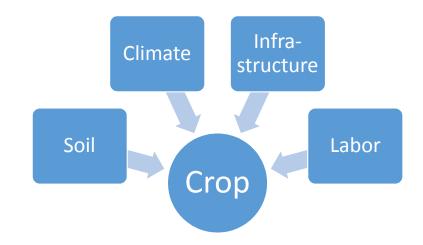
# Greening Infrastructure in DRC: An Illustration

#### Motivation

- Infrastructure brings many benefits
- Government of DRC aims to create "Growth Poles" to catalyze investment and share benefits of growth regionally
  - Where should these Growth Poles be located?
  - Is *deforestation* and damage inevitable?
  - Are there ways of *minimizing* losses and *maximizing* benefits
- Objective identify areas with highest economic potential with lowest environmental impact – the optimum.

#### Computing Benefits: Production Function Approach

- Main Objective:
  - Understand the relationship between infrastructure endowment, location and agricultural outputs
- Outputs: Amount of each crop produced
  - Crops included: Cassava Bananas/Plantains, Maize, Rice, Palm oil, Beans, and Sugarcane
  - Products chosen based on importance to agricultural sector and data availability
  - Data source: SPAM<sup>1</sup>
- Inputs:
  - Soil and Climate (agro-climatic potential yield, GAEZ)<sup>2</sup>
  - Labor (GRUMP<sup>3</sup>)
  - Infrastructure
  - Transport Cost to Nearest Market
  - Other variables affecting economic activity:
    - Conflict
    - Mining activity



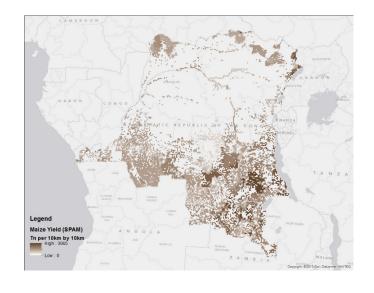
<sup>&</sup>lt;sup>1</sup> IFPRI Spatial Production Allocation Model

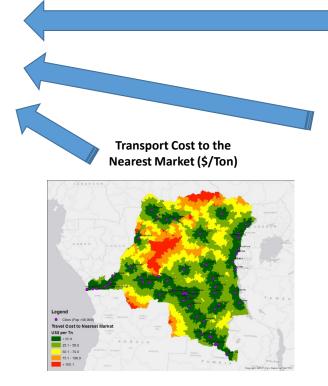
<sup>&</sup>lt;sup>2</sup> Global Agro-ecological Zones, IIASA/FAO

<sup>&</sup>lt;sup>3</sup> Global Rural-Urban Mapping Project

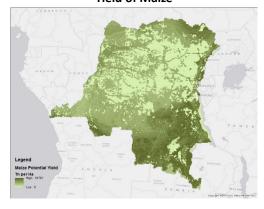
## Statistical Methodology All Outputs and Inputs are Measured at the Pixel Level

#### **Current Production of Maize (tons)**

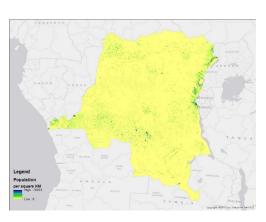




#### Agro-ecological Potential Yield of Maize



**Total Population** 



#### Preliminary Results:

For a 10% reduction in transport costs to the nearest market, crop production increases...

Crop	Elasticity
Cassava	2.6%***
Banana/Plantain	12.4%***
Maize	0.11%
Ground nuts	6.6%***
Rice	4.6%***
Beans	12.3%***

<sup>\*\*\*</sup> Significant at 1% level
\*\* Significant at 5% level

<sup>\*</sup> Significant at 10% level

#### Roads and Conflict

For a **10% reduction in transport costs** to the nearest market, crop production increases...

Crop	Elasticity- Low Conflict Areas	Elasticity- High Conflict Areas	Entire Country
Cassava	4.3%***	-2.2%	2.6%***
Banana/Plantain	14.4%***	3.3%***	12.4%***
Maize	1.5%	-2.7%	0.11%
Ground nuts	8.0%***	1.9%	6.6%***
Rice	3.6%***	6.9%***	4.6%***
Beans	13.5%***	9.9%***	12.3%***

<sup>\*\*\*</sup> Significant at 1% level

<sup>\*\*</sup> Significant at 5% level

<sup>\*</sup> Significant at 10% level

# A further measure of road benefits – household welfare and poverty

- Two indicators of economic welfare:
  - wealth index
  - -measure of living standard calculated based on ownership of consumer durables
  - multi-dimensional poverty
  - -indicates whether households are poor in terms of ownership of consumer durables, health standard and education level.
- Data source:
- Demographic and Health Survey

#### Preliminary Results:

For a 10% reduction in distance to the nearest market, welfare indicators changes by

Indicator	Elasticity
Wealth index	.97%***
Multidimensional poverty indicator	92%***

\*\*\* Significant at 1% level

### But there may be other consequences....

- Roads (and other forms of economic activity) may have adverse impacts on natural habitats and forests
- How large are these impacts?
- What does the evidence tell us?
  - Provide a preliminary snapshot of impacts
  - Next step to estimate and quantify the determinants of change in forest cover and assess correlates of species endangerment

### Approach

- Use IUCN Data on 50 Year Extinction Probability to determine where significant biodiversity is located
  - Other indicators are available and also need to be examined, but few as comprehensive
- Hansen's **deforestation data 2000-2012** (at 0.025 degrees resolution) to determine what and where impacts have occurred
  - This is the best and most recent data that has not been used before to our knowledge
- Overlay location of roads and other features (PAs) on forest cover
  - Is there any correlation between roads and deforestation over time?
  - Are PA's effective?
- Assessment is preliminary and illustrative, but informative......

### Example 1 Equatorial Guinea

- Donor funded scheme to improve surface (pave) all major roads
- Examine change in forest cover around roads and Protected Areas (marked in green)

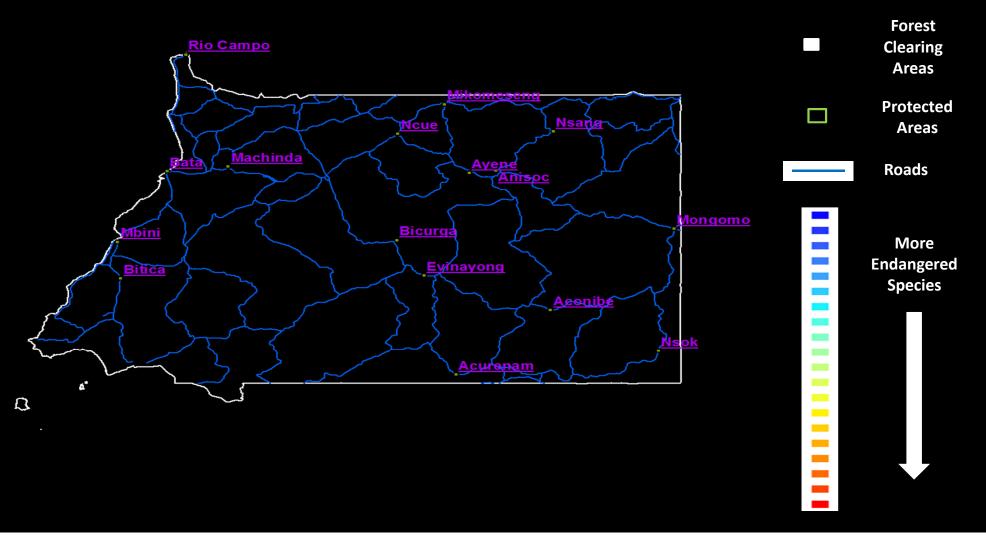


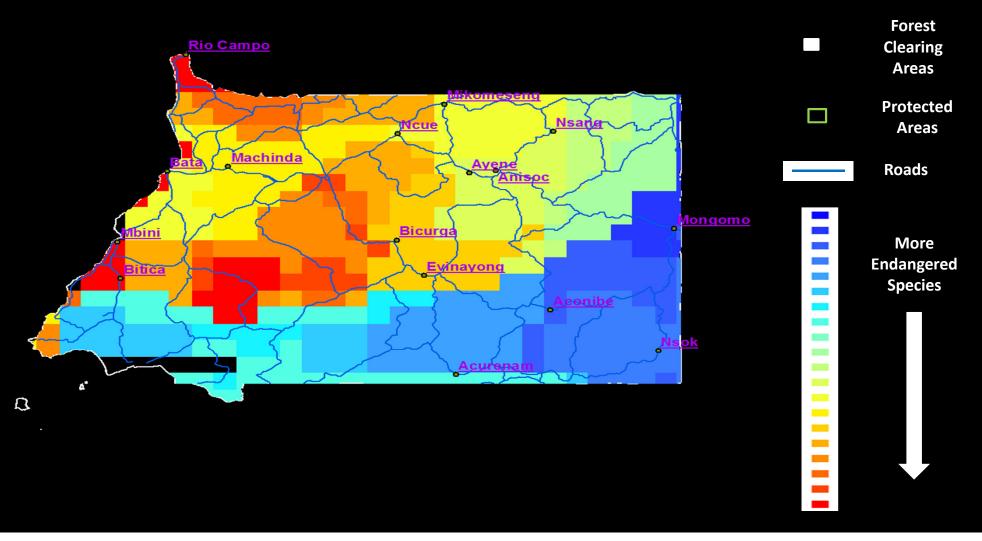
Roads,
Endangered Species
and
Deforestation

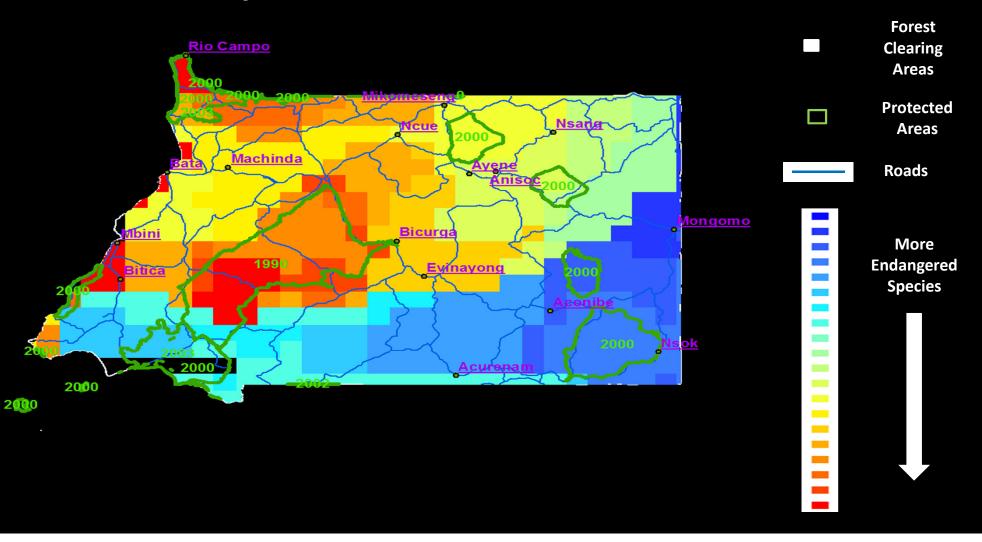
Cases
From
Equatorial Guinea,
Eastern DRC
And
The Kindu-Kisangani
Corridor

