

Forest Investment Program

Meeting of the Sub-Committee – May 1, 2013

Introduction

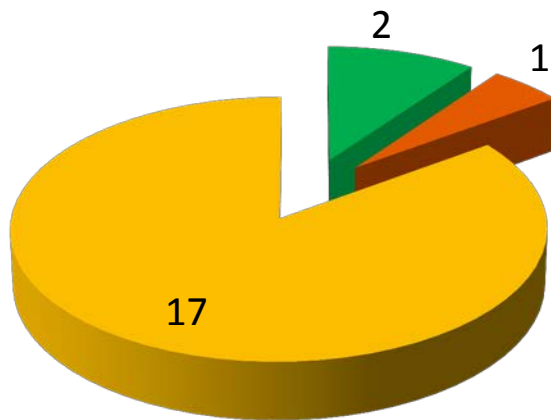
Semi-Annual Report on FIP Operations

(FIP/SC.10/3)

Andrea Kutter
Sr. Program Coordinator
CIF Administrative Unit

State of Program

Number of Projects...



- Funding approved by FIP Sub-Committee and project approved by MDB
- Funding approved by FIP Sub-Committee and project being processed for MDB approval
- Under development for submission to the FIP Sub-Committee

- ✓ 7 out of 8 IPs endorsed
- ✓ IP for Peru is scheduled for November 2013
- ✓ Solid and active pipeline
- ✓ High confidence of submission of projects and programs as scheduled

Emerging Strategic Lessons

1. Link between REDD+ readiness and implementation

“There is a strong correlation between the level of readiness and the identification and implementation of results-oriented REDD+ relevant activities.”

2. Challenges and opportunities with developing investment plans

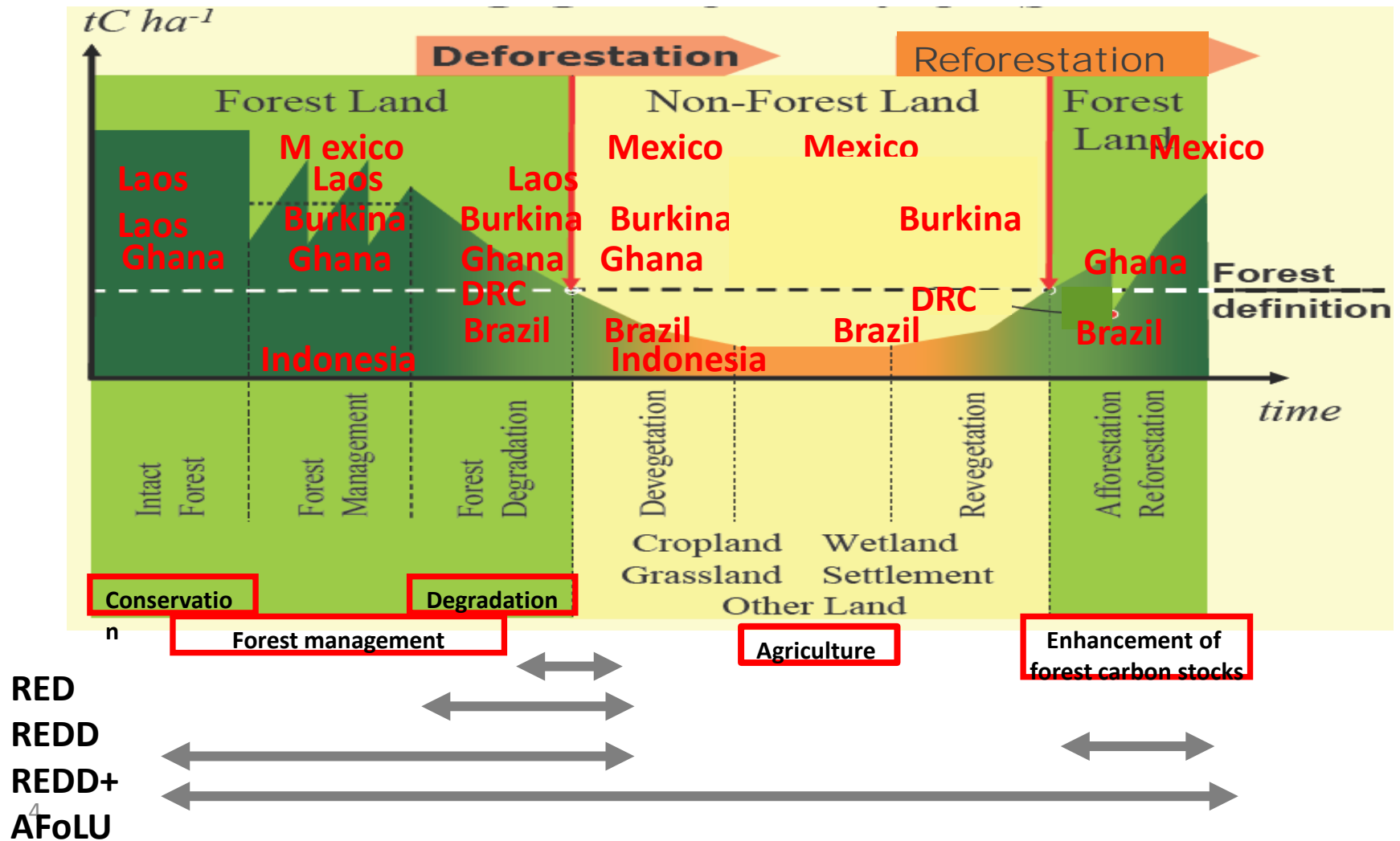
“There is a great variance in the time it has taken the eight pilot countries to develop their investment plans [...]. It can be attributed to differences in country circumstances regarding institutional readiness, stakeholder involvement, approaches to consultation, and the progress in implementation of other REDD+ readiness activities.”

