

CLIMATE INVESTMENT FUNDS

FIP/SC.11/3
October 2, 2013

Meeting of the FIP Sub-Committee
Washington, D.C.
October 30, 2013

Agenda Item 3

FIP SEMI-ANNUAL OPERATIONAL REPORT

PROPOSED DECISION

The FIP Sub-Committee reviewed document, FIP/SC.11/3, *FIP Semi-Annual Operational Report*, and welcomes the progress that has been made in advancing the work of the FIP in the pilot countries. The Sub-Committee particularly appreciates the progress that has been made in:

- i. completing the programming phase of the FIP;
- ii. reporting realistic projections for project development;
- iii. submitting projects and program proposals to the Sub-Committee for approval of FIP funding; and
- iv. advancing the development of the Dedicated Grant Mechanism.

The Sub-Committee takes note of the work that has been initiated to assess the process, experience and lessons learned in developing FIP investment plans and requests that the outcome of the work be presented to the Sub-Committee for discussion at its next meeting.

The Sub-Committee requests the CIF Administrative Unit to work with the MDBs and the members of the Sub-Committee to promote shared understandings of the information that is to be made available in project proposals submitted to the Sub-Committee for funding approval.

I. INTRODUCTION

1. This note provides an update on the status of the Forest Investment Program (FIP), the portfolio of FIP-funded projects and programs under endorsed investment plans, and related activities. *The report covers the period from March 16, 2013 to August 31, 2013.*

II. PROGRAM PROGRESS DURING THE REPORTING PERIOD

Investment Plans endorsement

2. With the impending endorsement of Peru's investment plan in the upcoming meeting of the FIP Sub-Committee, the FIP will have completed its programming phase, a major achievement and milestone for the FIP.

Projects and Programs

3. During the reporting period, the Sub-Committee reviewed and approved FIP funding for the following three projects and programs:

- a) *DRC: Integrated REDD+ project in the Mbuji Mayi/Kananga and Kisangani Basins, (AfDB);*
- b) *Lao PDR: Scaling-Up Participatory Forest Management, (IBRD); and*
- c) *Lao PDR: Smallholder Forestry Project, (IFC).*

4. Three FIP-funded projects were approved by the implementing MDB during the reporting period:

- a) *Lao PDR: Scaling-Up Participatory Forest Management, (IBRD);*
- b) *Mexico: Financing Low Carbon Strategies in Forest Landscapes, (IDB);*
- c) *Mexico: Support for Forest Related Micro, Small, and Medium-sized Enterprises (MSMEs) in Ejidos, (IDB).*

5. One FIP-funded project began implementation and is disbursing resources:

- a) *Lao PDR: Smallholder Forestry Project, (IFC).*

6. The disbursement of FIP resources has increased from USD 1.3 million at the end of December 2012 to USD 4.5 million at the end of June 2013¹. The actual disbursement rate is equal to 51% of the projected cumulative level. The annual disbursement rate is 42% of the annual projections.

¹ *CIF Disbursement Report* (September 2013)

Dedicated Grant Mechanism for Indigenous Peoples and Local Communities (DGM)

7. The most important achievement for the DGM in the reporting period was the finalization of the *DGM Framework Operational Guidelines* which provides guidance on the structure and management of the DGM as a whole as well as its eight country mechanisms. The guidelines were endorsed by the co-chairs of the Transitional Committee of the DGM and are now posted on the FIP website². The guidelines are a joint effort between the Transitional Committee members, FIP country governments and the MDBs. The process was led by the World Bank.

8. The preparation of the global component of the DGM to be implemented by the World Bank is advancing well. A competitive process for selecting a global executing agency was initiated in June 2013. The purpose of the selection process is to solicit proposals from the best qualified agencies for this task. The World Bank constituted a multi-stakeholder selection panel comprising representatives from the CIF Administrative Unit and the MDBs and the co-chairs of the Transitional Committee. The selection is being carried out in accordance with the World Bank policies and procedures for procurement.

9. Over the next few months, the World Bank and the CIF Administrative Unit will further develop the web space for the DGM, including country pages, to make the site an easily accessible platform for information and knowledge exchange.

10. In terms of progress at the country level, seven of the eight FIP pilot countries have requested the World Bank to implement the DGM in their countries. In Mexico, the government is facilitating sub-national level meetings to support key stakeholders in reaching a decision on the lead MDB. Consultations are planned for September and October 2013.

11. Brazil and Ghana continue to make good progress on operationalizing the mechanism in their countries. In Ghana, the World Bank country team has received formal authorization from its management to proceed with the preparation. In Indonesia, workshops have been organized with the Indigenous Peoples Chamber of the National Forest Council (DKN) to discuss the process for selection of national steering committee members. In Peru, the leading indigenous organizations AIDSESEP and CONAP organized meetings to discuss the process for formation of a national steering committee and potential use of DGM resources. In DRC, inputs from stakeholders representing civil society and Indigenous Peoples such as the Civil Society Platform (GTCR) and the Indigenous Peoples Platform (REPALEF) and outcomes from a meeting of traditional groups in August 2013, are feeding into the development of a concept note for the DGM in their country. In Burkina Faso, a working group of civil society and local community representatives are contributing to the development of a DGM concept note. In Lao PDR, the process is still at its initial stages.

