

Terms of Reference

Pilot Program for Climate Resilience and Forest Investment Program in Rwanda

1st Joint Mission

15 to 19 May, 2017

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EXECUTIVE SUMMARY

A joint mission lead by the Government of Rwanda (GoR), the African Development Bank (AfDB) and the World Bank with participation of other development partners is scheduled to take place in Rwanda from May 15 – 19, 2015 to support the GoR and respective consultants with the preparation of the Rwanda Investment Plan under the Forest Investment Plan (FIP) and the Strategic Program for the Pilot Program for Climate Resilience (PPCR).

The mission will be led by the GoR through the Ministry of Natural Resources, and supported by the Multilateral Development Banks. Specifically, the mission aims to: (i) meet with the consultant teams hired to support the development of the SPCR and IP to agree on the scheduling and the approach; (ii) review any updates to GoR's adaptation/resilience planning and implementation in identified sectors and in forest management / restoration; (iii) assess on-going and pipeline investments of MDBs and relevant development partners, seeking links to and potential vehicles for the IP and SPCR; (iv) confirm proposed institutional arrangements for SPCR/IP development, and that coordination mechanisms are in place; and (viii) assess readiness of FONERWA to implement the PPCR preparation grant.

The Joint Mission will produce an Aide Memoire outlining the issues, process, key findings and agreed steps for continuation of the work.

1. BACKGROUND, CIF OBJECTIVES, AND COUNTRY CONTEXT

1.1 The Climate Investment Fund (CIF) aims to promote international cooperation on climate change and support the efforts of developing countries on the path of low carbon and climate resilient development. Multilateral Development Banks, including the African Development Bank, the World Bank and its private arm, the International Finance Corporation (IFC), and other Multilateral Development Banks (IADB & EBRD) are the implementing agencies for CIF funded projects and programs.

1.2 CIF's financing mechanism is framed around two major trust funds, the Clean Technology Fund (CTF) and the Strategic Climate Fund (SCF). The CTF finances scaled-up demonstration, deployment and transfer of clean technologies, while the SCF finances targeted programs that pilot new approaches with the potential for scaling up. Specifically, the SCF provides an overarching framework to support three targeted programs; **Forest Investment Program (FIP)**, the **Pilot Program for Climate Resilience (PPCR)** and Scaling Up Renewable Energy in Low Income Countries Program (SREP).

1.3 *The Forest Investment Program* supports developing countries' efforts to reduce emissions from deforestation and forest degradation and promote sustainable forest management and enhancement of forest carbon stocks (REDD+) including (i) promoting forest mitigation efforts, including protecting forest ecosystem services, (ii) providing support outside of the forest sector to reduce pressure on forests, (iii) helping countries strengthen institutional capacity, forest governance, and forest-related knowledge, and (iv) mainstreaming climate resilience considerations and contribute to biodiversity conservation, protecting the rights of indigenous peoples and local communities, and poverty reduction through rural livelihoods enhancements. FIPs typically include finance to address the underlying drivers of deforestation and forest degradation as well as the barriers identified by upstream REDD+ programs such those of the Forest Carbon Partnership Facility (FCPF), Global Environment Facility (GEF), UN Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN-REDD Programme). Unique to the FIP is an \$80million Dedicated Grant Mechanism for Indigenous Peoples and Local Communities (DGM). The DGM is a program for and by forest dependent communities, to enhance their role in the national and global REDD+ agenda through grants to the communities.

1.4 *The Pilot Program for Climate Resilience (PPCR)* assists developing countries to integrate climate resilience into development planning including urban development/ infrastructure, agriculture and food security, land and ecosystems, policy, institutions and policies building on National Adaptation Programs of Action (NAPAs) and other existing efforts. The PPCR also offers additional funding to pilot innovative public and private sector solutions to pressing climate-related risks and strives to coordinate with other financing entities in meeting resilience goals of countries.

Priorities for FIP and PPCR in Rwanda

1.5 In 2015, Rwanda applied for and was granted support for the FIP and PPCR to prepare its IP and SPCR respectively. A scoping mission in November of that year determined that the Government of Rwanda already had a high level of readiness, through preparation of their Green Growth and Climate Resilience Strategy (GGCRS, 2011-2050), upon which the Nationally Determined Contribution (INDC) has also been based. It was therefore agreed that the FIP and PPCR processes would build upon the existing GGCRS.

1.6 *Emerging priorities for Technical Assistance under the PPCR and FIP:* The scoping mission discussed the fourteen programs of action identified in the Green Growth and Climate Resilience Strategy and focused on those that are most relevant to climate resilience and forestry. Progress of ongoing activities towards implementing these programs and gaps that require support were discussed together

with officials from FONERWA, MINECOFIN, MINALOC, MINIRENA, RNRA, REMA, RMA, MINAGRI, and MININFRA, and based on these discussions, the following emerging priorities for Technical Assistance under the PPCR and FIP were identified.