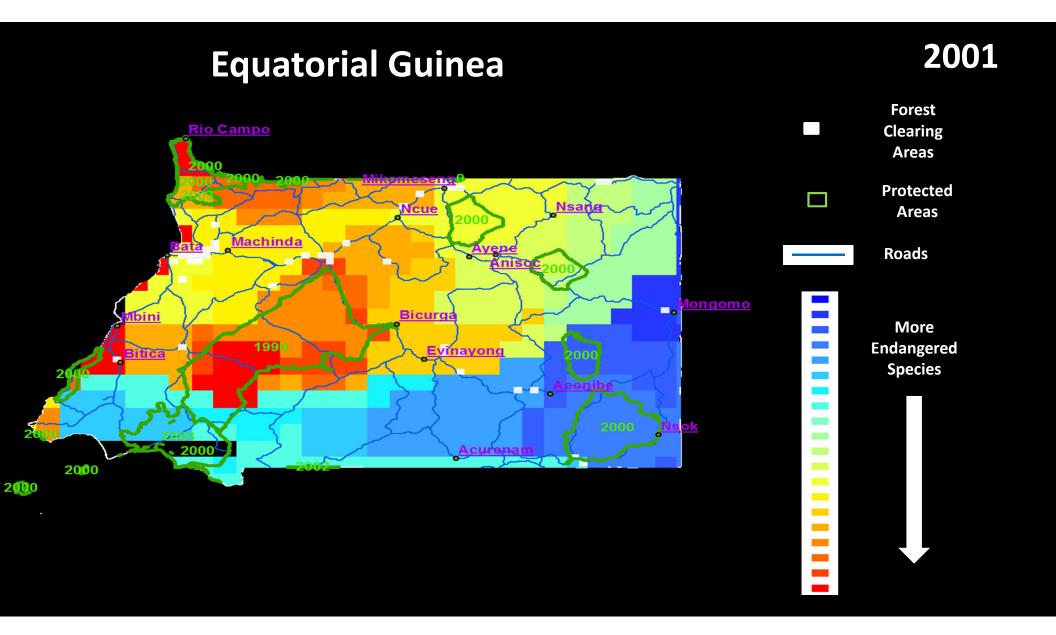


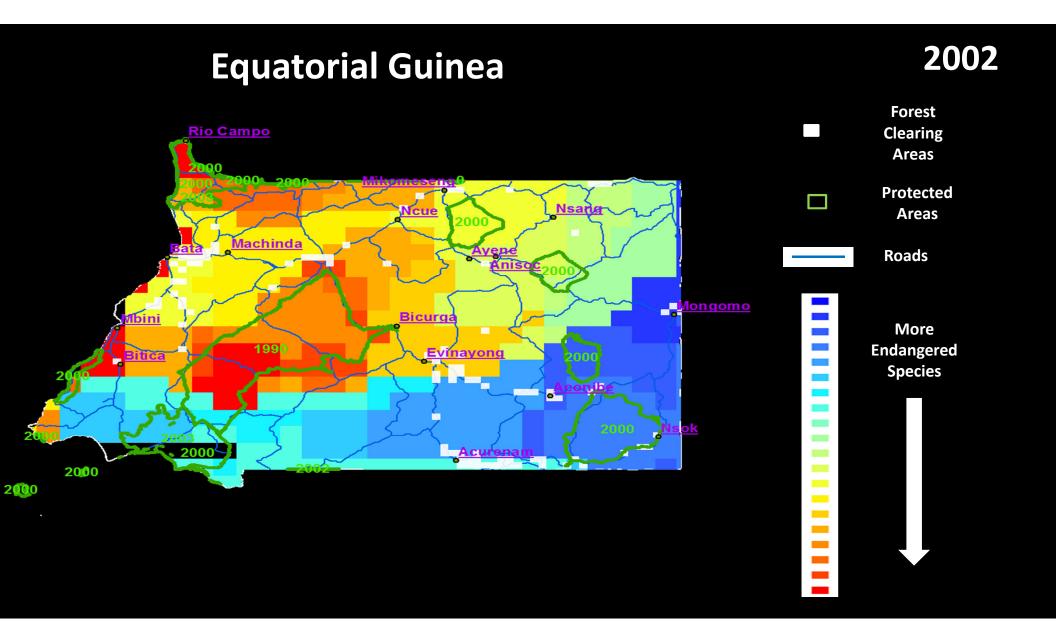
Rapid
Road
Upgrading,
Endangered
Species,
And
Deforestation

