followed by long periods without income. This stabilization of financial returns will allow households to pay more attention to bank savings and increase their financial credibility with banks in order to obtain credit;
- Income smoothing is expected;
- Support to local entrepreneurship and the availability of new bank solutions will enable small producers to stabilize their economic activity and gain access to credit solutions;
- Individuals with land certificates are more bankable and therefore capable of accessing credit to implement their projects.

E.4. Needs of recipient (max. 300 words)

Economic needs
Côte d’Ivoire is the second leading economy in the West African Economic and Monetary Union and the second largest economy in West Africa with a GDP of 31 billion USD in 2013. The national economy seems fairly diversified with the primary sector representing 30% of the GDP, the secondary sector 21% and the tertiary sector 49% of the economy. However, it is agriculture, particularly the coffee-cocoa pairing, that is the driver of the Ivorian economy. The main cash crops are cocoa, robusta coffee, rubber, palm oil, cashew nuts, cotton and yams. With regard to cocoa, the country is currently the leading producer in the world, accounting for 40% of world production. Diversification and modernization of agriculture is one of the pillars of the National Agricultural Investment Program (Programme National d’Investissement Agricole, NAIP) with a declared growth target of 7% for cash crops. However, deforestation is a threat to the agricultural sector owing to decreased rainfall and available agricultural land – with the lack of water having an impact on the growth of the cocoa plants (see pre-feasibility study). Agriculture in the District of Comoé (Sud-Comoé region), is mainly based on cocoa and coffee, but also rubber and cashews that the communities added later to diversify their crops and improve their income. With regard to food crops, bananas are dominant followed by cassava, taro, yams, and more – they represent 46% of cultivated areas and 76% of production while cash crops (oil palm and cocoa primarily) represent only 20% of the tonnage despite the fact that the coffee-cocoa pairing represents 84% of areas (yields remain very low today). It should also be noted that people prefer to work with cash crops, neglecting food crops, which will lead to long-term problems with food security. In the Lagunes district (Agnéby-Tiassa and La Mé regions), agriculture is mainly based on cassava, rice and yams, with fruit being grown as a food crop and palm oil, rubber and cocoa as cash crops. Sixty-eight percent of the farmed area is used for food crops compared with 32% for cash crops. Cocoa occupies 89,500 ha, which is 4% of the national area. In addition to a relatively favourable climate (good rainfall) and large cultivation areas, this part of the country is a key agricultural area, although farmers remain dependent on weather variations.

The country must therefore strengthen these economic sectors while limiting deforestation in order to preserve the remaining forests. The project will contribute towards these objectives in several ways, mainly by focusing on agriculture. Improvements in agricultural performance through intensification and development activities for a more competitive organic cocoa will contribute towards achieving the 7% growth target set by the NAIP. The addition of agroforestry systems into cash crops will also make the systems significantly more resilient to climate change and will stabilize rain in the areas, with a concomitant positive impact on productivity. Moreover, today there is a high demand on the international market for fair trade, sustainable products. By promoting agriculture driven by sustainable development objectives, Côte d’Ivoire’s position on this market will strengthen the competitiveness of Ivorian products and will have positive impacts on the nation’s economy.

Social needs

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75 National Agricultural Investment Program (PNIA), 2010-2015.


With a poverty index estimated at 46% in 2015 and strong population growth, Côte d'Ivoire must face important societal challenges, such as access to education, healthcare, employment and gender equality. A survey in 2012 revealed that unemployment affects more women (11.9%) than men (7.4%). Another analysis shows that habits and customs have delayed access to formal education for women and girls. In fact, nearly one out of two women compared with one out of three men has had no schooling. Generally, irrespective of the level of schooling reached, men continue to be more educated than woman (29% of women have a secondary level of education compared with 71% of men), hence the need to support women. Moreover, poverty is mainly a rural phenomenon that exacerbates inequalities in terms of access to services. As stated above, local communities are also very vulnerable to climate change, especially water deficits, which are extremely detrimental for cash crops and food crops, as well as for access to water for the local population. The project’s activities will allow the following needs to be met: improvement of household income thanks to organic cocoa and diversification, job creation, local community involvement in decision-making, greater participation of women in activities and sharing of benefits from more equitable activities.

Another very important social aspect for the country and the targeted districts is related to land use and occupation conflict. Forest cover and arable land have decreased rapidly and significantly due to massive use and demographic growth. In fact, pressure inevitably increases around available land, exacerbating risks of conflict between local communities and affected populations, with a negative impact on the social cohesion of the territories. By securing plots of village land, as well as implementing local land-use plans, the project can ensure minimization of these conflicts and better organization of the activities of each community.

