

**FOREST INVESTMENT PROGRAM**

**MDB Request for Payment of Implementation Services Costs**

1. <b>Country/Region:</b>	Democratic Republic of Congo DRC	2. <b>CIF Project ID#:</b>	(Trustee will assign ID)
3. <b>Project Title:</b>	<i>DRC Improved Forested Landscape Management Project (IFLMP) (P128887)</i>		
4. <b>Request for project funding (USD mill.):</b>	<i>At time of country program submission (tentative): \$36.9</i>	<i>At time of project approval: \$36.9</i>	
5. <b>Estimated costs for MDB project implementation services (USD):</b>	<i>Initial estimate - at time of Country program submission:  US\$ 1.7 million</i>	<i>MDB: IBRD</i>	
	<i>Final estimate - at time of project approval: US\$ 1.275million</i>	<i>Date: January 31,2014</i>	
6. <b>Request for payment of MDB Implementation Services Costs (USD):</b>	<input type="checkbox"/> First tranche:  <input checked="" type="checkbox"/> Second tranche:	US\$ 425,000	
7. <b>Project/program financing category:</b>	a - Investment financing - additional to ongoing MDB project <input type="checkbox"/> b - Investment financing - blended with proposed MDB project <input type="checkbox"/> c - Investment financing - stand-alone <input checked="" type="checkbox"/> d - Capacity building - stand alone <input type="checkbox"/>		
8. <b>Expected project duration (no. of years):</b>	Five		

**9. Explanation of final estimate of MDB costs for implementation services:**

*If final estimate in 5 above exceeds the relevant benchmark range, explain the exceptional circumstances and reasons:*

Refer to the note “*Information on Changes in the FIP Investment Plan for the Democratic Republic of Congo*”, dated February 13, 2013. ([https://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/For\\_Information\\_Changes\\_in\\_DRC\\_%20Investment\\_Plan\\_document.pdf](https://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/For_Information_Changes_in_DRC_%20Investment_Plan_document.pdf))

A first tranche in the amount of USD 850,000 dollars for covering the costs for preparing and supervising the three investment projects by the World Bank was approved by the FIP Sub-Committee in June 2011.

Activities to be covered from the project preparation and supervision budget include:

- Management and monitoring processes, including knowledge management;
- Technical expertise.

Merging the three projects into a one program allows economy of scale, but this will remain partial as it will mainly affect management and monitoring processes, and to a lesser extent knowledge management.

At the technical level, the diversity of tasks remains unchanged. Consequently, the same level of technical expertise for assistance will be required.

When designing the FIP Investment Plan, we estimated the costs of preparing and supervising the three World Bank projects at USD 1.7 million. It could be assumed that the integration of the three projects could generate savings of up to two-thirds in the MDB preparation and supervision costs, however the anticipated cost savings are estimated at 50 percent.

Based on this conservative estimate, the World Bank intends to submit a second tranche request for covering the MDB preparation and supervision costs in the amount of USD 425,000 bringing the total cost for World Bank project preparation and supervision down from USD 1.7 million to USD 1.275 million.

**10. Justification for proposed stand-alone financing in cases of above 6 c or d:**

Linkages to ongoing or planned MDB financing have not been possible yet because of a timing issue. The ER-Program in the Bandundu Province will only be submitted to the Carbon Fund of the Forest Carbon Partnership Facility in April 2014, without any certainty about its success. The proposed project is consistent with DRC's Poverty Reduction and Growth Strategy Paper (DSCR) of 2011, directly contributing to pillar 4: "Protecting the environment and sustaining the fight against climate change". The project is also well-aligned with two pillars of the 2013-2016 Country Assistance Strategy (CAS) for DRC. By promoting private investment in agroforestry and wood energy production, as well as supporting community management of existing forests, the project will contribute to: (i) employment creation and increasing competitiveness, particularly in rural areas; and (ii) strengthening resilience of rural communities. The project will also complement the WB's support to increasing government capacity and strengthening governance in the forest sector, with an emphasis on improving the enabling environment for investment in rural areas. In addition, the project will help DRC to maintain its position as a global leader in climate change mitigation and REDD+, by allowing the country to move into the investment phase of REDD+ and potentially access larger-scale REDD+ finance.