12. There is growing interest beyond the FIP community in the DGM as a new and creative mechanism in support of indigenous peoples and local communities in REDD+. During the last meeting of the United National Permanent Forum on Indigenous Issues (UNPFII) in New York in May 2013, the World Bank and the CIF Administrative Unit presented the DGM to forum

² <https://www.climateinvestmentfunds.org/cif/DGM/About>

participants. The information sharing session was received with great interest, and positive feedback from indigenous leaders from non- FIP countries was received.

Private Sector Engagement in the FIP

13. During the reporting period, one private sector project for Lao PDR received FIP funding approval, increasing the number of private sector operations with approved FIP funding to two.

14. Two private sector investment programs to be implemented by IFC in Indonesia and Ghana are expected to be submitted for FIP funding approval in February and June 2014, respectively.

15. In accordance with the procedures approved by the Sub-Committee for a set aside of funds to encourage private sector engagement, eleven proposals were received from interested parties in five pilot countries (Brazil, Burkina Faso, DRC, Ghana and Mexico) and one region (Africa). USD 56 million in near-zero interest credits is available under the set aside. The expert group met on September 16-19, 2013, to review the proposals and make recommendations to the Sub-Committee as to which concepts should be considered for the further development and FIP funding approval (see document FIP/SC.11/5, *Review and selection of concepts to be financed from the FIP private sector set aside*).

FIP Monitoring and Reporting

16. During its meeting in May 2013, the FIP Sub-Committee discussed the FIP monitoring and reporting agenda and requested the CIF Administrative Unit to

- a) organize, ..., a virtual meeting of FIP pilot countries to discuss, after internal consultations in each pilot country, emerging common indicators for measuring progress at the level of the FIP investment plan, taking into account the findings of the report;
- b) organize a meeting ... of a working group comprised of representatives from interested FIP pilot countries and contributor countries, the CIF Administrative Unit and the MDBs, to propose a few core indicators to be measured at the level of the investment plan, taking into account the results from the discussion among FIP pilot countries;
- c) organize, during the next meeting of FIP pilot countries scheduled to be held in October 2013, a session on FIP monitoring and reporting so as to allow further discussion and a recommendation of the proposed core indicators to the FIP Sub-Committee; and
- d) with inputs from the working group and taking into account the comments received during the meeting of FIP pilot countries, to prepare for approval by the FIP Sub-Committee at its meeting in November 2013, core indicators to be measured and reported on at the investment plan level. In presenting the core

indicators, the proposal should include a description of how project level indicators would relate to the core indicators.

17. Further to this decision, the CIF Administrative Unit consulted with the Co-Chairs of the Sub-Committee, and they agreed that the working group should consist of 8 representatives:

- a) two Sub-Committee members from the FIP pilot countries group;
- b) two Sub-Committee members from the contributor countries group;
- c) two representatives from the MDBs; and
- d) two representatives from the CIF Administrative Unit.

18. Each of the groups identified above were invited to identify two representatives to participate in the working group.

19. The working group met on August 29-30, 2013, in Washington D.C., and the following representatives participated in the meeting:

- a) Mr. Victor Agyeman, Representative of the Government of Ghana
- b) Ms. Berenice Hernández Toro, Representative of the Government of Mexico
- c) Ms. Gaia Allison, Representative of the Government of the United Kingdom
- d) Ms. Katie Berg, Representative of the Government of the United States
- e) Mr. Juan Alberto Chang, Inter-American Development Bank
- f) Mr. Gerhard Dieterle, World Bank
- g) Ms. Andrea Kutter, CIF Administrative Unit (FIP Coordinator)
- h) Ms. Christine Roehrer, CIF Administrative Unit (M&E Specialist)

20. The report of the working group is available to the Sub-Committee as an information document (see document FIP/SC.11/Inf.3)

21. The working group agreed on a draft proposal which:

- a) clarifies the role of the FIP results framework³ in the FIP results agenda; and
- b) provides additional clarifications for the implementation of the FIP results framework in the context of annual reporting on the progress of implementing the

³Approved by the FIP Sub-Committee on May 13, 2011.

FIP investment plans, in particular focusing on a few themes for measurement and annual reporting across all FIP investment plans.

22. The report of the working group is to be submitted to the FIP pilot countries meeting scheduled for September 2013. Based on the discussions at the pilot country meetings, the CIF Administrative Unit will prepare a proposal for consideration at the Sub-Committee meeting (see document FIP/SC.11/6 “*Results monitoring and reporting in the FIP.*”)

FIP Community of Practice

23. All FIP pilot countries are actively engaged in the *FIP Community of Practice* discussing virtually, or in meetings of the FIP pilot countries, emerging experiences and good practices as well as challenges and opportunities they have encountered with the development and implementation of their investment plans through projects and programs.

24. The FIP pilot countries will meet on September 24-26, 2013, in Yogyakarta, Indonesia. The agenda includes discussions on the FIP M&E work program and showcased the FIP programming process in Indonesia. Document FIP/SC.11/Inf.2, *Report from the Meeting of FIP Pilot Countries (September 24-25, 2013)*, provides the self-reported updates on FIP implementation by pilot country.

25. During its meeting in May 2013, the FIP Sub-Committee requested the CIF Administrative Unit, in collaboration with the MDB Committee, “to prepare as a FY14 CIF knowledge product, for submission at the 2014 Partnership Forum or earlier, an in-depth study of the process, experience and lessons learned in developing FIP investment plans and projects (“programming process”), and in particular to include a few case studies exploring further the linkages between REDD+ readiness approaches and the FIP investment plans”.