**Consolidation of the REDD+ mechanism and its institutions**

The technical and financial support of most of Côte d'Ivoire’s partners in preparing REDD+ expired in December 2019 and the country still requires additional assistance to finalize and operationalize certain REDD+ tools. Furthermore, there are still capacity problems in key organizations related to the technical implementation of REDD+ elements, as well as a lack of coordination of intersectoral policies. It is important to consider a more sustainable vision of Ivorian public policies to better support the REDD+ approach. An intersectoral vision should also be encouraged instead of a sectoral version which compartmentalizes issues and reduces interchanges. The REDD+ NS will encourage intersectoral dialogue because its components overlap, align all public policies on the objectives to be achieved and harmonize national documents. Moreover, despite intense deforestation and forest degradation pressures, the three areas targeted by the project have received a relatively low level of interest from technical and financial partners to date. The only successful REDD+ project implemented in the area is the La Mé project funded by the French Development Agency for a three-year period (2017–2019) in the amount of USD 2.7 million.

The project will support the finalization of the elements of the Warsaw Framework that are essential in gaining access to RBPs and building the capacities of key organizations in terms of operationalization. GCF funding will allow this financial gap to be filled, which is necessary for the implementation of an enabling environment needed to mobilize local private investment in low-carbon emission activities, but also to lay the foundations for the mobilization of significant private and public green investment, particularly within the context of future results-based payments.

**E.5. Country ownership (max. 500 words)**

There is a high level of national appropriation of the project, given that it is a direct result of the needs expressed by the Government of Côte d'Ivoire through SEP REDD+ and MINEDD. In addition to the intrinsic nature of the REDD+ project, the activities contribute directly to the implementation of the REDD+ NS and the NIF by targeting one of the main drivers of deforestation and forest degradation, supporting one of the main pillars of the strategy and targeting one of the investment areas. In order to be able to implement the programmatic approach proposed by the NIF, geographically complementary approaches are needed to cover the country (ER-P in the west, FAO-GEF-FOLUR in the east and west, UNDP/GCF in the center and FAO/GCF in the east – with all these approaches covering the specific pillars of the REDD+ NS). The NDA, advised by the SEP REDD+, was the instrument for this coordination at national level, resulting in the adoption of a phased approach for REDD+. This project is also aligned with the country's reduction objectives, as expressed in the NDCs, which aim at a 28% reduction in GHG emissions (low-carbon scenario) from 2012 to 2030. This objective will specifically be achieved through the implementation of the REDD+ NS in addition to sustainable forest management and ambitious reforestation policies.

In fact, the main pillars are reducing deforestation by “strengthening zero deforestation agriculture” and restoring 20% of the national forest, in addition to the development of renewable energy. Further to the Paris Climate Conference and the commitments made at COP21, Côte d'Ivoire is committed to taking climate action, and is developing a roadmap,

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79 https://www.nrtidae.org/en/actions/projet-redd-de-la-me-lutte-contre-la-deforestation-et-la-degradation-des-forets-de-la-me
the key elements of which are the promotion of renewable energy, zero deforestation agriculture and waste recycling. This project is also in line with national policies, namely the National Development Plan (Plan National de Développement, NDP), the National Climate Change Programme (Programme national de changement climatique, NCCP) and the National Agricultural Investment Program (NAIP), the Forest Preservation, Rehabilitation and Expansion National Strategy (Stratégie nationale de préservation, de réhabilitation et d’extension des forêts) but also the new Forest Code (that came into force at the end of 2019). The objective of the NDP is to consolidate the trajectory of an emerging economy into a country with a better diversified economy and industrialization. To meet these development challenges, Côte d’Ivoire established the current 2012 NCCP which will coordinate, propose and promote measures and strategies to combat climate change. Further to the NCCP, the national strategy to combat climate change 2015–2020 was adopted at the end of 2014. The institutional structures in charge of guiding climate-related policies and national actions come under the MINEDD.

FAO is the agency in the United Nations system that is specifically involved in agriculture and forestry issues, and it is also accredited to the GCF. The Organization has a solid reputation in the fields of forestry, agriculture and food with a long history of climate change-related knowledge and innovation, particularly in terms of the fundamental objectives of the strategic intervention areas of GCF. FAO has been established in Côte d’Ivoire since 1987, where it has implemented over 300 projects and programmes, such as the national REDD+ programme supported by UN-REDD, the NAIP 2017–2015, and a national climate-smart strategy.