- ***Emerging priorities for the Strategic Program for Climate Resilience (SPCR) under the PPCR:***
 - Priorities related to technical analysis: Emerging priorities coalesce around (i) a broad nexus of land and water management interventions, and (ii) improving climate information systems and disaster risk management to enhance resilience across all sectors. The technical work under the preparation grant is expected to involve (i) detailed gap analysis of current programs and identification of the investment portfolio, (ii) identification of most appropriate funding sources and packaging of investments, (iii) initial capacity building interventions, and (iv) additional climate impact analytics in key sectors – e.g. agriculture, water, disaster risk and infrastructure (including energy and transport).
 - Institutional and capacity-related priorities: The government showed interest to perform an institutional analysis to confirm the sufficiency of current institutional structure to facilitate integration of CC resilience in Rwanda’s Green Growth Strategy and to use part of the funds to help initiate some of the institutional structures proposed in the strategy such as the Technical Coordinating Committee. Similarly integration of mid/long term climate risks and response measures in key sectoral plans, namely, agriculture, water and energy was highlighted by the participants.
- ***Emerging priorities for the Investment Plan (IP) under the FIP:***
 - The package of potential activities identified for the TA includes i) Define the FIP support to the REDD+ agenda in Rwanda, ii) Analysis of national forest policy and strategies in the context of climate change, iii) Update the analysis of agents and causes of deforestation and forest degradation, iv) Analysis of potential mitigation and adaptation in the forestry, v) Stakeholder Engagement Mapping and process (to establish/confirm SE process for FIP), iv) Institutional and policies analysis in order to inform decisions on the longer-term capacity development needs of the GoR in the REDD+, v) Conduct a feasibility study for using the PES to promote sustainable management of forests and parks in Rwanda, vi) Elaborate a joint action plan MINIRENA and MINAGRI for agroforestry 2016-2020, vii) Development of the national forest investment plan and its submission to the PIF, viii) Develop detailed project document to be submitted to partners for resource mobilization; and ix) Develop the Strategic Environmental & Social Assessment (SESA). These activities remain to be confirmed by the MINIRENA. See Annex 1 for more details.

1.7 Since the scoping mission, funds have been mobilized to support the government and MDB costs associated with the FIP and PPCR investment planning processes, TORs have been developed to support GoR in the development of the IP and SPRC respectively, and consultants have been procured for both.

2. JOINT MISSION OBJECTIVES

2.1 The African Development Bank and the World Bank will be supporting the Government of Rwanda in consultation with other development partners and/or stakeholders in the development of the FIP IP and PPCR SPCR. The proposed mission which will consist of a small team of experts will be led by the Ministry of Natural Resources from the GoR.

The Joint Mission objectives are to: (i) meet with the consultant teams hired to support the development of the SPCR and IP to agree on the scheduling and the approach; (ii) review any updates to GoR's adaptation/resilience planning and implementation in identified sectors and in forest management / restoration; (iii) assess on-going and pipeline investments of MDBs and relevant development partners, seeking links to and potential vehicles for the IP and SPCR; (iv) confirm proposed institutional arrangements for SPCR/IP development, and that coordination mechanisms are in place; and (viii) assess readiness of FONERWA to implement the PPCR preparation grant.

3. SCOPE OF WORK: ACTIVITIES AND EXPECTED OUTPUTS

3.1 The Rwanda 1st Joint Mission will allow the GoR and MDB teams to discuss preparation of the FIP investment plan and the PPCR strategic program for climate resilience with the respective consultant teams charged with supporting their development, and relevant line Ministries, on the basis of the findings of the Scoping Mission. The on-site mission is considered to be necessary on the basis that there are a number of important issues to be discussed, with a variety of relevant GoR agencies, and the consultant teams. The outcome of this first Joint Mission will confirm the process and timeline for developing the IP and SPCR, and for ongoing work to be supported by the PPCR and FIP grant thereafter.

Preparatory Work for Joint Mission

3.2 Prior to fielding the Scoping Mission, the following activities will be led by the GoR with support from the MDBs as necessary:

1. Update on relevant developments since the Scoping Mission. This includes any new government plans and initiatives (from the GoR side), as well as clarifying the current outlook for CIF investment funding (from the MDBs side).
2. Develop a detailed schedule for the mission, based on the outline below: GoR Focal Points will develop in coordination with the MDBs.
3. Identify stakeholders and confirm availability: GoR Focal Points will reconfirm relevant stakeholders including climate change lead agencies and relevant Ministries, MDBs and development partners. Focal Points will confirm that the joint mission and consultant teams seek meetings with these stakeholders as per the agenda proposed in this ToR, with the objective of reaching conclusions on the key strategic issues discussed below.
4. Announce the joint mission: A notification letter for the mission including contact details for government and MDB focal points will be provided to the CIF at least two weeks before the mission.

