## Sent by William T. Smith, 3/31/2009

---- Forwarded by Gerhard Dieterle/Person/World Bank on 03/31/2009 02:39 PM -----

#### Juergen Voegele

03/31/2009 01:57 PM 39684 ARD To "William T Smith" <wts909@verizon.net>

cc Gerhard Dieterle

Subj Re: Notes Link

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Bill,

many thanks, this is great. I forward to Gerhard Dieterle in ARD who is in charge of developing the FIP. cheers, Juergen



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"William T Smith" < wts909@verizon.net>

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03/31/2009 01:43 PM

CC

Subj ect

#### Juergen:

I seem to be on the CIF mailing list and my comments are invite on the various activities. In January I commented on a Concept Paper for the Economics of Adaptation to Climate Change (EACC) activity. I had a response from Sergio Margulis, the Task Manager who was very complimentary and said my note would be circulated to his team. Recently I saw an EACC piece that laid out a more practical five-step approach than the one in the CP.

Encouraged by this, I might send the attached note in response to a request (anonymous) for comment on the draft FIP Design Paper. This says a lot about the various players in the game, but is weak on the collection and assessment of past and present experience in forestry and land development. I suggest they remedy that shortcoming before they go ahead and set up expert

groups and subcommittees. Is this something ARD could help with? It seems to me that these CIF initiatives are mainly in the hands of ENV who could use some input from practitioners. This impression was reinforced in talking to people in Thailand and Cambodia recently.

Bill



# COMMENTS ON THE DRAFT DESIGN DOCUMENT FOR THE FOREST INVESTMENT PROGRAM, A TARGETED PROGRAM UNDER THE SCF TRUST FUND

The challenge facing FIP is stated in para 3 "...while the direct and indirect drivers of deforestation and degradation are well known there is limited knowledge regarding the relative effectiveness of alternative approaches to reversing those drivers under different national circumstances." However, it is said "that large scale efforts to reduce emissions from deforestation and forest degradation (REDD) are underway, first and foremost through the World Bank facilitated Forest Carbon Partnership Facility (FCPF) and the (UN-REDD)". It is of interest to note that FCPF is mainly concerned with small scale carbon abatement schemes and UN-REDD is mainly concerned with capacity building.

It would seem therefore that the FIP Design should be directed to gathering information on (a) the causes and extent of forest degradation; (b) experience in measures to prevent degradation; (c) experience in afforestation and reforestation and (d) the effectiveness of commercial tree crops and field crops as carbon sinks.

In many cases, forest degradation is a result of logging of mature stands by powerful interests unrestrained by the host governments. Prevention of illegal logging requires close supervision and law enforcement--in remote areas this is easier said than done--but there may be some successful examples. Damage to existing forest by neighboring households has sometimes been controlled by supporting small fuel wood plantations and other tree crops. Afforestation of poor quality land can be successful where farmers are willing to take ownership under rules covering tending, protection, and controlled harvesting. But this usually requires that the participants have additional sources of income beyond that available from the forest. Perhaps, if carbon sequestration is seen as having a significant per ha value-added this might justify a CIF investment that would spin off the annual cost of forest management for many years. In short, many options are to be considered depending on soils, terrain, climate, markets socioeconomic conditions

According to para 10, "The FIP will finance efforts to address the underlying causes of deforestation and forest degradation and to overcome barriers that have hindered past efforts to do so." FIP should do more than that. Its aim should be to assist participating countries in the design and financing of land development initiatives that redress the effects of forest degradation and enhance carbon sequestration and productive use of marginal land.

A first and essential step in the preparation of the FIP should therefore be to draw on the experience of the Bank and other agencies to form a knowledge base that would guide the activities to be financed by FIP. There are people working in the Bank as staff and consultants who have been closely involved in the design and supervision of various modes of forestry and land development in a wide range of countries and under different physical and socioeconomic settings. Recourse to this valuable source of knowledge would lead to a menu of possible initiatives in numerous countries that could then be developed in more detail. This process should precede the formation the Subcommittee and the Expert Group since it would be of value in the mobilization of suitable skills for these two bodies.