3. Approaches to results monitoring and reporting in FIP investment plans

“There is no comprehensive, consistent, and uniform approach to monitoring and reporting results [...]. Some cohesion and commonality to FIP monitoring and reporting across all countries can be developed by identifying core indicators at the investment plan level based on the approved FIP results framework.

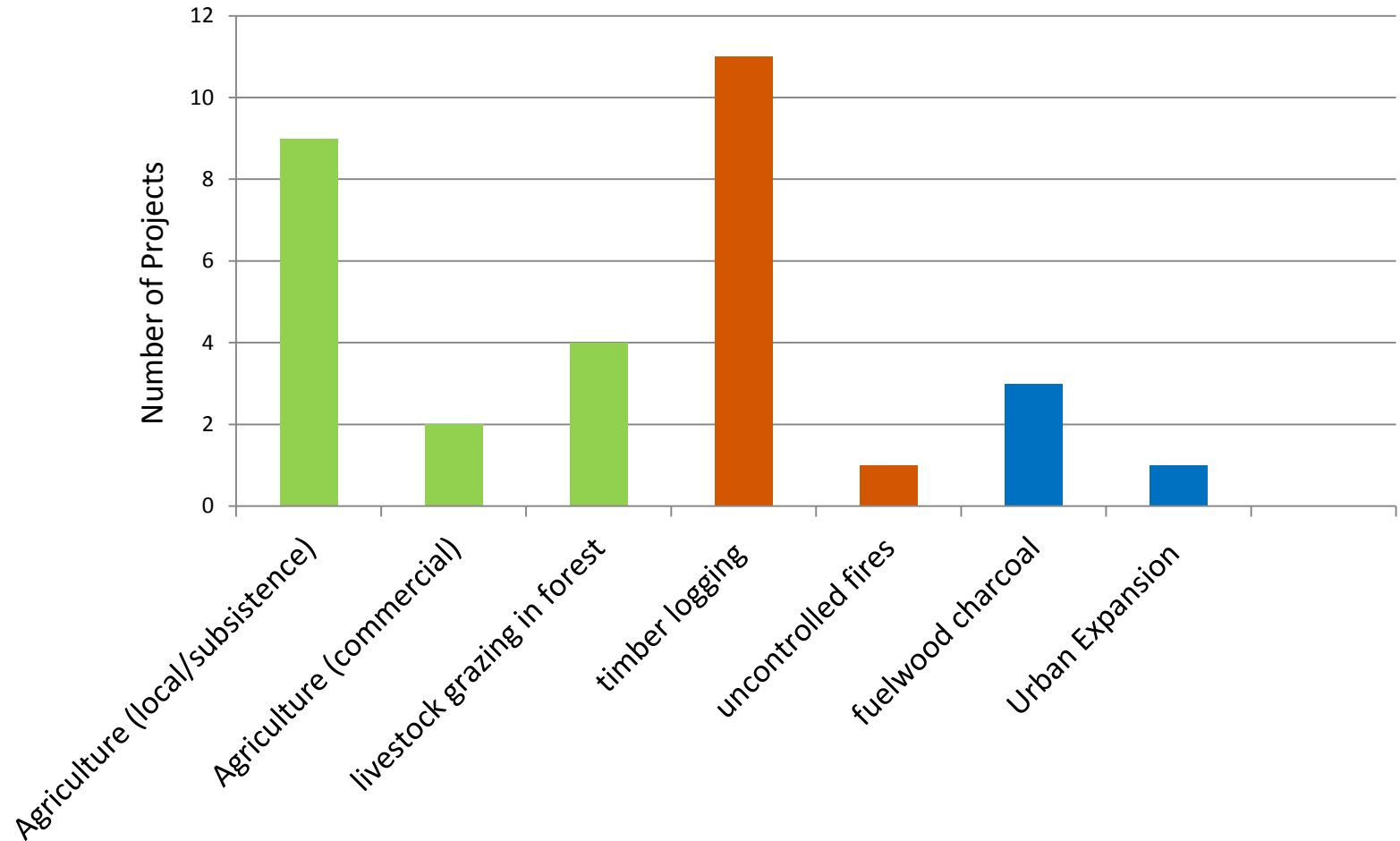
Portfolio Trends

Mapping FIP Investments across the REDD+ Continuum



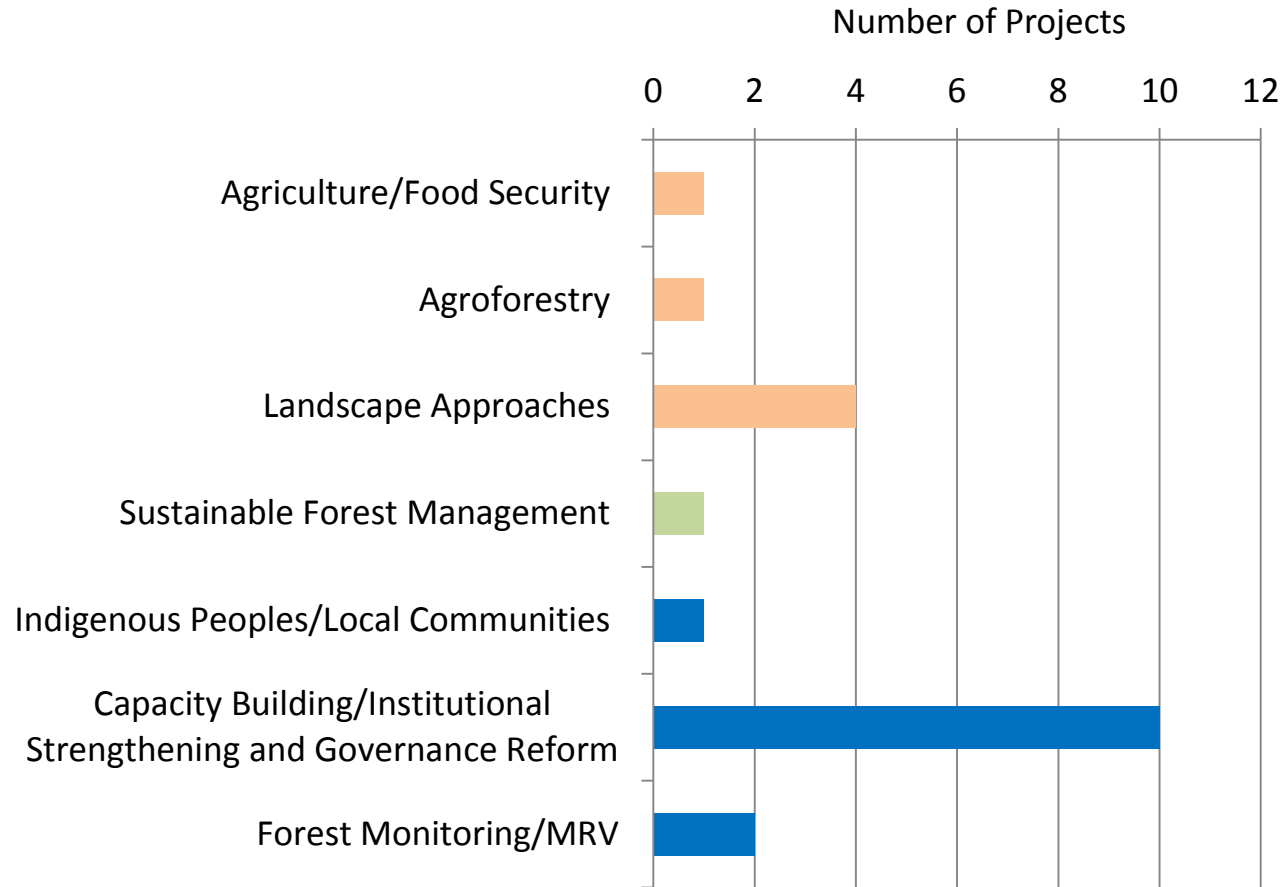
Portfolio Trends

Drivers of Deforestation



Portfolio Trends

Thematic Scope and Sector



FIP Pipeline

Annex 1: FIP Portfolio by Country (as of March 15, 2013)

FIP Investment Plan: Brazil

Endorsement date:	May 4, 2012
Involved MDBs:	IBRD, IFC and IDB
Number of Projects:	4
FIP Funding:	
• Endorsed indicative allocation	USD 70 million
• Approved to date	USD 0.3 million
• Approval rate (FIP funding)	0.4%
Expected Co-financing:	USD 49 million

Key: Milestone Threshold / Traffic Light System		
green	yellow	red
IP Endorsement to SC Approval		
<= 18 mos.	> 18 mos. but <= 24 mos.	> 24 mos.
SC Approval to MDB Approval		
<= 6 mos.	> 6 mos. but <= 9 mos.	> 9 mos.