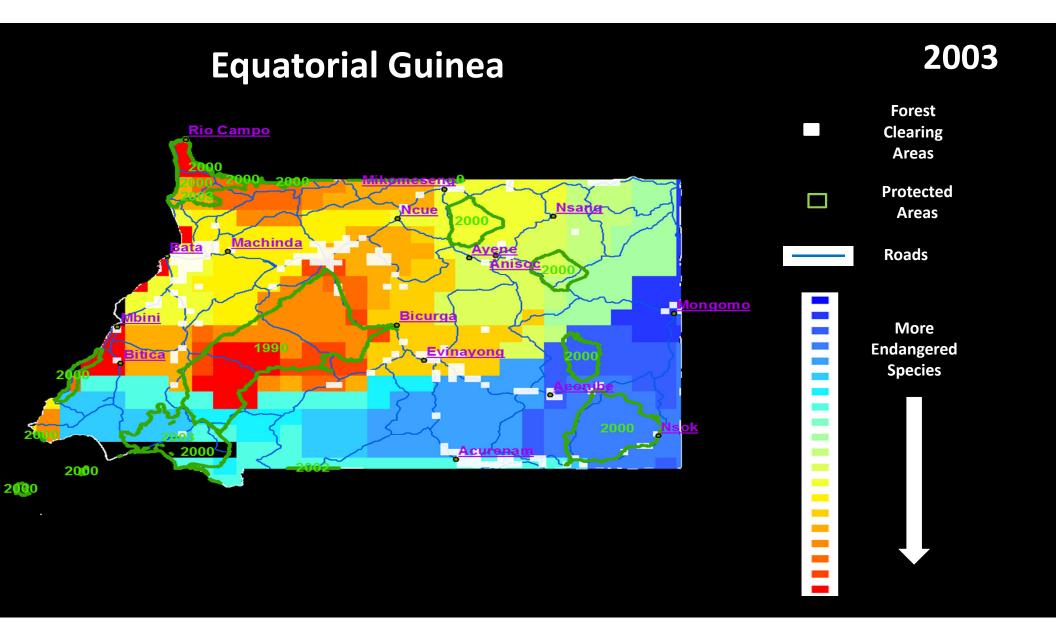


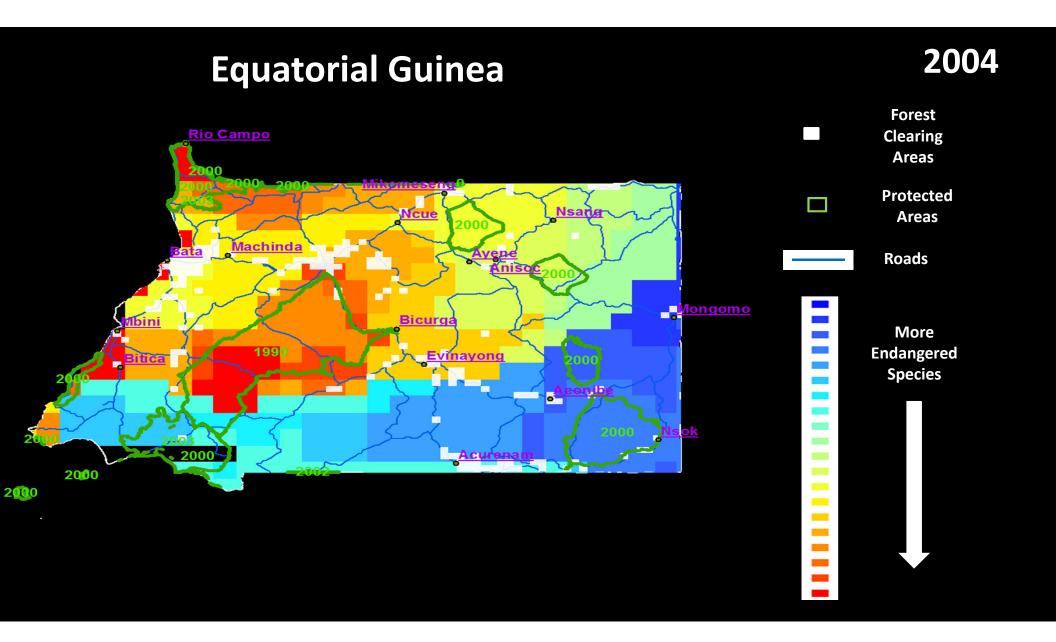


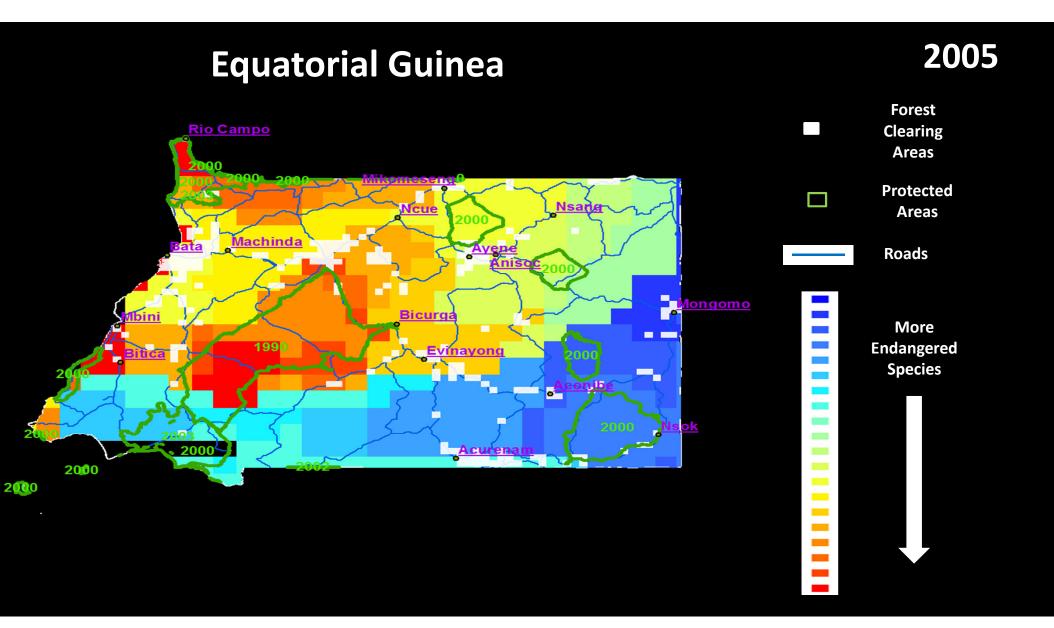


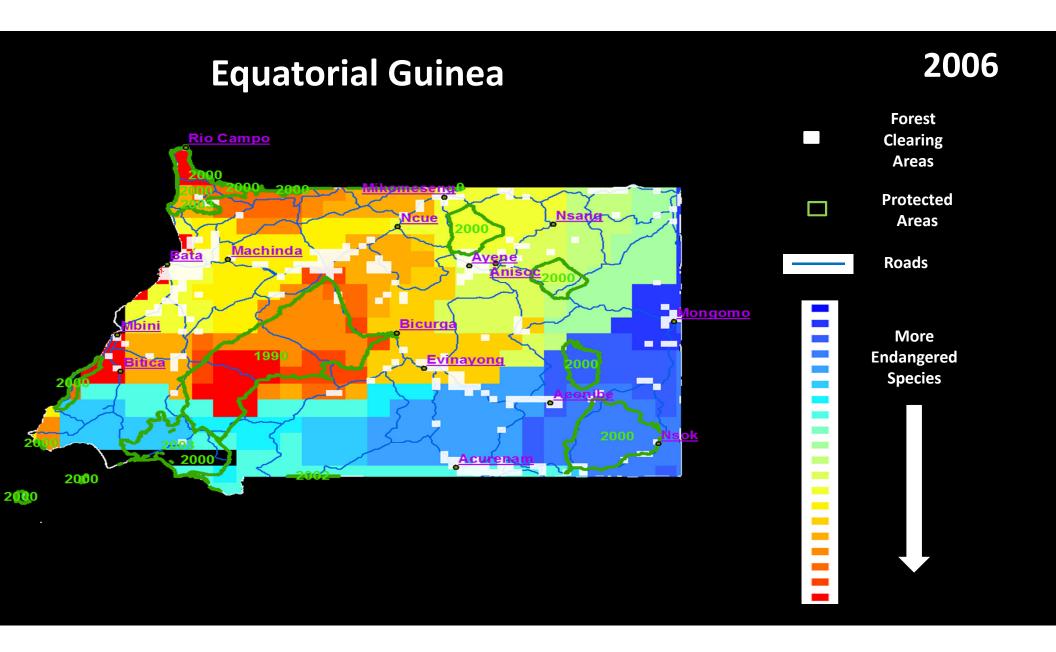


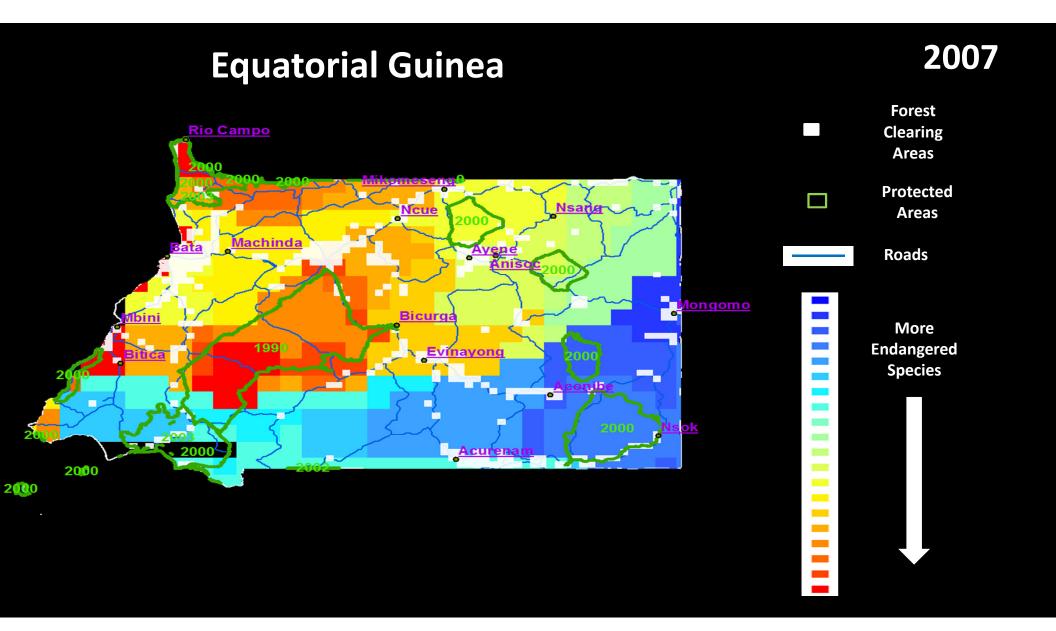


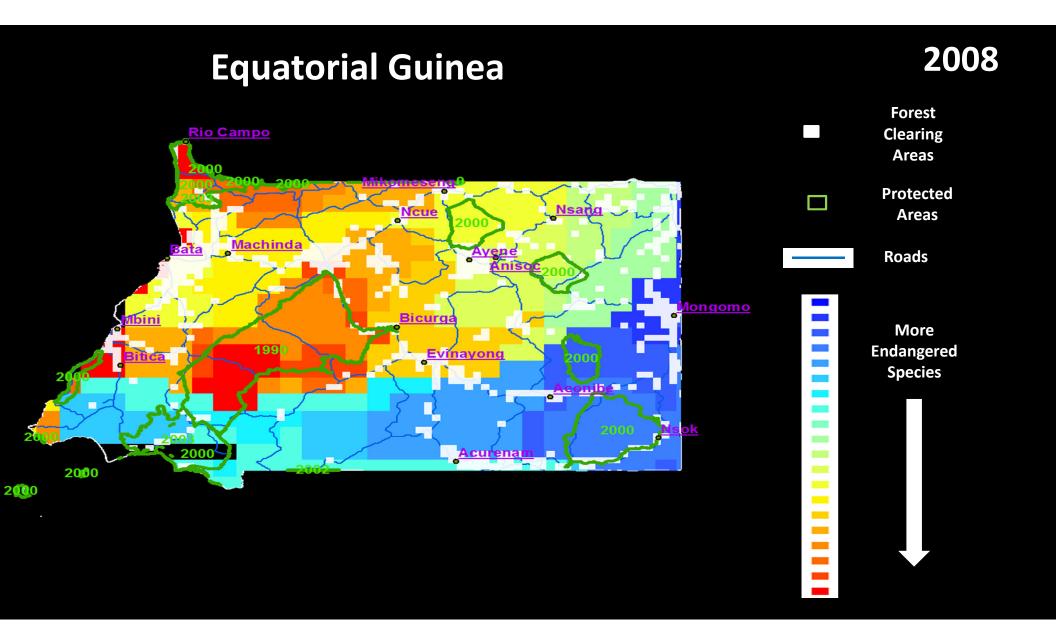


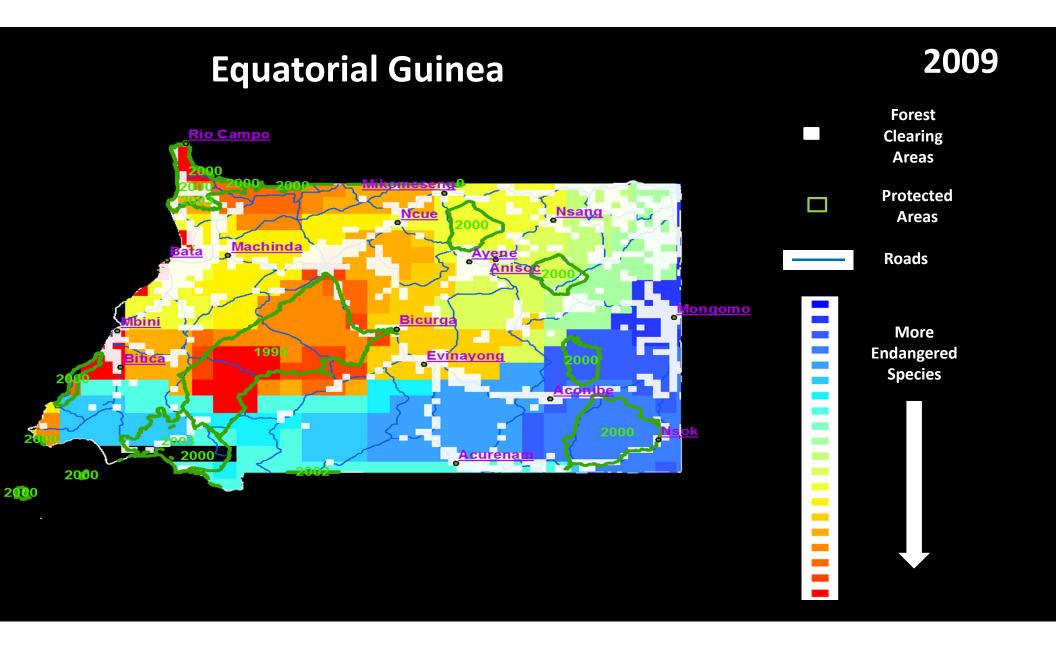