26. The knowledge product(s) should communicate findings in a clear and pragmatic way, with a clear emphasis on the understanding of the link between readiness and successful development and implementation of investment activities primarily those supported by the FIP.

27. A consultant firm has been hired to conduct in-depth interviews with government representatives, MDB task teams, civil society organizations, indigenous peoples groups, relevant UN agencies and private sector representatives to help articulate and deepen understanding of key aspects of the FIP programming process and the linkages between REDD+ readiness approaches and FIP investment plans.

28. The final report is expected to:

- a) identify the elements of “readiness” in the FIP pilot countries;
- b) describe progress in programming FIP resources from the time of selection as a FIP pilot country to the final endorsement of the investment plan;
- c) present progress in setting up functional institutions for implementation of FIP investment plans;

- d) identify the status of using, setting up or enhancing monitoring systems that respond to FIP objectives; and
- e) explore how country-ownership and stakeholder buy-in for FIP investments have evolved, thereby reducing opposition and delays.

29. The report will also explore the extent to which FIP in the pilot countries has acted to consolidate and complement the development of REDD+ strategies (or equivalents) and implementation of “readiness” activities; and highlight any overlap between “readiness” and “implementation” activities supported by programs including the FCPF, the UN-REDD Programme, the GEF and the FIP. Where FIP pilot countries have started implementing projects on the ground, the report will analyze and present factors contributing to such progress.

III. STRATEGIC HIGHLIGHTS

30. This report highlights two strategic themes that are emerging from the FIP:

- a) there is need to agree on common expectations for the information to be included in project proposals submitted to the FIP Sub-Committee when FIP funding approval is being requested, as some members of the FIP Sub-Committee have voiced concerns with the lack of sufficient information in project proposals; and
- b) the delivery rate for project and program submissions to the FIP Sub-Committee for FIP funding remains lower than expected but semi-annual pipeline updates from the MDBs are becoming more realistic.

31. Each strategic theme is discussed below in more detail.

Common expectations for the information to be included in project proposals

32. During the reporting period, MDBs submitted five projects for FIP funding approval. The projects were reviewed by the FIP Sub-Committee against the FIP investment criteria and the fit with the overall objective of the respective endorsed investment plan.

33. In most cases, substantial comments were made on the proposal and requests were received for clarifications and/or a resubmission improving the project information, causing delay in approval of FIP funding. Some common issues raised are:

- a) theory of change - the “what, why and how” of projects;
- b) contribution to transformational changes described in the endorsed investment plan;
- c) value added for using FIP resources;

- d) the beyond business-as-usual case for FIP funding as compared with core MDB operations in the sector(s);
- e) sustainability of expected outcomes and impacts; and
- f) indicators, targets and methodology for measurement of expected results.

34. While guidance on information to be included in project documentation is provided in approved FIP policy documents such as the *FIP Design Document*, the *FIP Operational Guidelines* and the *FIP Investment Criteria and Financing Modalities*, it has been suggested that MDBs should further enhance the quality control of the project and program documentation in terms of consistency with the FIP before requesting FIP funding approval

35. It is recommended that the Sub-Committee requests the CIF Administrative Unit to organize discussions with the MDBs, at a FIP Sub-Committee meeting, in the margins of a meeting, or through a telephone conference, with a view to reaching a common understanding on the information that is expected to be included in project proposals.

Status of Project and Program Submissions to the FIP Sub-Committee

36. The last *Semi-Annual Report on FIP Operations* (FIP/SC.10/3) compared the actual to the projected funding approvals in FY 13. Between the initial projections in May 2012 and revised targets in March 2013, it was noted that there was considerable slippage of projects (68%) which were scheduled for FIP funding approval in FY13 and are now scheduled for FIP funding approval in FY 14. The delivery rate for FY 13 compared to the projected FIP funding approvals at the beginning of FY 13 was 22.3%. The delivery rate is 63.8% compared to the revised target from March 2013. Hence, the projections by the MDBs for submission of projects and programs for FIP funding approval have become more realistic.

37. From information submitted by the MDBs, delays in submitting projects and programs for FIP funding approval are rooted in overly optimistic planning when compared to the complexity of the sector (s), the requirements in terms of consultations with key stakeholders on the proposed activities (sometimes in remote locations) or challenges in getting to an agreement on the institutional arrangements at government level in terms of overseeing the implementation of the projects.

38. At its last meeting, the Sub-Committee requested the CIF Administrative Unit, in collaboration with the MDB Committee, to prepare a paper on measures to improve the management of the FIP pipeline. A separate paper has not been prepared for the reasons provided below.

39. The FIP pipeline is currently managed in accordance with the policy “*Pipeline Management of the Targeted Programs under the Strategic Climate Fund*” (November 2011). The tool helps track contributions, allocations and pipeline related information on the status of project and program development.

40. The pipeline information is developed using information provided by the MDBs on their expectations for the development of activities outlined in endorsed investment plans. The MDBs forecast for each project or program includes indicative dates for submission to the Sub-Committee for approval of FIP funding and for approval by the MDBs. The pipeline is reviewed on a semi-annual basis to take into account possible changes in activities and targeted approval dates.

41. Consistent with the SCF policy on pipeline management, projects and programs in the pipeline for more than 24 months since the endorsement of an investment plan will trigger an update or revisions of the investment plan. One project has reached this benchmark (DRC).