First Joint Mission Activities and Follow Up

3.3 Key strategic issues to address and finalize during the mission:

1. Consultants' workplans and roadmap for SPCR / IP development
 - Agree on a strategy and actions plan to finalize the recruitment of the firm in charge of IP development
 - Discuss the steps to prepare and submit the SPCR / IP by the country for the PPCR Sub-Committee endorsement, including the identification of proposed peer reviewers
 - Timetable and deliverables for technical mission(s), 2nd joint mission(s) and submissions for endorsement
 - Agree on stakeholder consultation process and modalities; identify key agencies for Joint Mission, including technical agencies (FAO, WMO, IFAD, WHO), bi-laterals, line ministries, national/local government agencies, academia, private sector, NGOs, CSOs, women's group, etc.
2. Current status and implementation of government development plans in adaptation/ resilience in relevant sectors and landscape/forest management (specifically the relevant Programs of Action under the Green Growth and Climate Resilience Strategy, as identified during the Scoping Mission)
 - Review any changes to the GGCRS in light of the adoption of the NDC;
 - Meet with government agencies in agriculture, environmental management, forests, water resources, hydrometeorology, disaster risk management, infrastructure and urban development to update the status of their activities under the GGCRS, introduce the consultants and review the process and timetable for activities under the PPCR and FIP grants.
3. Ongoing investment and pipeline portfolios of the MDBs and development partners:
 - Summary of ongoing activities supported through multiple climate related funds and ongoing climate investments supported by each MDB/bilateral agencies. The mission will occur at the same time and coordinate with a Forest Investment Forum being organized with FAO support. The World Bank will also present work on accounting of forest resources under the WAVES initiative.
 - Pipeline projects/programs of each MDB
 - Country engagement in and planning for the GCF process
 - Options for co-financing FIP and PPCR investments
4. Institutional and coordination arrangements for the PPCR and FIP in Rwanda:
 - Meet with members of the Steering Committee (Sector Working Group for Environment and Natural Resources) to agree modalities for their oversight of the PPCR and FIP processes
 - Establish entry points and timing for ensuring input from the Inter-ministerial Committee for the Green Growth Strategy on the IP and SPCR
5. Preparedness of FONERWA to implement the PPCR recipient-executed grant
 - Review establishment of project accounts and fiduciary management systems

Team composition and consultation

3.4 The MDB team will include World Bank and AfDB coordinators for PPCR and FIP, and environment, agriculture, urban, remote sensing and disaster risk management specialists. If a social / gender

specialist can be identified in time, they will be included, otherwise they will be brought onboard after the mission. During the mission, Focal Points and MDBs will focus consultations with key ministries and their agencies (including Ministry of Agriculture, Ministry of Infrastructure (Departments of Energy & Transport), Ministry of Disaster Management & Refugees, and Ministry of Natural Resources (FONERWA, REMA, MeteoRwanda, Departments of Forestry, Integrated Water Resources Management, Land)), and key bilateral stakeholders (including Sweden, UKAid and Norway) to address the above issues. A consultation plan for the remainder of the process will be developed to ensure inclusion of all relevant groups, including civil society and technical institutes.

Outputs

3.5 The mission will prepare and sign an Aide Memoire, which will reflect the agreements and conclusions reached on key issues, the next steps to guide the work of the consultants and the preparation of the investment plans. On completion of the mission the following will also be prepared:

- Workplans and proposals for \$1.5m and \$250k RETFs to support PPCR and FIP investment plans preparation, respectively.
- TORs / outlines for key upcoming tasks (such as workshops and consultations).
- Draft ToRs for the next Joint Mission(s).
- Roadmap for SPCR and IP submission

CONTACTS (MDBs and Government)

1. Government of Rwanda

Bright Ntare
PPCR Focal Point
FONERWA

Felix Rurangwa
FIP Focal Point
Rwanda Natural Resources Authority (RNRA)

2. African Development Bank

Gareth PHILLIPS
Chief Climate & Green Growth Officer, PECG1
Climate change and green growth department (OSAN.3)
Abidjan, Cote d'Ivoire
Tel: +225 2026 4253
Email: g.phillips@afdb.org

4. World Bank

Stephen Ling
Senior Environment & NRM Specialist
1818 H Street, NW
Washington, DC 20433 USA
Tel: +1 202 458-8815
Email: sling@worldbank.org