The project document was developed by a team of experts, notably made up of representatives from the REDD+ Permanent Executive Secretariat, the GCF National Designated Authority for Côte d’Ivoire as well as representatives of Côte d’Ivoire’s technical and financial partners (mainly FAO). At each stage of project development, the identified potential stakeholders were informed and consulted:
- During the development of the concept note, the stakeholders, including the Regional Councils of the three regions to be covered by the project and the sectoral ministries that will be mobilized during implementation were consulted,
- During development of the funding proposal:
  - The national stakeholders and, in particular, the three regions targeted during project implementation, were again consulted to discuss the commodities that should be developed in the regions as well as the locations, communities, producers and cooperatives that will be involved in the production activities. Gender aspects were broached throughout the interchanges and special emphasis was placed on the needs expressed by women and their expectations.
  - Interchanges on planning were also conducted with ongoing projects (finalization of the REDD+ pilot project in La Mé, PAMOFOR, etc.), and the SCOLUR-CI project currently being developed by FAO for submission to the GEF.
  - Potential private sectors (particularly through the Coffee-Cocoa Council and the World Cocoa Foundation which will be mobilized during project implementation, and according to the regions under consideration and the partners to be mobilized) were also approached. Furthermore, at international level, potential partners such as Ecoterra, Livelihoods Funds were also informed about the project and its objective, within the context of the blended finance that the country will develop, and thus the potential for their future involvement in the country’s production sectors. It was noted that there is convergence between project and stakeholder objectives as the Cocoa and Forests Initiative defends the idea that agroforestry improves the resilience of communities and forests by restoring Ivorian forest, even if there are certain obstacles (access to plants, economic and financial viability of the models, tree ownership, land security, etc.) and this project provides responses to these obstacles, for example by making seeds and plants available to communities or by developing business plans with cooperatives to work on viable economic approaches. The Coffee-Cocoa Council is also working on the reorganization of the cocoa sector in order to develop more sustainable models, secure the income of small producers and strengthen the organization of the profession through cooperatives. It also encourages agroforestry in cocoa plantations based on the needs of producers identified in advance through agrarian diagnoses, for example.
- The government, and mainly the SEP REDD+ in charge of coordination of all REDD+ activities in the country, as well as the NDA focal point, were very involved in the technical compilation of the document through near-daily interchanges with their technical experts. The project is therefore aligned with the GCF country programme: the objective of the project is part of the priority of the country, in the AFOLU sector.

**E.6. Efficiency and effectiveness**

**E.6.1. Estimated cost per t CO\(_2\) eq, defined as total investment**

| (a) Total project financing | USD 11,754,000 |
### E.6.2. Expected volume of finance to be leveraged by the proposed project/programme and as a result of the Fund’s financing, disaggregated by public and private sources (Mitigation and Cross-cutting)

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>(b) Requested GCF amount</td>
<td>USD 10,000,000</td>
</tr>
<tr>
<td>(c) Expected lifetime emission reductions</td>
<td>5,500,000 tCO₂eq</td>
</tr>
<tr>
<td>(d) Estimated cost per tCO₂eq (d = a / c)</td>
<td>USD 2.13 / tCO₂eq</td>
</tr>
<tr>
<td>(e) Estimated GCF cost per tCO₂eq removed (e = b / c)</td>
<td>USD 1.81 / tCO₂eq</td>
</tr>
<tr>
<td>(f) Total finance leveraged</td>
<td>USD 10,000,000</td>
</tr>
<tr>
<td>(g) Public source finance leveraged</td>
<td>USD 0</td>
</tr>
<tr>
<td>(h) Private source finance leveraged²⁸⁰</td>
<td>USD TBD</td>
</tr>
<tr>
<td>(i) Total Leverage ratio (i = f / b)</td>
<td>100%</td>
</tr>
<tr>
<td>(j) Public source leverage ratio (j = g / b)</td>
<td>0%</td>
</tr>
<tr>
<td>(k) Private source leverage ratio (k = h / b)</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Fully aligned with the INDC forest mitigation targets, the project will pursue a public good rated objective, with a large need for public resources. The financial structure of the project responds to the minimum needs to ensure success for public goods, such as forest conservation and GHG emission reductions.**

The first project component will provide support to operationalize the REDD+ architecture by strengthening institutional capacities. Even though Cote D’Ivoire has benefitted from financial and technical assistance to implement the REDD+ mechanisms since 2011, the country still needs additional funds to operationalize the REDD+ mechanism. The first component represents 22.8% of the total costs, but a significant part of such costs (23.4%) are made of Government contributions. With 72.4% of the total project cost, the second component includes core mitigation activities.

An economic and financial analysis was conducted for the second component (see Annex 10). This is based on four modelled agro-forestry interventions and two forest restoration models.