42. The MDB Committee considers the option of over-programming in the FIP context to be premature. So far, only one project is still pending FIP funding approval 24-months after the investment plan endorsement (DRC). Despite the delays, this project is actively being prepared by the government and the MDB. The MDBs have indicated that all projects in the FIP pipeline are moving forward, and they expect all projects in the pipeline to be developed for FIP funding approval.

43. The MDB Committee further considers the current procedures to manage the pipeline adequate, and the CIF Administrative Unit and the MDB Committee reconfirms that it will exercise fully their responsibilities for active pipeline management. The recent recruitment of a Senior Operations Officer to oversee management of the portfolio in the CIF will strengthen the CIF Administrative Unit's capacity to identify any emerging issues and draw them to the attention of the MDB Committee and the Sub-Committee.

IV. ANALYSIS OF FIP PORTFOLIO

Approvals (total)

44. Table 1 provides an overview of the FIP portfolio in terms of approvals throughout the CIF project cycle.

Table 1: Overview of FIP Portfolio

	Endorsed IPs (7)	SC Approved FIP Funding⁴	MDB Approved	Disbursing (June 30, 2013)⁵
USD million	370	104.8	76.63	1.13
Number of projects and programs	20	6	5	2

45. Over one-quarter (28.3%) of FIP funding in endorsed investment plans has been approved by the FIP Sub-Committee and is available for implementing project activities. This is reasonably fast paced progress from preparation to FIP funding approval considering that 4 of the 7 countries with endorsed investment plans completed their programming process only less

⁴ The figure includes preparatory grants for the development of investment plans and projects.

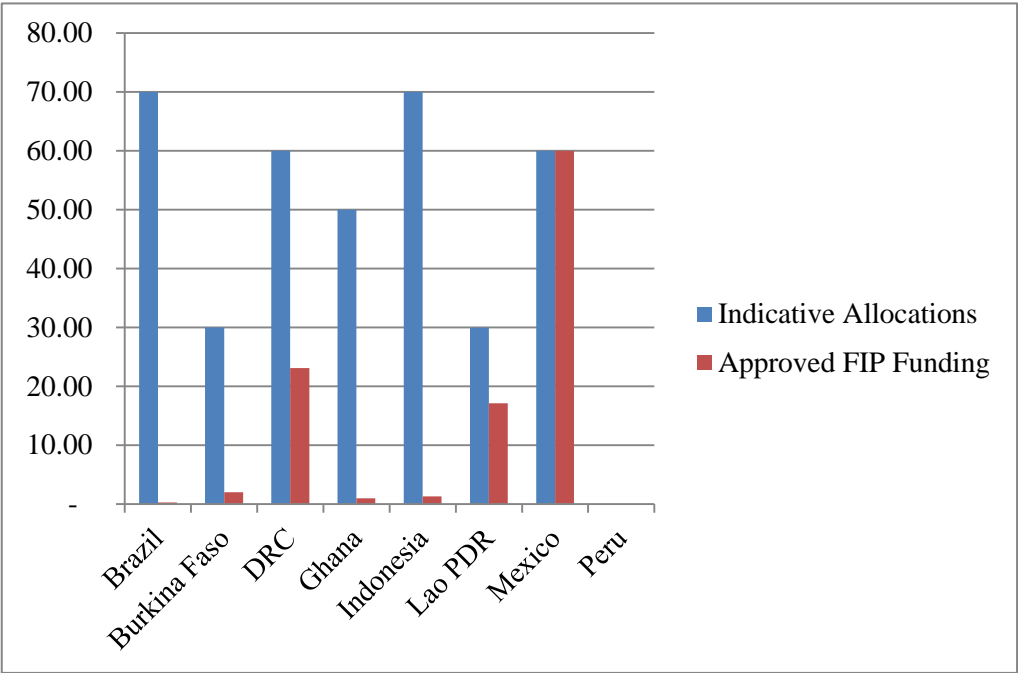
⁵ Project-level disbursement figures are available for public sector projects only.

than one year ago. Just under three-quarters (73%) of projects and programs with FIP Sub-Committee approved funding have also received final MDB approval, suggesting an acceleration in the MDB process towards effectiveness and implementation.

Approvals by FIP Pilot

46. Figure 1 provides information on the indicative allocation of FIP funding by pilot country at the time of FIP endorsement and the total FIP funding which has been approved at the end of this reporting period.

Figure 1: Indicative Allocation of FIP Funding and Approvals by FIP Pilot (USD Millions)