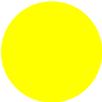

Projects	Environmental Regularization of Rural Lands (based upon the CAR)	Sustainable Production in Areas Converted to Agricultural Use (based upon the ABC plan)	Implementation of Early Warning System for Preventing Forest Fires and a System for monitoring the Vegetation Cover	Forest Information to Support Public and private Sectors in managing Initiatives Focused on Conservation and Valorization of Forest Resources
Project Data				
Funding				
• Grant	1.00	10.72	9.25	16.55
• Credit	32.48	-	-	-
Co-Financing				
• Government	-	-	-	-
• Private Sector	-	-	-	-
• MDB	-	-	-	-
• Others	17.50	25.00	6.50	-
Implementing Agency	IBRD	IBRD	IBRD	IDB
Investment Type	Public	Public	Public	Public
Milestones/ Traffic Light System				
• SC Approval	Jul-13 (green)	Jul-13 (green)	Jul-13 (green)	Jul-13 (green)
• MDB Approval	Nov-13 (green)	Nov-13 (green)	Nov-13 (green)	Oct-13 (green)
Project Status/ Remarks				

- ✓ Pipeline by pilot country
- ✓ 2 Levels of information:
 - IP level
 - Project/program level
- ✓ Side-by-side information
 - FIP funding
 - Co-financing
 - MDB
 - Public/private
 - Milestones and “traffic light”
 - Status information

FIP Pipeline

Meeting agreed Benchmarks (basis: endorsed SPCRs)

Milestone: Sub-Committee Approval of FIP Funding

-  18 months or less: 14 projects and programs
-  18 – 24 months: 2 projects
 - DRC - Addressing Deforestation and Degradation in the Mbuji Mayi/Kananga/Kisangani Supply Area (AfDB);
 - Lao PDR - Protecting Forests for Sustainable Ecosystem Services (ADB)
-  More than 24 months: DRC Forest Investment Program (IBRD)

FIP Pipeline

Delivery of projects and programs in FY 13 (basis: semi-annual pipeline updates)

	Initial Target for FY13 (May, 2012)	Revised Target for FY13 (March, 2013)	Actual Approvals FY13	Expected for Remainder FY13
Funding USD millions	170.8	59.56	22.2	37.36
%	100%	33%	37%	63%

Interpretation:

- Submission dates suggested at the time of IP endorsement are realistic
- Corrections through regular pipeline updates are overly optimistic

Progress Updates

Dedicated Grant Mechanism for Indigenous Peoples and Local Communities

- proposed Framework Operational Guidelines for the DGM being finalized
- advancements on global component, Burkina Faso, Brazil and Ghana
- Lead MDB for DGM in Mexico is still being discussed

FIP Private Sector Set-Aside

Home > Funds & Programs > Strategic Climate Fund > Forest Investment Program > FIP Private Sector Set-Aside

Access to Competitive Funding

FOR INNOVATIVE PROGRAMS AND PROJECTS THAT ENGAGE THE PRIVATE SECTOR IN THE FIP

Under the Forest Investment Program (FIP), over USD 50 million in concessional funds have been set aside to contribute to the financing of innovative programs and projects that engage the private sector in reducing emissions from deforestation and forest degradation and promote sustainable forest management. Proposals for utilizing these funds will be reviewed and selected on a competitive basis by the FIP Sub-Committee, taking into account the recommendations of an expert group. The first round of funding will be agreed in November 2013.

Activities financed will need to be aligned with investment program of one of the eight countries engaged in the FIP: Brazil, Burkina Faso, DR of Congo, Ghana, Indonesia, Lao PDR, Mexico, and Peru.

Programs and projects will be implemented through one of the CIF partners: the African Development Bank, the Asian Development Bank, the Inter-American Development Bank and the World Bank Group, including the International Finance Cooperation.

Proposals should advance the FIP objectives (see [FIP design document](#)) and be aligned with the objectives of a country's FIP investment plan (Brazil, Burkina Faso, DRC, Ghana, Indonesia, Lao

RESOURCES

- Procedures for allocating FIP Resources on a Competitive Basis from a Set Aside.
- Timeline for accessing resources under FIP Set-Aside.
- Downloading common format to be used to present project concepts for consideration.

- ✓ Procedures
- ✓ Timeline
- ✓ Format to present concepts
- ✓ Nomination of experts
- ✓ Interest is high