

# CLIMATE INVESTMENT FUNDS

## FIP

### Forest Investment Program

#### A Targeted Program of the Strategic Climate Fund

Developing countries are facing an increasingly urgent need to sustainably manage their forests to reduce or avoid greenhouse gas (GHG) emissions caused by deforestation and forest degradation. This can be a particularly complex problem in the face of competing development priorities. The Forest Investment Program (FIP) is designed to provide countries with adequate resources to plan and implement interventions that improve forest management and reduce the pressure on forest ecosystems.



FIP resources are being used to catalyze and leverage other development partners including the private sector. These resources will enable countries to shift from a business-as-usual development path to a trajectory that is characterized by reduced carbon emissions from deforestation and forest degradation and enhanced forest carbon stocks.

FIP resources are complementary to other REDD+ financing mechanisms like Forest Carbon Partnership Facility (FCPF), the Global Environment Facility (GEF) and the UN-REDD Programme. The collaboration among these REDD+ institutions at the country level allows for the identification of short and long-term opportunities to address REDD+ priorities in an effective and efficient manner.

The Multilateral Development Banks (MDBs) also work in partnership to support countries in identifying and addressing direct and underlying drivers of deforestation and forest degradation.



By strengthening ownership at national and local levels and promoting strong partnerships, FIP supports transformational change of forest related policies and practices in developing countries. FIP investment plans are being developed by pilot countries and supported

#### FIP AT A GLANCE

##### Funding

\$609 million pledged by contributors

##### Implementing partners

National governments' are supported by Multilateral Development Banks including African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, Inter-American Development Bank, and World Bank Group in close collaboration with other development partners including UN and bilateral agencies.

##### Governance

FIP Sub-Committee with 6 recipient and 6 contributor countries as Decision-Making Members; MDBs, Trustee, UNREDD Programme, Forest Carbon Partnership Facility (FCPF), GEF, UNFCCC, 2 observers from civil society, 2 observers from indigenous peoples groups and 2 observers from the private sector (and 2 alternates).

##### Country Eligibility

A country must be eligible for Official Development Assistance (ODA) and have an active MDB country program to be eligible to receive FIP resources.

by MDBs through a consultation process involving national, state and local authorities, NGOs, indigenous people and local communities, the private sector and other development partners.

Projects supported under a FIP investment plan will pilot and scale-up replicable models for REDD+ such as sustainable forest management, forest landscape management or alternative energy sources that will reduce the pressure on forests.

**Success depends on stakeholders having a voice in the process: the FIP Indigenous Peoples and Local Communities Dedicated Initiative**

To be effective, support for forest management must be built from the ground up. Incorporating forest communities, Indigenous Peoples, and other locally involved communities depends on the strength of their capacity to play an active role in national REDD and FIP processes as well as recognition and support for their tenure rights, forest stewardship roles and traditional forest management systems. The FIP Indigenous Peoples and Local Communities Dedicated Initiative has been established to provide these communities with grants in country or regional pilots to support their participation in development of FIP investment strategies, programs and projects. Grants to Indigenous Peoples and local communities will be an integral component of each pilot.

**Pilot Countries**

Brazil, Burkina Faso, Democratic Republic of Congo, Ghana, Indonesia, Lao PDR, Mexico and Peru.

**Forests offer a lifeline for the planet that must be preserved...**

Forests, teeming with a wealth of biodiversity and offering a source of life and sustenance for millions of people around the globe, provide a compelling opportunity for multiple benefits at the nexus of development and environment.

Tackling forest loss is an important factor in stabilizing greenhouse gas (GHG) emissions at a level that would avoid the worst impacts of climate change. Effective forest management is also vital for rural people who are highly dependent on forests and their rich ecosystems for their livelihoods, sustenance and cultural survival.

**...but to conserve their value, we must reverse the drivers of deforestation and forest degradation and related GHG emissions through sustainable management of forests.**

Forests cover nearly one third of the Earth's land surface and are central to sustainable development. Forests play a critical role in a carbon-friendly global future as they store billions of tons of carbon, help regulate the Earth's climate and contain a bounty of unique plant and animal life.

The Forest Investment Program will provide resources that contribute to the improvement of livelihoods for forest-dependant local communities and indigenous peoples. FIP will generate lessons that can help countries reduce GHG emissions from deforestation and forest degradation. Further lessons will be drawn about enhancing forest carbon stocks while maximizing co-benefits through conservation of biodiversity and other forest ecosystem services.