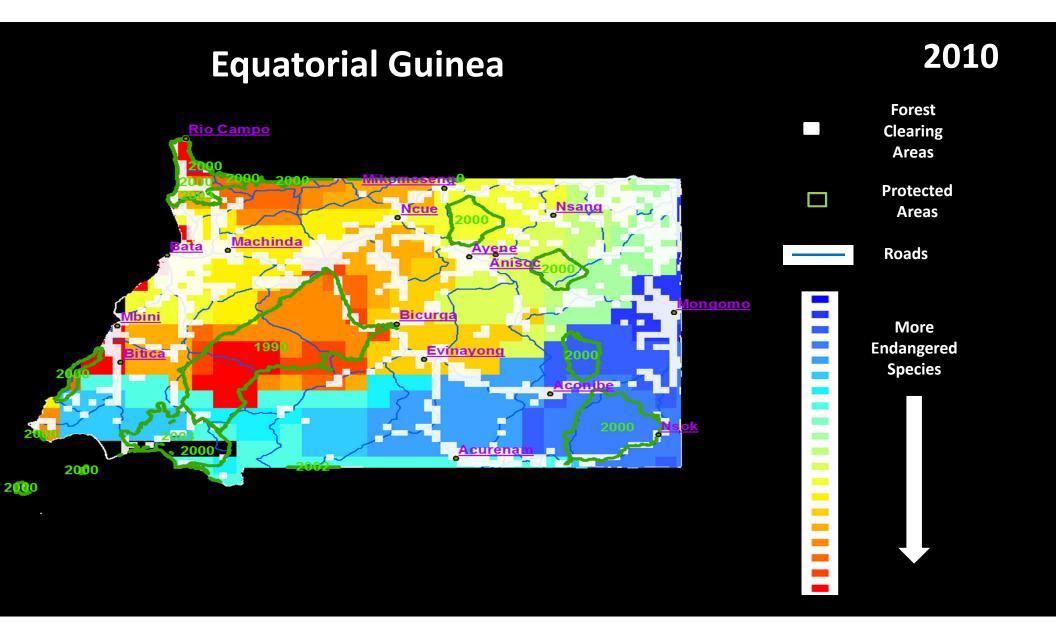


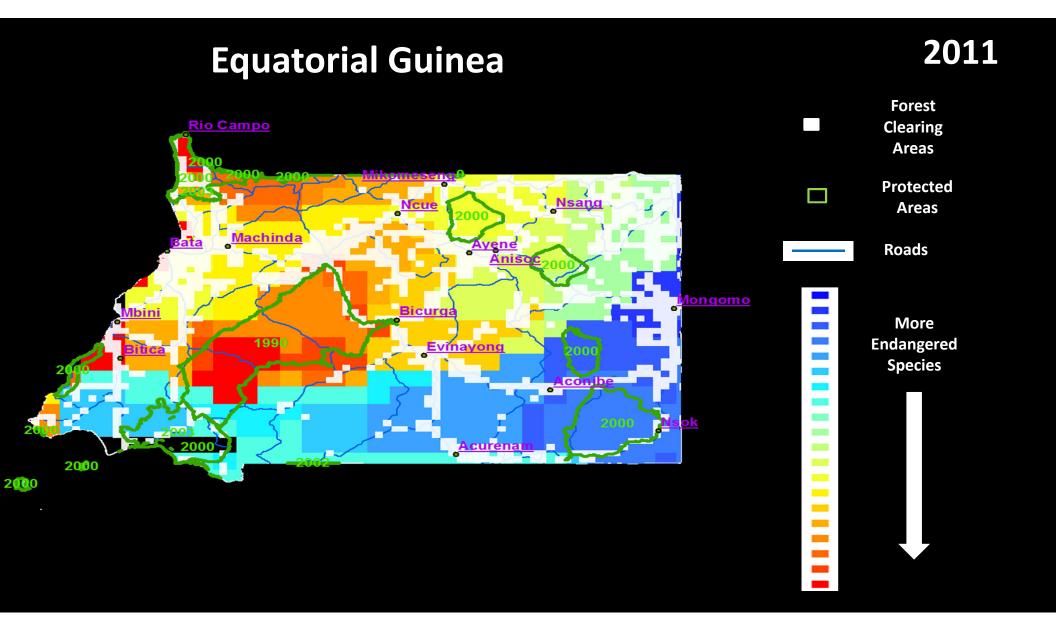


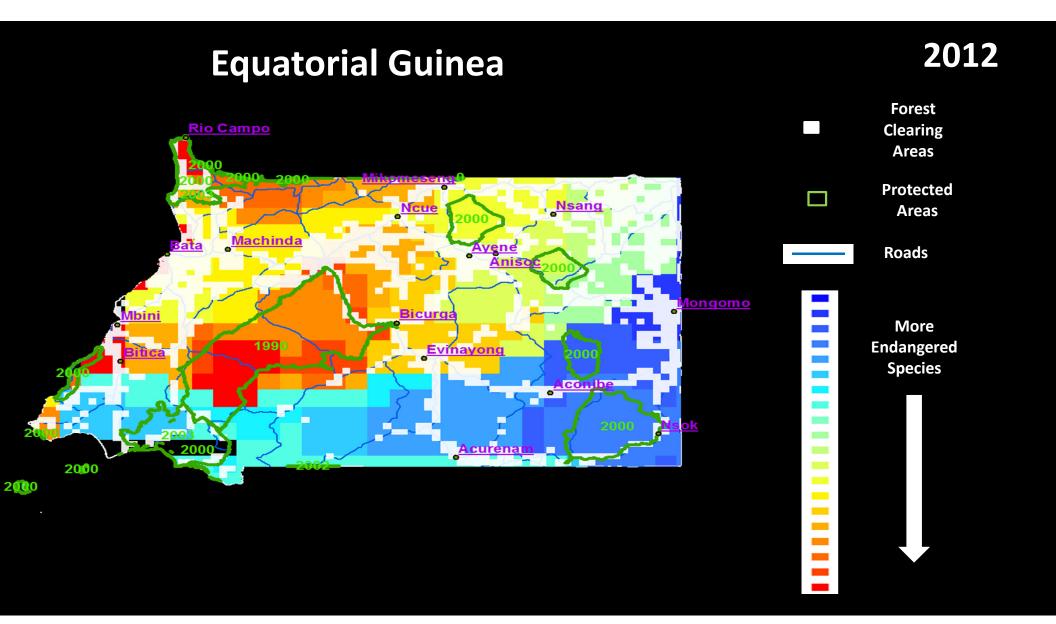


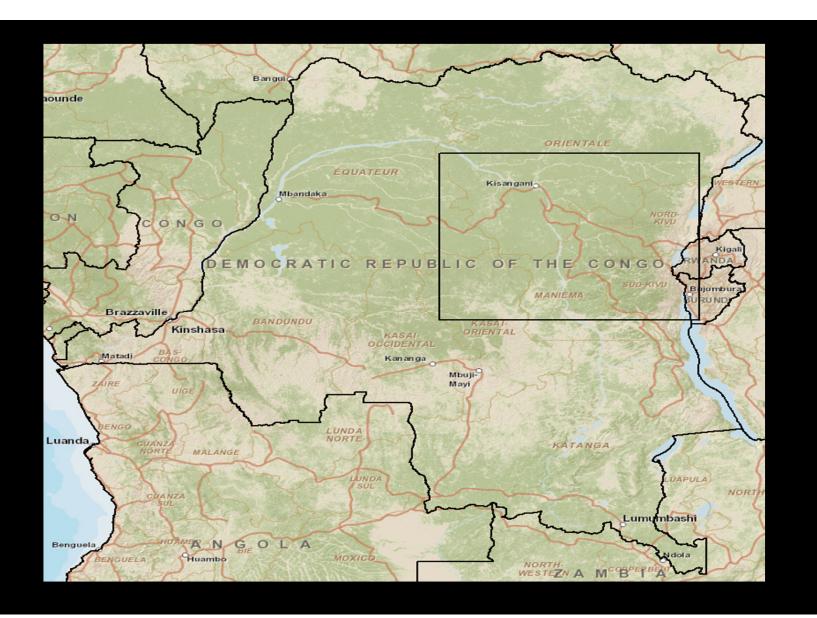






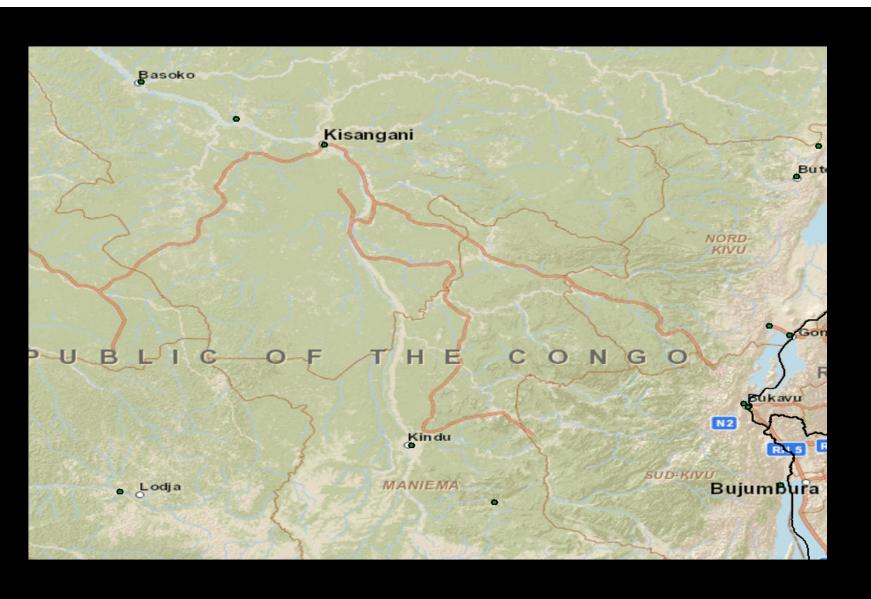






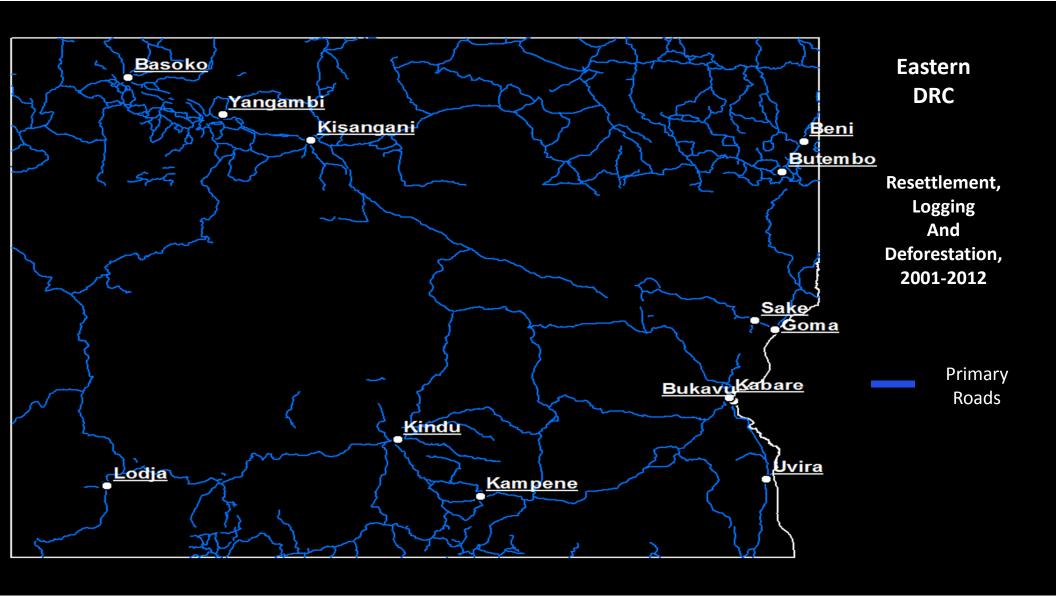
Eastern DRC

