



## **Conservation International and Bank Information Center Recommendations for IDA18 Replenishment**

### **I. IDA18 should promote a robust approach to forests and climate in World Bank lending**

Promoting sustainable forest management and forest protection are integral to reducing poverty, mitigating climate change, and promoting the resiliency of ecosystems and communities. Preserving forests and securing land tenure both play a major part in meeting the World Bank's twin goals of reducing poverty and promoting shared prosperity. Due to the important role that forests play in IDA countries, sustainable forest management and reducing deforestation should be addressed in IDA 18 by:

- 1. Securing land tenure for forest-dependent communities and smallholder farmers. Supporting efforts to secure land tenure should be well-defined and ensure forest protection and sustainable ecosystems.**
- 2. Ensuring that the critical role of reducing deforestation and protecting forests is acknowledged in the removal of greenhouse gases (GHGs) from the atmosphere, in conserving and increasing carbon stocks, and increasing resilience to climate change.**
- 3. Promoting "green economies" in which nature-based approaches and natural capital valuation are integrated into national development planning to ensure sustainable development and institutional capacity-building toward supporting country and community resilience to climate change.**

We propose to include these issues in IDA 18 through further integration in the policy commitments and indicators related to the climate change, governance, and gender special themes. Sustainable forest management, including reducing deforestation by securing land tenure and promoting nature-based solutions, is relevant to these three themes in the IDA 18 replenishment, and will directly aid the World Bank in reaching its IDA and overall goals.

## II. Comments on IDA 18 Special Theme Papers

### *Climate*

**The climate change special theme paper should clarify and strengthen the connection between sustainable land use and climate change. Currently, climate and land use are only referenced in regards to agriculture and water. However reducing deforestation and protecting forests should be listed as integral means of reducing emissions from land use, increasing the climate resilience of vulnerable communities, and improving sustainability of livelihoods.**

**To make these connections stronger, we suggest the following changes:**

- Add a link to the governance special theme paper on secure land tenure for forest-dependent communities and smallholder farmers as an important step to mitigate emissions from land use.
- The negative effects of deforestation (desertification, reduced water supply and storage, loss of soil, etc.) should be included among climate risks addressed in IDA 18, and reducing deforestation and protecting forests should be promoted as a crucial means of increasing climate resilience<sup>1</sup>.
- Develop 15 forest policy notes instead of 5 – these are an important tool for mainstreaming forest issues in the IDA portfolio, and to achieve this should be pursued in tandem with SCDs and CPFs. The Bank will already produce three for IDA countries by the end of 2016, and increasing this to six/year in 2017 and 2018 is ambitious but fully achievable.
- Climate co-benefits related to land use should cite secure land tenure for forest-dependent communities and smallholder farmers as a foundation, linking to the governance special theme.

IDA should address projects with components that have been identified as drivers of deforestation (agriculture, energy, mining, and transport), and screen these projects to avoid or mitigate potential deforestation impacts, and support new projects that do not directly result in deforestation or forest degradation<sup>2</sup>.

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<sup>1</sup> “WBG will continue working on innovative solutions for forest-based mitigation to climate change. Additionally, more focus will be given to forests’ contribution to the adaptation agenda and their contribution to resilient ecosystems: through the landscape approach, the WBG will contribute to enhanced resilience of rural economies and societies, in particular to climate shocks. Forests are uniquely placed in the climate change agenda as they can provide both mitigation and adaptation benefits: they can store and sequester carbon as well as provide ecosystem services that enhance the resilience of ecosystems.” – Forest Action Plan p. 3. April 2016. Available at: <http://pubdocs.worldbank.org/en/190381459984535520/WBG-Forest-Action-Plan-FY16-6apr16-CODE.pdf>

<sup>2</sup> Primary, old growth, intact, high conservation value, or high carbon stock forests.

## **Governance**

**We welcome the links to climate made in the governance special theme paper through carbon taxes and fiscal reforms; however, this theme should also include securing land tenure of forest-dependent communities and smallholder farmers as an important foundation of good governance<sup>3</sup> as well as reducing emissions from land use and increasing adaptation and resilience.**

**To make these connections stronger, we suggest the following changes:**

- “Inclusion of minorities” should be expanded to include forest-dependent communities and indigenous peoples as well as women, children, and minorities.
- “Public services” should include cadaster and planning ministries’ support to reform land administration systems.
- Public administration reform (p. 7) should include land administration reform as a service delivery output<sup>4</sup>.
- Secure property rights should include secure land tenure for indigenous and forest-dependent communities, including recognition of collective and traditional tenure systems<sup>5</sup>.
- The asset ownership link between the Governance and the Gender special themes should be expanded to include land tenure of forest-dependent communities and smallholder farmers in line with the SDGs<sup>6</sup>.
- Add a link to the climate special theme on secure land tenure as an important step to mitigate emissions from land use through forest protection and to increase climate resilience<sup>7</sup>.

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<sup>3</sup> An important aspect of achieving inclusion in the context of governance and the Bank's twin goals is providing for secure land tenure, especially for the rural poor, including indigenous peoples and traditionally under-served local communities. [Cf. *The Mystery of Capital: Why Capitalism Triumphs in the West and Fails Everywhere Else*, by Hernando De Soto.]

<sup>4</sup> “The World Bank will support clients willing to clarify forest access and user rights, improve land tenure (with a special focus on the rights and roles of indigenous peoples and forest-dependent communities), and modernize land administration systems.” – Forest Action Plan p. x. April 2016. Available at: <http://pubdocs.worldbank.org/en/190381459984535520/WBG-Forest-Action-Plan-FY16-6apr16-CODE.pdf>.

