

November 8, 2013

**Letter of Concerns and Continuing Unanswered Question About Indonesia FIP
(Response from World Bank and International Finance Corporation)**

Dear Ms. Dewy, Mr. Ismail, and Ms. Fried,

Thank you for your letter of 30 October 2013, expressing the concerns of the Solidaritas Perempuan, The Ecological Justice, and Ulu Foundation regarding the initial development phase of programs and projects part of the Forest Investment Program's (FIP) Investment Plan for Indonesia.

We would like to kindly call your attention to the document issued by the Indonesia FIP team on 12 February 2013 titled "*Updated Matrix of Comments and Responses on the Indonesia Forest Investment Plan*", and to the document of 28 October 2013 titled "*Information Sharing and Outreach Events for the Indonesia Forest Investment Program (FIP) Convened since the Endorsement of the Indonesia Investment Plan, November 2012*" (Prepared by the the World Bank, the International Finance Corporation (IFC), and the Asian Development Bank). These two documents (both are available on the CIF website) provide further information regarding your concerns.

We take this opportunity to emphasize once more that stakeholder engagement and dialogue are extremely important to us and that both the World Bank and IFC are required to follow their respective environmental and social safeguard policies, as well as FIP policies and procedures, including consultation and engagement with local communities and indigenous peoples, during project design, preparation, and implementation. Since the endorsement of the Investment Plan in 5 November 2012, the Government of Indonesia, the World Bank and IFC have had a constructive dialogue with numerous indigenous peoples, civil society organizations and other stakeholders, many of which form part of the National Forest Council (DKN), the main mechanism through which the Government of Indonesia directly engages with CSOs.

All of us, the World Bank, IFC, and the various partners in the FIP are working with the Government of Indonesia towards the same mission, which it is to improve governance and the institutional capacity for forest management in Indonesia, promote sustainable forestry practices and sustainable land use among state and private sector operators in the forestry sector, and support community-based forest management and livelihoods development.

Your concerns and observations are important to us and, as in the past, we are happy

to meet with you to address all issues raised in your letter in greater detail. Please let our colleagues Werner Kornexl and Michael Brady know when we could have this meeting in Indonesia.

We look forward to your continued engagement under the FIP Investment Plan in Indonesia and greatly value the voice of CSOs to the FIP process in Indonesia. We are looking forward to your response to set up a meeting to discuss your concerns.

Sincerely,

Gerhard Dieterle, World Bank

Joyita Mukherjee, International Finance Corporation