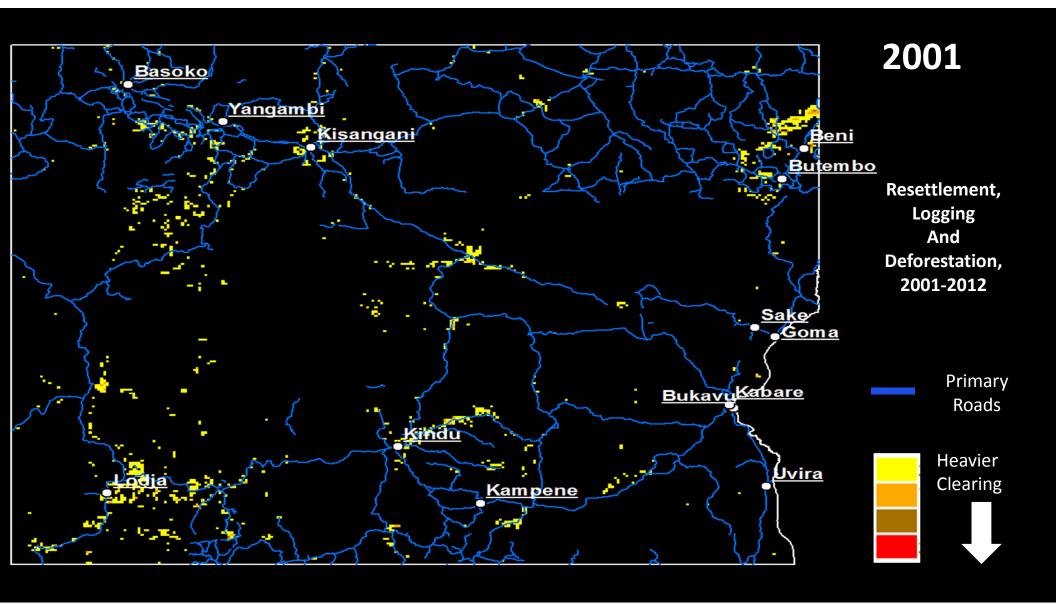
Resettlement,
Logging
And
Deforestation,
2001-2012

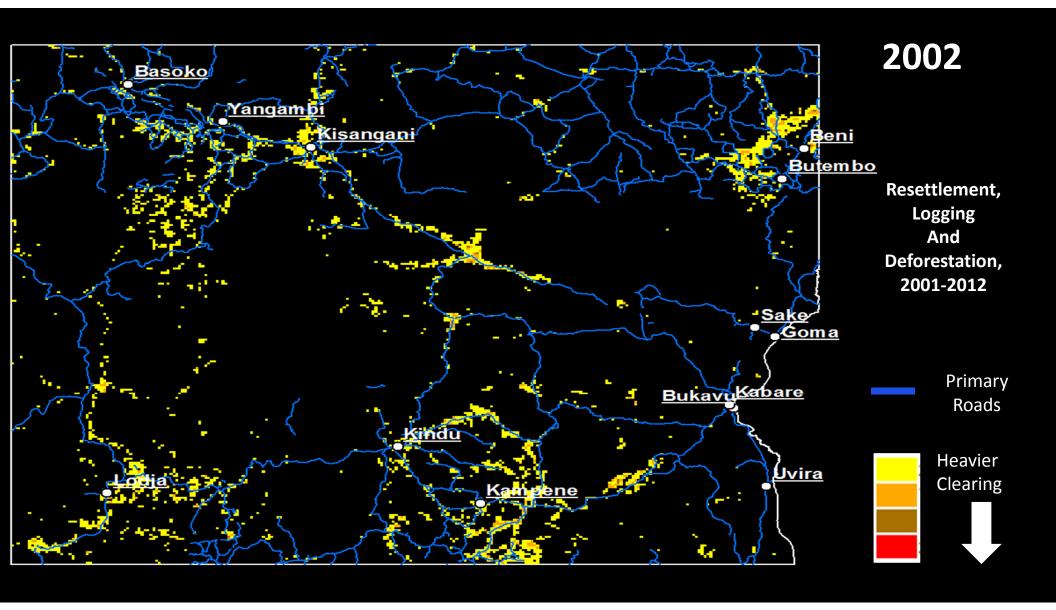


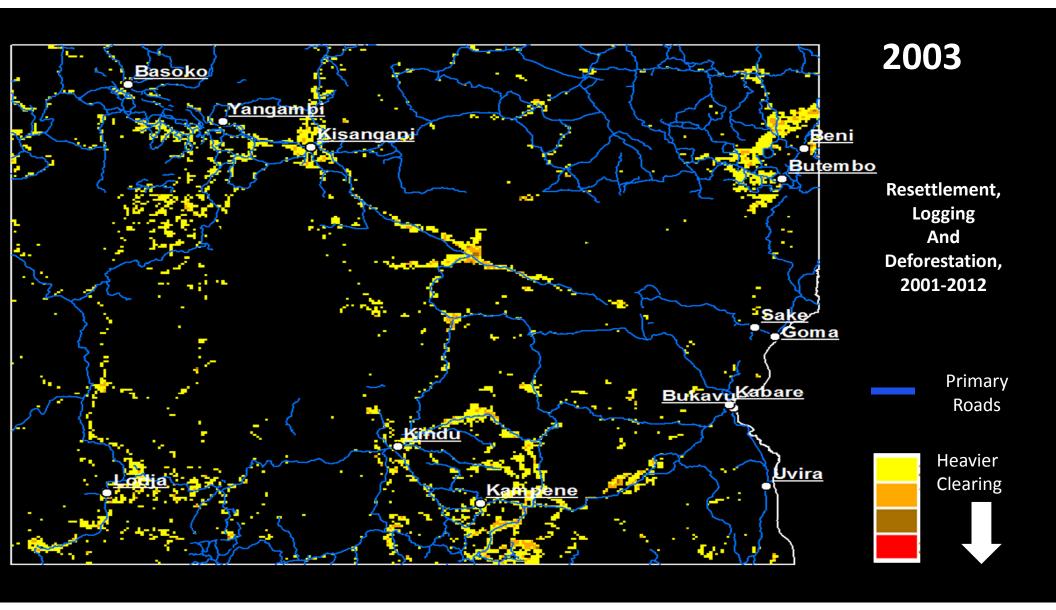
#### Eastern DRC

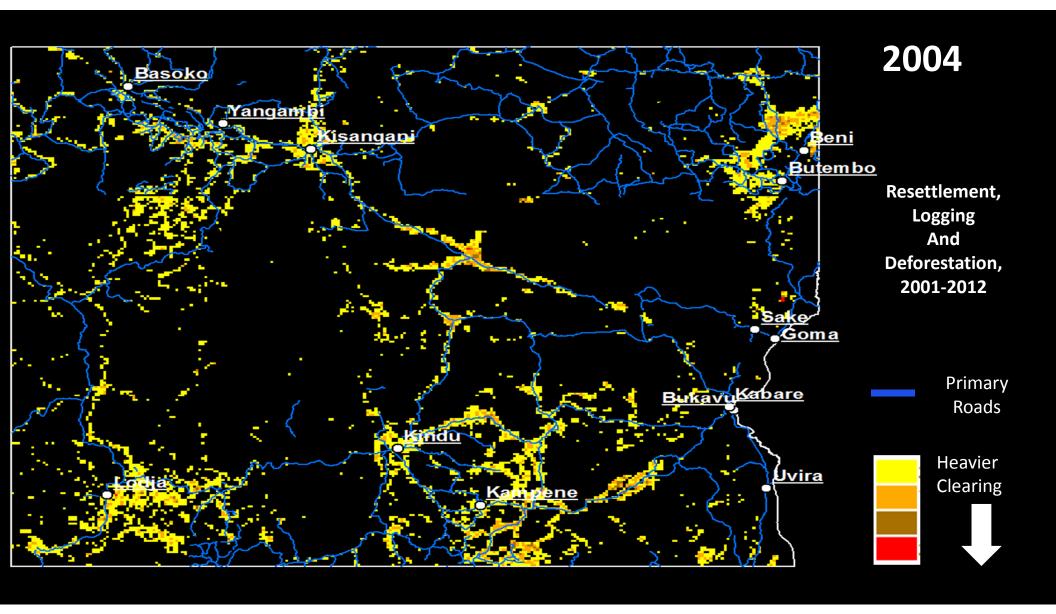
Resettlement,
Logging
And
Deforestation,
2001-2012