<sup>5</sup> “A strong legal basis for secure property and contract rights and predictable, transparent business regulations are critical influences on the development of the private sector and economic growth—and thus on the creation of jobs and better livelihoods.” – IDA18 Governance Special theme paper, May 2016. Available at: <http://documents.worldbank.org/curated/en/368341467989536274/pdf/106107-BR-IDA-SecM2016-0111-PUBLIC.pdf>

<sup>6</sup> “Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws” – SDG 5. Available at: <http://www.unwomen.org/en/news/in-focus/women-and-the-sdgs/sdg-5-gender-equality>.

<sup>7</sup> Include “DRC: Governance Matrix. Support “Social Contracts” between forest communities and forest concessionaires & support to the implementation of the community forest” as referenced in the Forest Action Plan p. 29, as an example of this link. April 2016. Available at: <http://pubdocs.worldbank.org/en/190381459984535520/WBG-Forest-Action-Plan-FY16-6apr16-CODE.pdf>

- Mitigating illicit financial flows should include illegal land uses—mining, extractives, illegal logging, and poaching of wildlife<sup>8</sup>.
- Build national monitoring and data collection systems to monitor and collect more country level data on forest cover and programs to help determine potential contribution of forests and land sector a country’s INDC
- Better public accounting should attempt to address the underrepresented economic role of forests in livelihoods by accounting for informal economic activities.
- Pandemic/global health risk reduction should also (as a complement to health sector actions) be accomplished via better natural resource management, notably of water, but also of forests, e.g. to reduce habitat for mosquitoes and other disease vectors.

**More broadly, the commitments/proposed actions under the Governance Special Theme need to be strengthened. Specific recommendations:**

- In addition to Conducting Tax Policy Assessment Frameworks in six IDA countries by FY20, WB should enable implementation of carbon and other pollution taxes reflecting the full social costs of these externalities (the polluter pays principle) in at least five IDA countries.
- In addition to performing Illicit Financial Flows assessments in ten IDA countries by FY20, WB should enable reduced IFFs in at least five of these through enforcement, taxation, and/or good behavior incentives.
- Multi-sectoral pandemic preparedness should explicitly include improved management of water, forests, sanitation, and other natural resources to reduce habitat for mosquitoes and other disease vectors (e.g. protecting forests as a cost-effective, preventative measure against disease outbreaks from mosquitoes).

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<sup>8</sup> “WBG can help countries tackle the pernicious and widespread effects of illegal logging. Due to its value and scale, illegal logging is also a driver of wider systemic corruption and can fuel conflicts and threaten security. Forest governance requires, however, continuous efforts to tackle emerging challenges through policy changes, strengthened institutions, and enhanced monitoring systems”- Forest Action Plan p. vi. April 2016. Available at: <http://pubdocs.worldbank.org/en/190381459984535520/WBG-Forest-Action-Plan-FY16-6apr16-CODE.pdf>

## ***Gender***

**The gender special theme document should more clearly acknowledge the economic, social, and environmental benefits of women-owned assets—including land, in line with SGD 5<sup>9</sup>.**

Links between women-owned assets and overall community well-being should be made stronger and reflected in the policy commitments and indicators. **To further this acknowledgement in the gender special theme paper, we propose the following changes:**

- “Control over productive assets” should include land ownership. Asset ownership, mentioned as a key indicator, should include land as an asset.
- “Pilot data collections will be launched in at least six IDA countries to gather direct respondent, intra-household level information on employment and assets.” Assets should include land here.
- Household surveys should explicitly record the types of asset ownership and control, time use, control over income, and employment, disaggregated by gender.
- Add a commitment: “At least ten IDA18 financing operations will address gaps in men’s and women’s asset ownership, including land ownership and access to capital, and at least 12 IDA operations will aim to ensure women’s ownership of land is formalized.”

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<sup>9</sup> SDG 5 on gender aims to “Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws”. Available at: <http://www.unwomen.org/en/news/in-focus/women-and-the-sdgs/sdg-5-gender-equality>

### **III. The Forest Action Plan and IDA18**

**It is imperative to ensure that positive commitments in the FAP are reflected and further developed in the IDA 18 replenishment agreement. Though well-intentioned, the FAP is largely dependent on other sectors and includes few concrete requirements—particularly vis-à-vis sectors in which the Bank invests that are drivers of deforestation.**

#### **Missed opportunities in the FAP that should be addressed in IDA 18**

- Lack of commitment to help countries deliver on their NDCs and SDG commitment 15 to halt deforestation
- No binding commitments on land use planning or on 'forest smart investment' to limit deforestation impacts of non-forest sector lending by the Bank.
- Weak link between forests and climate change
- Lacking in concrete goals aligned with the SDGs, the Paris Agreement, and/or private sector commitments, and country NDCs.

#### **Positive Aspects of the FAP that could be further developed in IDA**

- “Reporting on results related to forests” was identified as a weakness in the 2013 IEG report – IDA should remedy this with an indicator on annual deforestation impacts from WBG supported projects.
- Research demonstrating that local ownership of forests and community-based forest management improve forest protection and management as well as reduce poverty should be referenced in IDA 18, both in the climate and governance special themes.
- The Bonn challenge that aims to restore 150 million hectares of deforested and degraded lands by 2020 is within in the timeframe of IDA 18, and therefore should be addressed with a strict commitment to reduce deforestation.
- The 2014 New York Declaration on Forests that issued a call to cut natural forest loss in half by 2020 and end it by 2030 is also within the timeframe of IDA 18 and should be addressed in IDA 18 with a strict commitment to reduce deforestation, particularly with 9 out of the 36 national government signatories to the NYDF being IDA borrowing countries.
- The Paris agreement that encourages action to reduce emissions from deforestation is also within the timeframe of IDA18, and should be addressed in IDA18 with a strict commitment to reduce deforestation.

#### **For more information, please contact:**

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