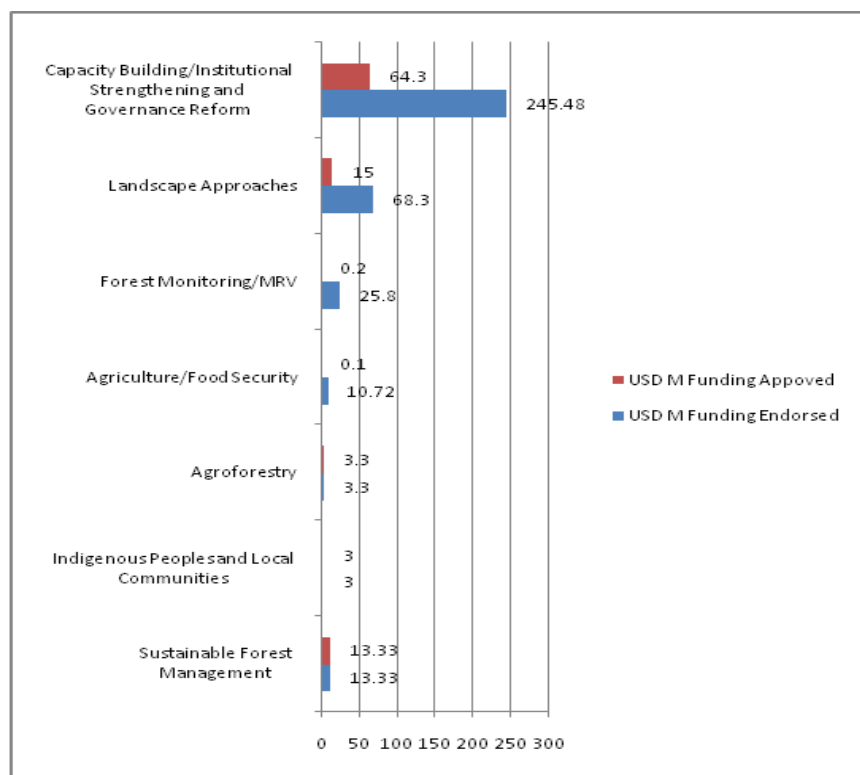
47. Three countries, Mexico, DRC and Lao PDR, are well advanced in terms of FIP funding approval by the Sub-Committee. Mexico is the only pilot country which has received not only FIP funding approval for all three projects but also MDB approval of final projects and programs.

48. It is expected that during the upcoming reporting period, the FIP funding approvals will increase substantially. This assumption is underscored by the increase of project submissions for FIP funding approval after the cut-off date for this report.

Approvals by Sectoral Focus

49. Figure 2 provides information on FIP resources in endorsed investment plans and the relative allocations, endorsed and approved, by sectoral focus.

Figure 2: Indicative Allocation of FIP Funding and Approvals by Sectoral Focus



50. Figure 2 underscores the importance of investments in capacity development, institutional strengthening and governance reform as key elements for successful REDD+ implementation. It also confirms the close link between REDD+ readiness processes and investment opportunities. These links will be further explored in the on-going knowledge work on FIP mentioned earlier in the report.

Distribution of Public and Private Sector Operations

51. Figure 3 provides information on the number of public and private sector projects and programs in endorsed investment plans and the actual number of projects and programs which have received FIP funding approval.

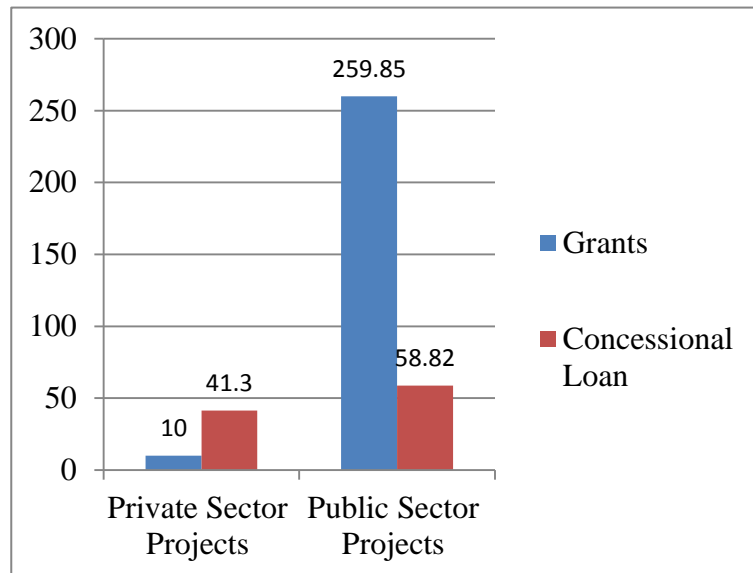
52. Of the 20 projects and programs in the FIP portfolio, four will focus on working with the private sector through:

- a) technical advisory services;
- b) financial intermediaries to provide a REDD+ credit line to local communities and *ejidos*;
- c) secured agroforestry product supply chain by a private sector firm for local communities; and

d) supporting sustainable cocoa production.

53. The remaining 16 projects are public sector investment operations, often indirectly benefiting the private sector. This is especially true for public sector operations enhancing the enabling environment and institutional capacity for sustainable REDD+ investments.

Figure 3: Distribution of FIP Funding to Public and Private Sector Operations



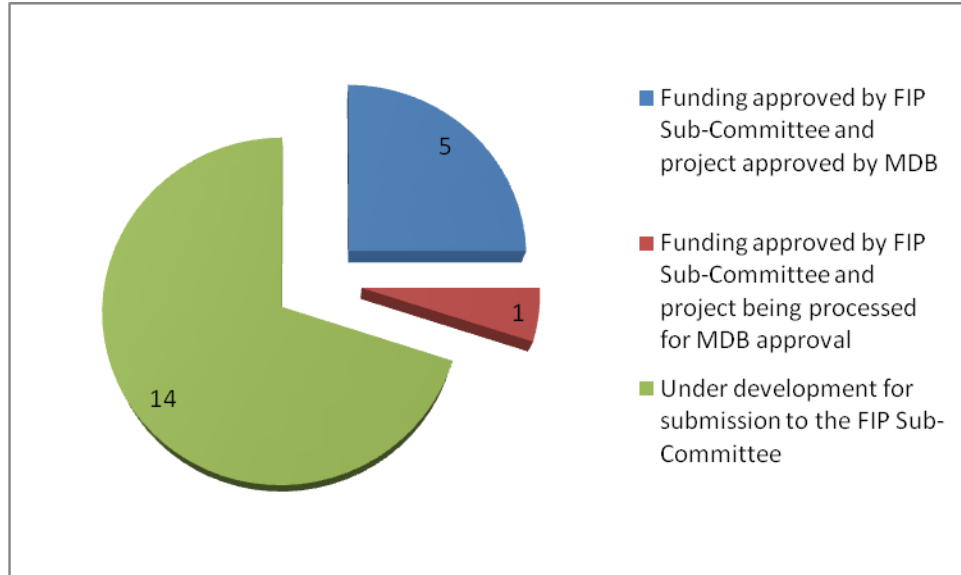
V. TRACKING PROJECT AND PROGRAM DELIVERY