The purpose of agro-forestry interventions is twofold: increasing carbon stock and raising income per unit of land, thus avoiding agricultural expansion into forest areas. The results of the analysis show that the project is viable both from a financial and an economic point of view. The financial analysis shows that all proposed investments are unlikely to be conducted without financial and technical assistance, since they require significant upfront costs and long pay-back periods for poor and resource-constrained beneficiaries. Indeed, from a private point of view (i.e. using costs and benefits borne by the individual beneficiaries and valued at market price) the net present value (NPV) is negative for three of the four modelled agro-forestry interventions, while it is positive if seedlings are distributed by the project along with the provision of technical assistance (while manpower and agricultural inputs costs after the initial investments are borne by beneficiaries).

The financial analysis conducted for the two modelled forest restoration interventions shows that the NPV would be positive even without subsidizing any activity (like free seedling distribution). This is because models are based on high value tropical timbers (i.e. teak) and also because during the first years of a timber plantation it is expected that farmers will gain additional income by planting annual food crops (e.g. cassava, maize, etc.) in the same parcel where timber seedlings are planted. However, with no project support, the initial investment is too high to be conducted by poor smallholders on private land. Of the total target area 1,000 hectares are expected to be restored on gazetted forests, which are managed by SODEFOR, a state-owned company. SODEFOR’s own financial and operational resources are not sufficient to manage forest restoration interventions. Financial and technical support is needed to promote reforestation on gazetted forests.

With a 20-year time horizon (including the five years of project implementation period) and a social discount rate of 7.5%²⁸¹ the economic analysis yields a positive net present value (USD 13.03 million) and an internal rate of return (27.7%) that is higher than the social discount rate. These results are obtained by taking into account the GHG

²⁸⁰ The project vision is not to ask for active financial support but to leverage additional funding from the private sector – that’s why it is not a co-financer. Leveraging private sector new funding is essential for a better exit strategy of the project, technical assistance will be provided for this purpose through the output 2.4.

²⁸¹ The discount rate was obtained by multiplying the forecasted real per capital GDP growth rate (reported by the IMF World Economic Outlook) by an elasticity of marginal utility of consumption of two.
emissions avoided, which are valued at USD 5/Ton (as per GCF suggestions for pilot programs for REDD+ Results-Based Payments). The sensitivity analysis conducted (see Annex 10) also shows that the ENPV is not sensitive to major changes in costs and benefits. This is because GHG emission reductions are factored in the economic analysis. However, with no valuation of GHG emissions reduction the ENPV would be negative. This clearly shows the public nature of forestry interventions. Overall, given the limited space for fiscal policy in Cote D’Ivoire and large upfront costs for farmers, without a GCF grant, no private or public investment would take place.

* Please note that a funding proposal will be considered complete only upon receipt of all the applicable supporting documents.

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### F. ANNEXES

#### F.1. Mandatory annexes

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<thead>
<tr>
<th>Annex 1</th>
<th>NDA No-objection Letter(s) [(Template)]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annex 2a</td>
<td>Example project level logframe [(Example)]</td>
</tr>
<tr>
<td>Annex 2b</td>
<td>Example timetable [(Example)]</td>
</tr>
<tr>
<td>Annex 3</td>
<td>Budget plan that provides breakdown by type of expense [(Template in excel sheet)]</td>
</tr>
<tr>
<td>Annex 4</td>
<td>Gender assessment and action plan [(Template)]</td>
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</tbody>
</table>
| Annex 5 | Co-financing commitment letter

82 Letters of co-financing from Government and FAO, which mention the old title of the project, are still valid as only the title has been changed, not the content of the project.

<table>
<thead>
<tr>
<th>Annex 6</th>
<th>Term sheet and evidence of internal approval</th>
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<tr>
<td>Annex 7</td>
<td>Risk assessment and management [(Template)]</td>
</tr>
<tr>
<td>Annex 8</td>
<td>Procurement plan model [(Template)]</td>
</tr>
<tr>
<td>Annex 9a</td>
<td>Legal Due Diligence (regulation, taxation and insurance) [(Template)]</td>
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<tr>
<td>Annex 9b</td>
<td>Legal Opinion/Certificate of Internal Approvals [(Template)]</td>
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#### F.2. Other annexes to be submitted when applicable/requested

<table>
<thead>
<tr>
<th>Annex 10</th>
<th>Economic and/or financial analysis (mandatory for private-sector proposals)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annex 11</td>
<td>Appraisal, due diligence or evaluation report for proposals based on up-scaling or replicating a pilot project</td>
</tr>
<tr>
<td>Annex 12</td>
<td>Environmental and Social Action Plan (ESAP) [(Template)]</td>
</tr>
<tr>
<td>Annex 13</td>
<td>Pre-feasibility study</td>
</tr>
</tbody>
</table>

* Please note that a funding proposal will be considered complete only upon receipt of all the applicable supporting documents.