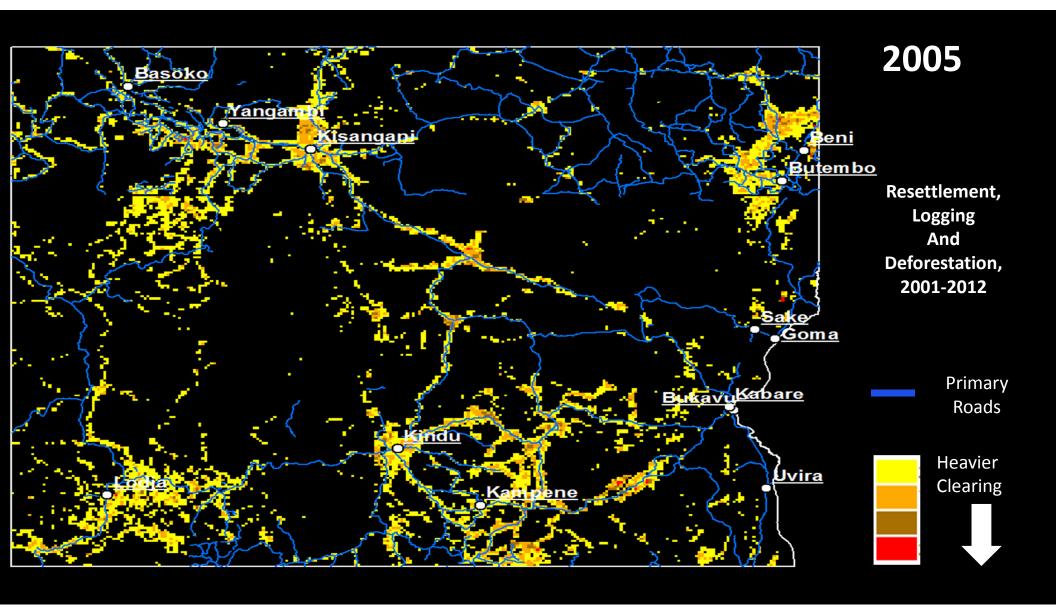


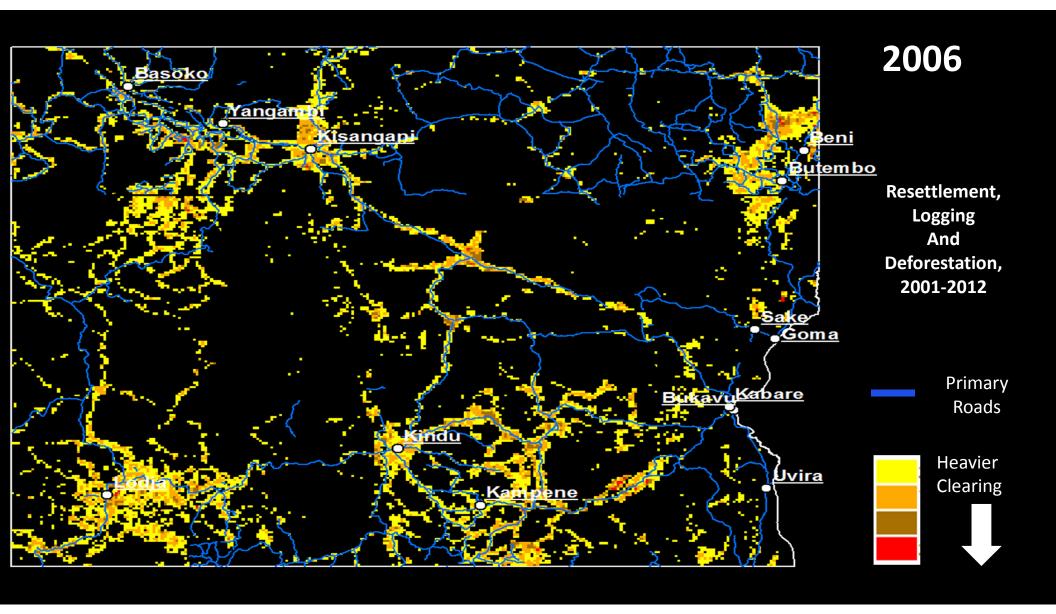


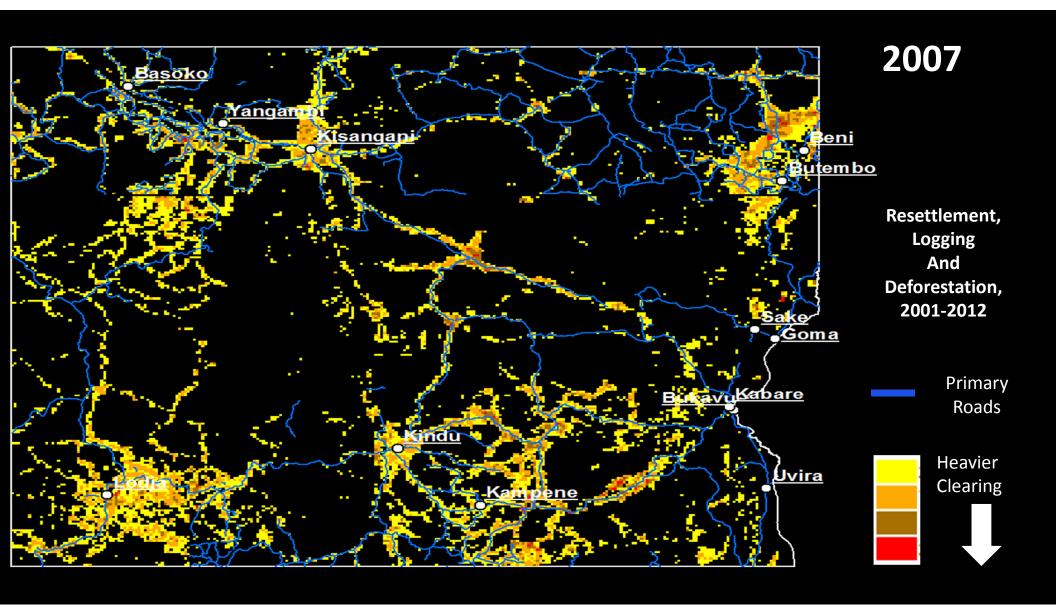


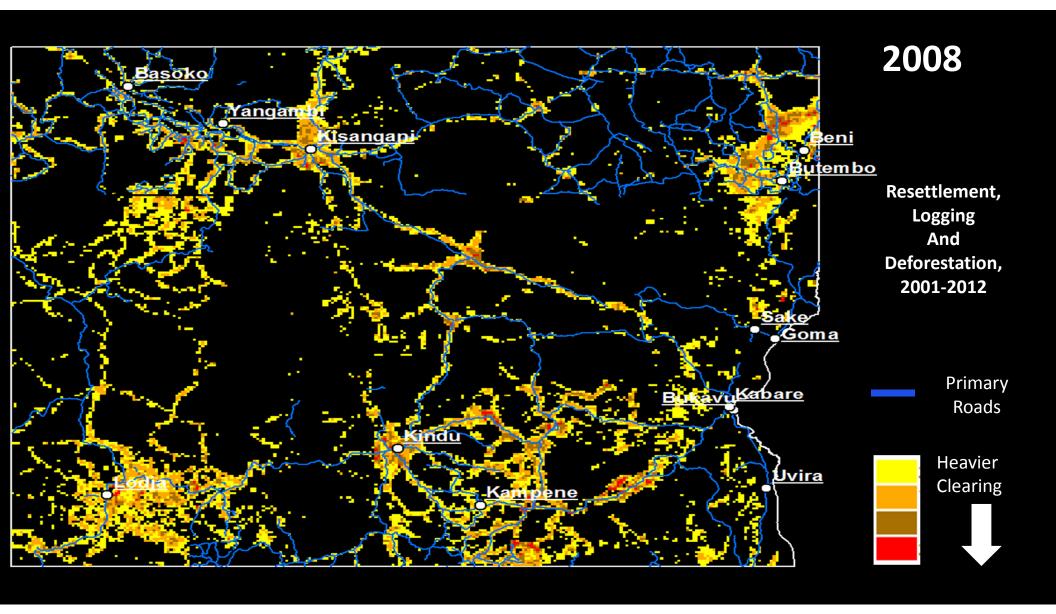


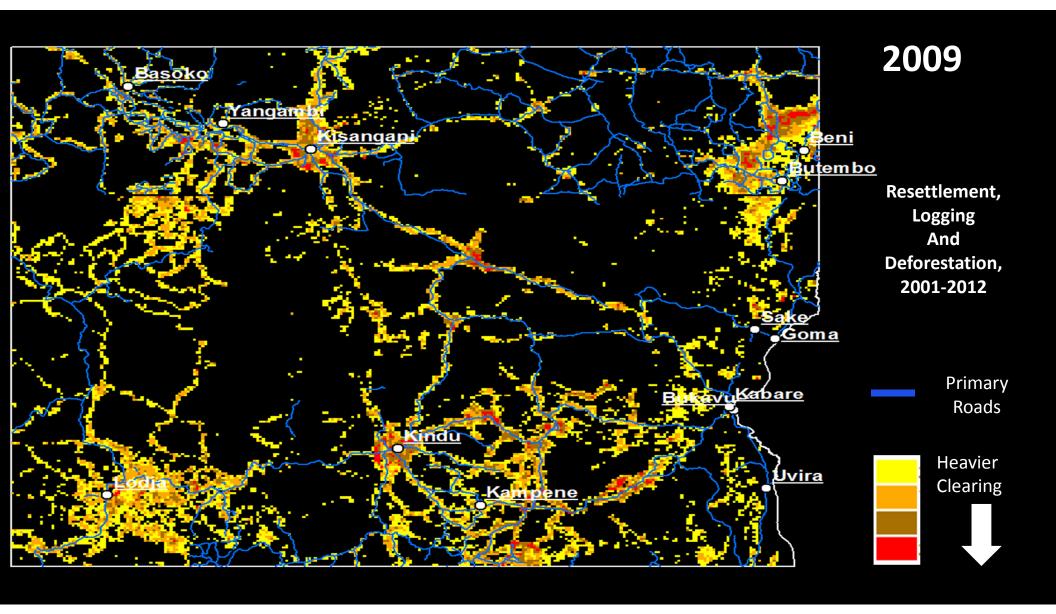


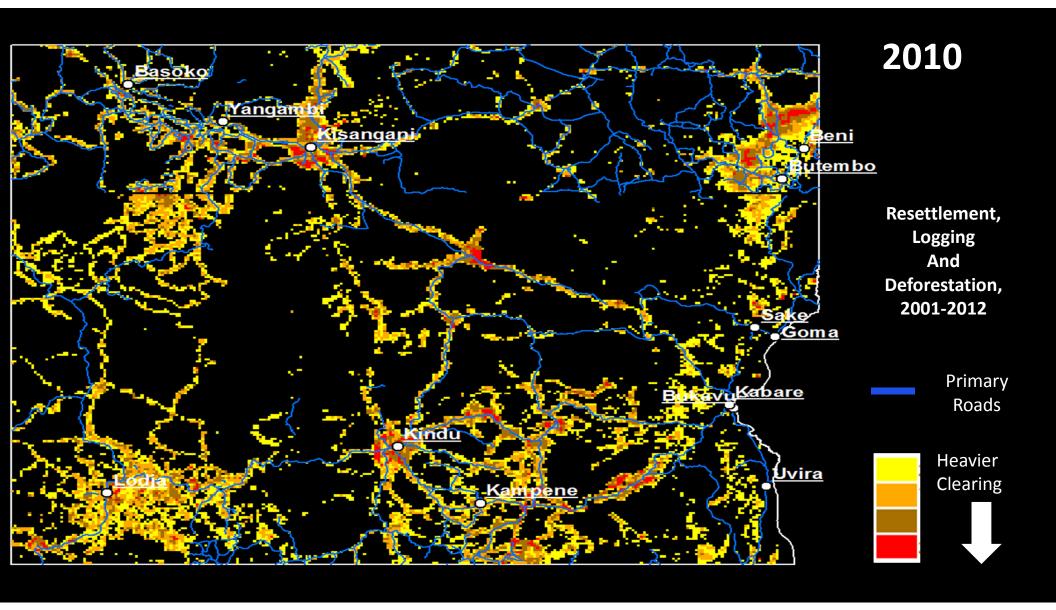


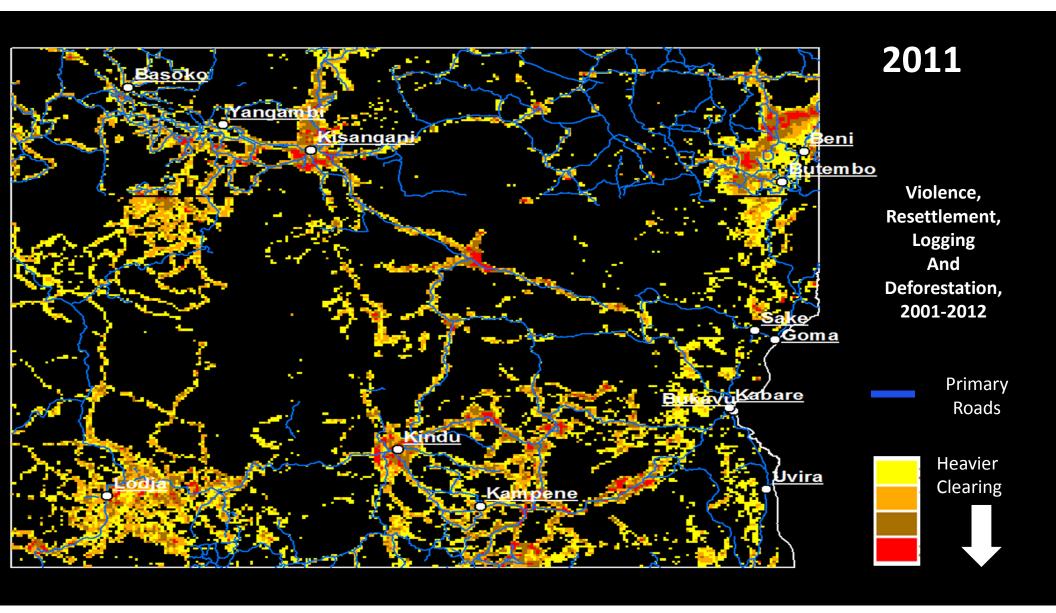


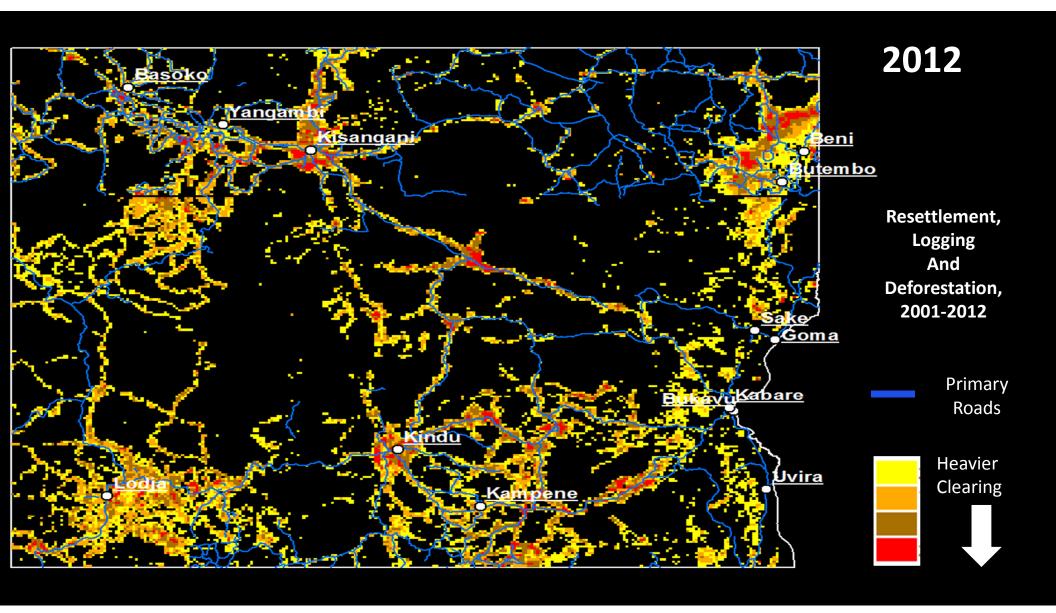


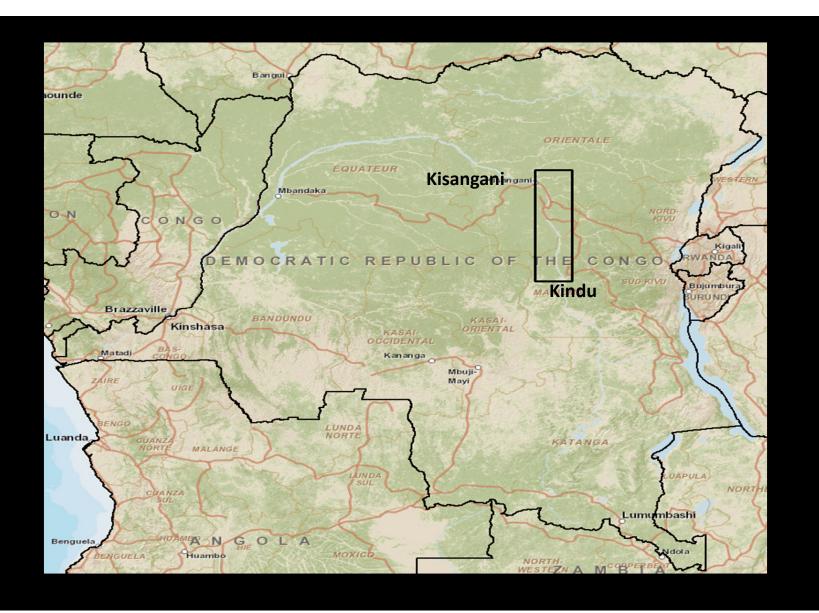




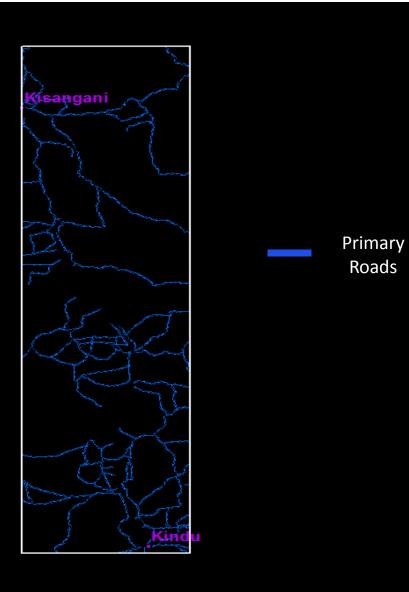




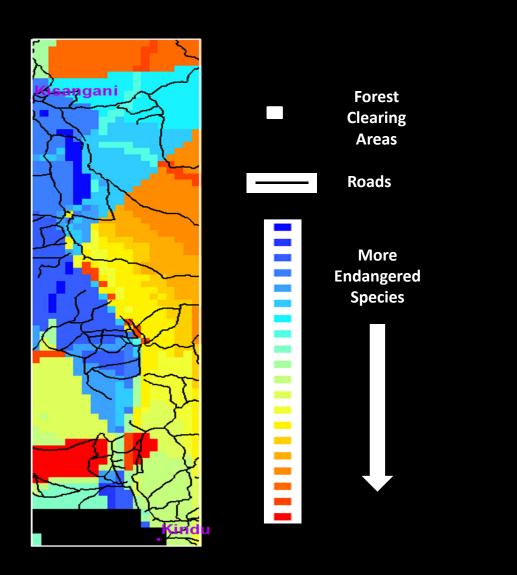




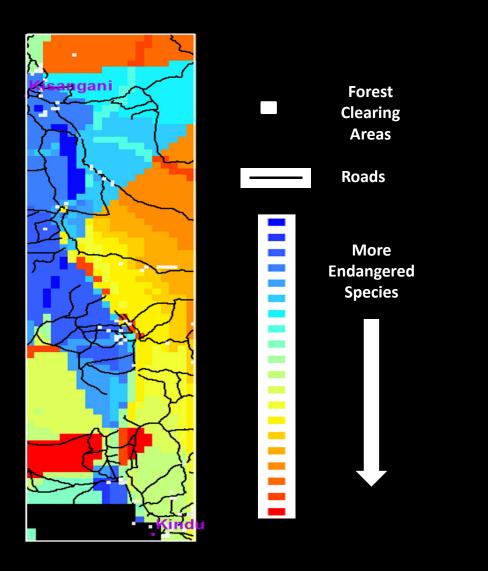
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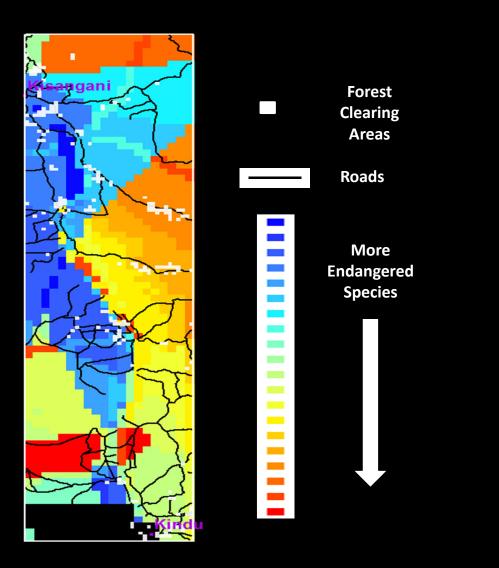
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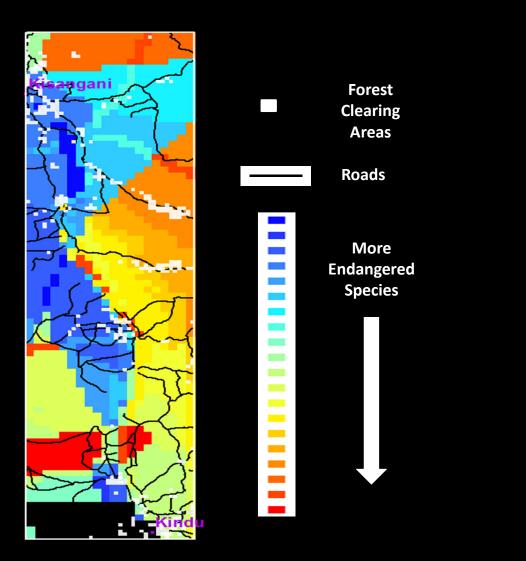
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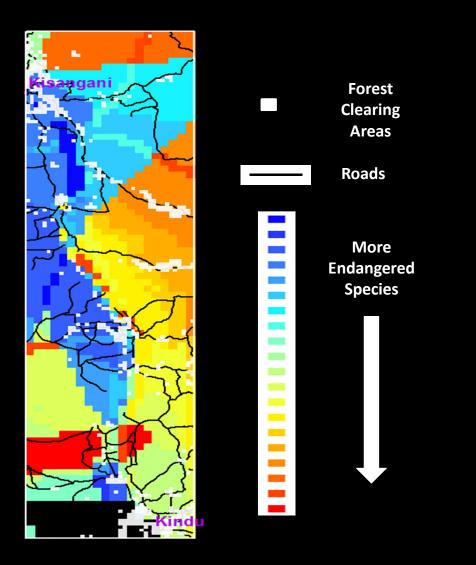