54. As of August 30, 2013, FIP funding for a total of 6 projects has been approved by the Sub-Committee totaling USD 97.21 million (USD 69.07 million in grants and USD 28.14 million in near-zero interest credits). These resources are expected to leverage a total of USD 717.88 million in co-financing (ratio of 1: 7.2).

55. Of the 20 projects and programs in the FIP portfolio:

- a) 6 projects and programs have approved FIP funding; 5 of those projects and programs have also received final project approval by the respective MDB; and
- b) 14 projects and programs are under preparation for submission to the FIP Sub-Committee for funding approval (see Figure 4).

Figure 4: FIP Project Approval Status (as of August 30, 2013)



56. Based on the most recent pipeline update, 9 projects and programs are expected to be submitted to the FIP Sub-Committee for review and funding approval during the upcoming reporting period⁶ and 9 projects and programs are expected to receive final project approval by MDBs.

57. All of the 3 projects approved by the Sub-Committee during the current reporting period are on track to meet the agreed benchmark for timely MDB approval (6 month or less after funding approval by the Sub-Committee; “green light”). 6 projects are slightly delayed, and behind schedule according to the agreed benchmarks (expected six-nine months for Sub-Committee approval to MDB approval; “yellow light”).

58. For the 14 projects and programs in the FIP pipeline under preparation for Sub-Committee consideration of funding the status of meeting the agreed benchmark is as follows:

Table 2: Status of Projects and Programs in Preparation for FIP Funding Approval

	Green Light - (18 months or less after IP endorsement)	Yellow Light – (18 - 24 months after IP endorsement)	Red Light – (24 months or more after IP endorsement)
Number of projects and programs	7	6	1
Percent of projects in preparation for FIP funding approval	50%	43%	7%
FIP resources (USD millions)	133.22	100.12	37.70

⁶August30, 2013 – March30, 2014

59. During the meeting of the Sub-Committee in May 2013, it was reported that 20% of all projects and programs under preparation for FIP funding approval by the Sub-Committee had fallen behind schedule (e.g. “yellow light” or “red light”). This figure has now increased to 50%.

60. The one project exceeding the agreed benchmark for timely submission by more than 24 months (“red lights”) is the DRC project to be implemented by IBRD. The project was delayed in preparation but is now underway with its preparatory work. Reasons for the delay were provided in an update, *Information on Changes in the FIP Investment Plan for the Democratic Republic of Congo*, shared with the FIP Sub-Committee in February 2013.

FY 13 Actual Funding Requests –Outlook for FY 14

61. Table 3 presents the FIP funding requests for FY 13 as projected in May 2012 as well as the actual delivery by the end of FY13. Between the two dates, there was considerable slippage of projects which were scheduled for FIP funding approval in FY 13. The pipeline update by the MDBs in March 2013 presented a more realistic projection of the delivery dates for FIP funding approval. The delivery rate of projects against projections for FY 14 should improve considerably compared to FY 13.

**Table 3: FY13 - Projected and Actuals for FIP Funding Approvals (USD million)
FY 14 – Expected FIP Funding Requests (USD million)**

	Initial Target (May, 2012)	Revised Target (March, 2013)	Actual Approvals FY13 against initial target	Actual Approvals FY13 against revised target	Expected for FY14	Actual Approvals FY14
Funding USD millions	170.8	59.56	38.01	38.01	265.14	21.50
%	100	35	22.3	63.8	100	8

62. For FY 14, 14 projects and programs are scheduled for FIP funding approval by the Sub-Committee. These projects are expected to request USD 265.14 million in FIP funding of which USD 193.16 million (73%) will be grants and USD 71.98 million (27%) will be near-zero interest credits.

63. These projections, however, do not include

- a) the project concepts submitted under the FIP private sector set-aside to be reviewed and endorsed by the Sub-Committee at its upcoming meeting; and
- b) the projects implementing the *Dedicated Grant Mechanism for Indigenous Peoples and Local Communities*⁷.

⁷ The first three projects are expected to be submitted for FIP funding approval in December 2013.

Annex 1: FIP Portfolio by Country (as of August 30, 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)	0.3%
Expected Co-financing:	USD 57 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.

<u>Projects</u>	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	33.5	10.7	9.3	16.6
• Grant	1.00	10.72	9.25	16.55
• Credit	32.48	-	-	-
Co-Financing	17.50	25.00	6.50	0
• 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	Nov-13 (yellow)	Sept-13 (green)	Nov-13 (yellow)	Oct-13 (yellow)
• MDB Approval	Mar-14 (green)	Feb-14 (green)	Feb-14 (green)	Nov-13 (green)
Project Status/ Remarks				

FIP Investment Plan: Burkina Faso

Endorsement date:	November 5, 2012
Involved MDBs:	AfDB and IBRD
Number of Projects:	2
FIP Funding:	
• Endorsed indicative allocation	USD 30 million
• Approved to date	USD 2 million
• Approval rate (FIP funding)	6.7%
Expected Co-financing:	USD147.70 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.

<u>Projects</u>	Participatory Management of State Forests(PGPFDF)	Decentralized Forest and Woodland Management(PGDFF)
Project Data		
Funding	12.00	18.00
• Grant	12.00	18.00
• Credit	-	-
Co-Financing	23.40	124.4
• Government	-	-
• Private Sector	-	-
• MDB	3.35	86.4
• Bilaterals	14.00	28.0
• Others	6.00	10.00
Implementing Agency	AFDB	IBRD
Investment Type	Public	Public
Milestones/ Traffic Light System		
• SC Approval	Sept-13 (green)	Sept-13 (green)
• MDB Approval	Oct-13 (green)	Jan-14 (green)
Project Status/ Remarks		

FIP Investment Plan: Democratic Republic of Congo

Endorsement date:	June 30, 2011
Involved MDBs:	AfDB, IBRD and IFC
Number of Projects:	2
FIP Funding:	
• Endorsed indicative allocation	USD 60 million
• Approved to date	USD 23.10 million
• Approval rate (FIP funding)	39%
Expected Co-financing:	TBD

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	Addressing Deforestation and Degradation in the Mbuji Mayi/Kananga/Kisangani Supply Area	DRC Forest Investment Program
Project Data		
Funding	22.30	37.7
• Grant	22.30	37.70
• Credit	-	-
Co-Financing		
• Government	-	-
• Private Sector	-	-
• MDB	-	-
• Others	-	-
Implementing Agency	AfDB	IBRD
Investment Type	Public	Public
Milestones/ Traffic Light System		
• SC Approval	approved	Sep-13 (red)
• MDB Approval	Sep-13 (green)	Mar-14 (green)
Project Status/ Remarks		Preparation delayed. PPG agreement signed in Mar 2013. Consultants being hired by Government for preparation work.

FIP Investment Plan: Ghana

Endorsement date:	November 5, 2012
Involved MDBs:	AfDB, IBRD and IFC
Number of Projects:	3
FIP Funding:	
• Endorsed indicative allocation	USD 50 million
• Approved to date	USD 1 million
• Approval rate (FIP funding)	2%
Expected Co-financing:	USD 46 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.

<u>Projects</u>	Engaging Local Communities in REDD+/Enhancing Carbon Stocks	Reducing Pressure on Natural Forests Through an Integrated Landscape Approach	Engaging the Private Sector in REDD+
Project Data			
Funding	10.00	30.00	10.00
• Grant	10.00	30.00	3.00
• Credit	-	-	7.00
Co-Financing	5.00	15.00	26.00
• Government	-	15.00	-
• Private Sector	-	-	16.00
• MDB	-	-	10.00
• Others	5.00	-	-
Implementing Agency	AFDB	IBRD	IFC
Investment Type	Public	Public	Private
Milestones/ Traffic Light System			
• SC Approval	Sept-13 (green)	Dec-13 (green)	June-14 (yellow)
• MDB Approval	Oct-13 (green)	May-14 (green)	Oct-14 (green)
Project Status/ Remarks			

FIP Investment Plan: Indonesia

Endorsement date:	November 5, 2012
Involved MDBs:	ADB, IBRD and IFC
Number of Projects:	3
FIP Funding:	
• Endorsed indicative allocation	USD 70 million
• Approved to date	USD 1.3 million
• Approval rate (FIP funding)	2%
Expected Co-financing:	USD 105 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.

<u>Projects</u>	Promoting Sustainable Community-Based Natural Resource Management and Institutional Development	Strengthening Forest Enterprises to Mitigate Carbon Emissions	Community-Focused Investments to Address Deforestation and Forest Degradation (CFI-ADD+)
Project Data			
Funding	17.50	35.00	17.50
• Grant	17.50	2.50	17.50
• Credit	-	32.50	-
Co-Financing		99.0	6.00
• Government	-	-	-
• Private Sector	-	50.00	-
• MDB	-	49.00	2.00
• Others	-	-	4.00
Implementing Agency	IBRD	IFC	ADB
Investment Type	Public	Private	Public
Milestones/ Traffic Light System			
• SC Approval	Jan-14 (green)	Feb-14 (green)	May-14 (yellow)
• MDB Approval	Apr-14 (green)	Jun-14 (green)	Jul-14 (green)
Project Status/ Remarks		Preparatory work currently being developed. IFC team is assessing the full business potential, risks, and opportunities associated with the program	Initial Project concept shared with stakeholders and feedback incorporated. Feasibility studies expected Nov 2013