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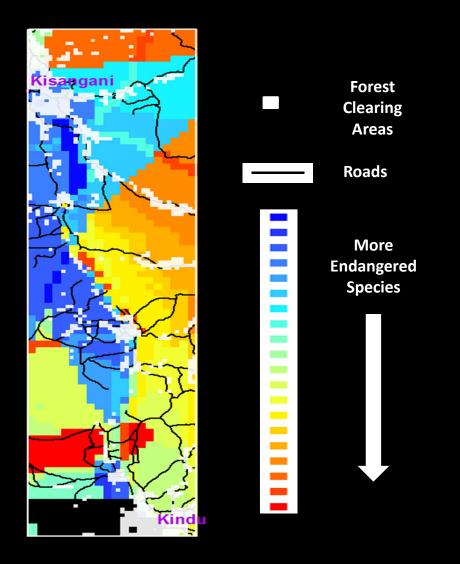
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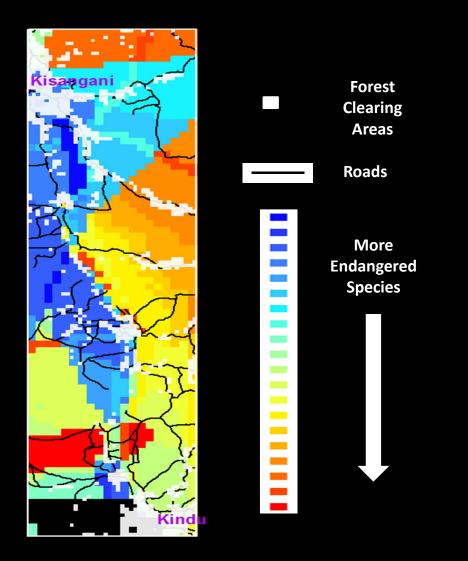
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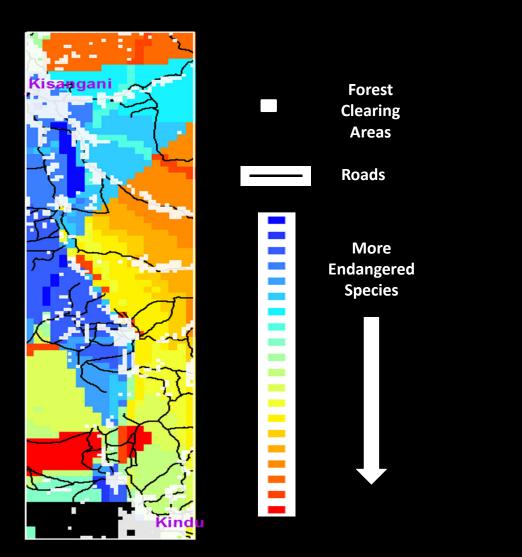
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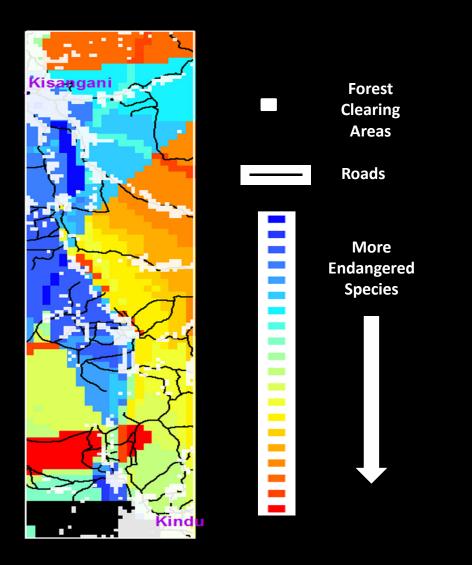
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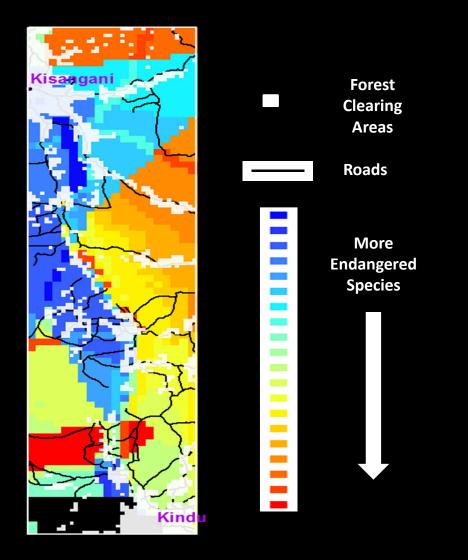
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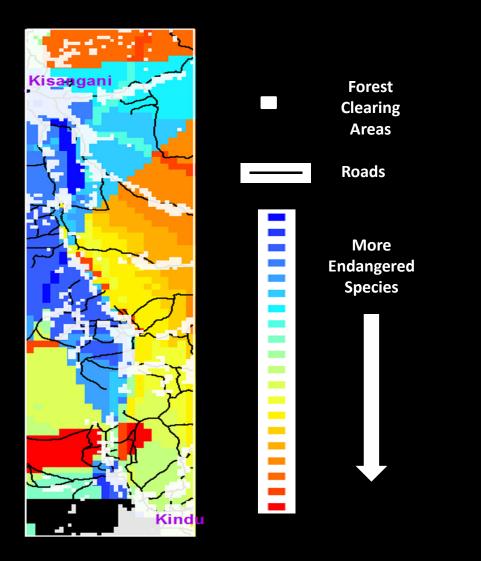
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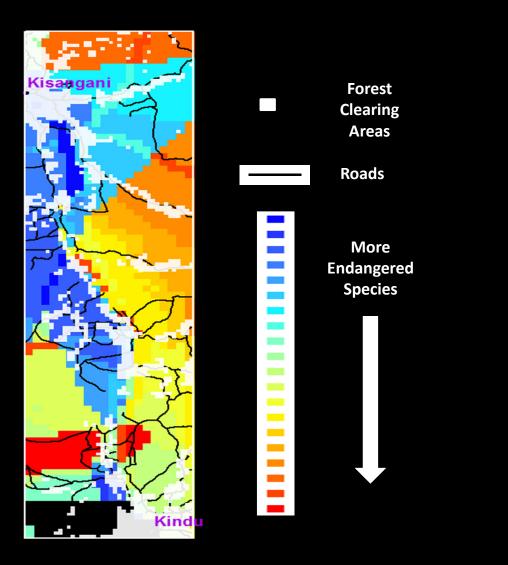
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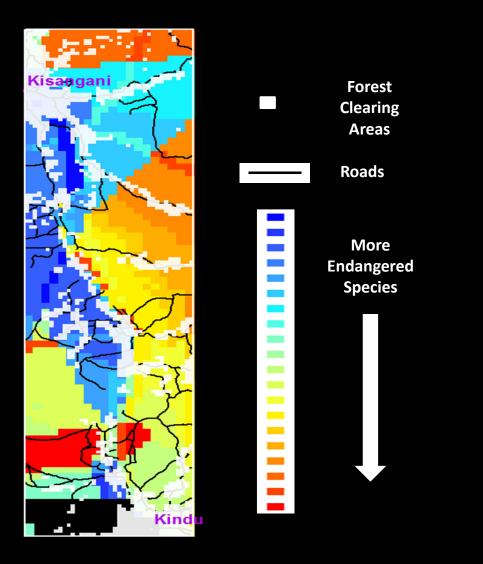
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# Conclusions

- Roads and infrastructure generate large benefits (but mainly in areas with limited conflict)
  - Agricultural output higher
  - Poverty lower
  - Wealth higher
- But clear evidence that deforestation correlates with road placement
  - Sound planning needed in determining the location of the road
  - Spatial analysis can suggest win-wins environmental damage minimized and benefits maximized
- Next Steps
  - Refine analysis
  - Estimate deforestation drivers
  - Estimate regional benefits from infrastructure
  - -> Identify optimal location of growth poles (with highest potential and lowest impact) and best transit routes
    - Calculate regional growth benefits