FIP Investment Plan: Lao PDR

Endorsement date:	November 21, 2011
Involved MDBs:	ADB, IBRD and IFC
Number of Projects:	3
FIP Funding:	
• Endorsed indicative allocation	USD 30 million
• Approved to date	USD 17.13 million
• Approval rate (FIP funding)	57%
Expected Co-financing:	USD 121.15 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	Scaling-Up Participatory Sustainable forest Management(PSFM)	Smallholder Forestry Project	Protecting Forests for Sustainable Ecosystem Services
Funding	13.33	3.33	13.34
• Grant	13.33	3.33	13.34
• Credit	-	-	-
Co-Financing	26.6	4.3	90.3
• Government	7.6	-	2.06
• Private Sector	-	3.4	-
• MDB	19	0.2	26.30
• Others	-	0.7	2.25
Implementing Agency	IBRD	IFC	ADB
Investment Type	Public	Private	Public
Milestones/ Traffic Light System			
• SC Approval	approved	approved	Nov-13 (yellow)
• MDB Approval	approved	approved	Apr-14 (green)
Project Status/ Remarks		Project has started implementation	There are two reasons for delay: (i) Reorganization of the government with regard to forest management, (ii) Recruitment of consulting firm: The consulting firm was recruited in Feb 2013. Consultants conducted a feasibility study and stakeholders consultations between March and July 2013. The final report is due for completion in Sept 2013. Government and ADB are expected to review the documents in October for submission to FIP Sub-committee in November.

FIP Investment Plan: Mexico

Endorsement date:	October 31, 2011
Involved MDBs:	IDB and IBRD
Number of Projects:	3
FIP Funding:	
• Endorsed indicative allocation	USD 60 million
• Approved to date	USD 60 million
• Approval rate (FIP funding)	100%
Expected Co-financing:	USD 687.2 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.

<u>Projects</u>	Mexico Forests and Climate Change Project	Financing Low Carbon Strategies in Forest Landscapes.	Support for Forest Related Micro, Small, and Medium-sized Enterprises (MSMEs) in Ejido
Project Data			
Funding	42.00	15	3
• Grant	25.66	5.00	1.50
• Credit	16.34	10.00	1.50
Co-Financing	683.0	-	4.0
• Government	333.00	-	0.5
• Private Sector	-	-	-
• MDB	350.00	-	3.5
• Others	-	-	-
Implementing Agency	IBRD	IDB	IDB
Investment Type	Public	Public	Private
Milestones/ Traffic Light System			
• SC Approval	approved	approved	approved
• MDB Approval	approved	approved	approved
Project Status/ Remarks	Project is disbursing.		

Annex 2: Calendar of Scheduled Submissions of Projects and Programs for FIP Funding Approval (FY 14)

Country	Project Title	MDB	Public/Private	Sectoral Focus	Grant	Credit	SC Approval Date	MDB Board Approval	
FY 14									
September 2013									
1	Brazil	Sustainable Production in Areas Converted to Agricultural Use (based upon the ABC plan)	IBRD	Public	Agriculture/ Food Security	10.62	-	Sep-13	Feb-14
2	Burkina Faso	Decentralized Forest and Woodland Management (PGDDF)	IBRD	Public	Capacity Building/ Institutional Strengthening and Governance Reform	16.50	-	Sep-13	Jan-14
3	Burkina Faso	Gazetted Forests Participatory Management of State Forests (PGPFD)	AFDB	Public	Capacity Building/ Institutional Strengthening and Governance Reform	11.50	-	Sep-13	Oct-13
4	DRC	DRC Forest Investment Program	IBRD	Public	Capacity Building/ Institutional Strengthening and Governance Reform	36.90	-	Sep-13	Mar-14
5	Ghana	Engaging Local Communities in REDD+/ Enhancing Carbon Stocks	AFDB	Public	Landscape Approaches	9.75	-	Sep-13	Oct-13
6	Brazil	Forest Information to Support Public and private Sectors in managing Initiatives Focused on Conservation and Valorization of Forest Resources	IDB	Public	Forest Monitoring/ MRV	16.45	-	Sept-13	Nov-13
October 2013									
No projects scheduled									
November 2013									
7	Brazil	Environmental Regularization of Rural Lands (based upon the CAR)	IBRD	Public	Capacity Building/ Institutional Strengthening and Governance Reform	1.00	32.48	Nov-13	Mar-14
8	Brazil	Implementation of Early Warning System for Preventing Forest Fires and a System for monitoring the Vegetation Cover	IBRD	Public	Forest Monitoring/ MRV	9.15	-	Nov-13	Feb-14
9	Lao PDR	Protecting Forests for Sustainable Ecosystem Services	ADB	Public	Landscape Approaches	12.84	-	Nov-13	Apr-14

December 2013									
10	Ghana	Reducing Pressure on Natural Forests Through an Integrated Landscape Approach	IBRD	Public	Landscape Approaches	29.50	-	Dec-13	May-14
Jan 2014									
11	Indonesia	Promoting Sustainable Community-Based Natural Resource Management and Institutional Development	IBRD	Public	Capacity Building/ Institutional Strengthening and Governance Reform	17.00	-	Jan-14	Apr-14
Feb 2014									
12	Indonesia	Strengthening Forest Enterprises to Mitigate Carbon Emissions	IFC	Private	Capacity Building/ Institutional Strengthening and Governance Reform	2.20	32.50	Feb-13	Jun-14
March 2014									
No projects scheduled									
April 2014									
No projects scheduled									
May 2014									
13	Indonesia	Community-Focused Investments to Address Deforestation and Forest Degradation (CFI-ADD+)	ADB	Public	Capacity Building/ Institutional Strengthening and Governance Reform	17.00	-	May-14	Jul-14
June 2014									
14	Ghana	Engaging the Private Sector in REDD+	IFC	Private	Capacity Building/ Institutional Strengthening and Governance Reform	2.75	7.00	Jun-14	Oct-14
TOTAL						193.16	32.48		