

**Meeting of FIP Pilot Countries
October 31, 2012 - Istanbul, Turkey**

Progress Updates from FIP Pilots

Country: PERU

Investment Plan:

- X Not endorsed
- Expected endorsement date: May 2013

Briefly outline three major advances, challenges and lessons learned arising from your investment planning and/or implementation process since the last meeting of FIP pilots.

Advances:

1. **Substantial advance** in the preparation of the Investment Plan: the international and national **consultants have submitted fundamental information in their final draft reports**, which have been revised and discussed with stakeholders (civil society organization, private sector representatives, and indigenous peoples). MDBs have provided technical inputs to the reports, and recommendations have been stated by the Oversight Committee (OC) members for the revised **final report will be openly shared with all stakeholders** through the web.
2. **Working technical group** has been formed under the OC in order to assemble the information collected and **propose a draft consolidated document of the Plan, which will be completed in March 2013**, after a process of participatory consultations with all relevant actors.
3. **Good prospects for the inclusion of expectations from all stakeholders, including Indigenous organizations; a rational balance** of resources for public-civil society-private actors and transformation-implementation activities is expected.
4. **Important and up dated information on crucial issues** related to deforestation drivers, spatial identification of problems, and statistical information will allow for a **firm base for investment** in the sector, and its relationship with concomitant plans, programs and projects at the national and regional levels.

Challenges:

1. The FIP Investment Plan is being designed in a **context of structural and institutional changes in the country** including decentralization processes, and forest governance and

management rules (new Forestry Law, new authorities, new institutional arrangements). This changes are **precisely oriented to solve the various problems found during the diagnosis and data collection** for the FIP in Peru.

2. **The assembling of the Plan has started** using the information gathered and the proposals devised by the consultant firms. The various **expectations of the stakeholders will be incorporated, harmonized and synthesized into an innovative conceptual framework.**
3. Difficulties to **coordinate and synchronize plans and priority investments** due to simultaneous initiatives regarding forestry and REDD+ being carried out by several **public and civil society actors, with diverse interests.**

Lessons learned:

1. Country complexity and singularity of problems call for **higher flexibility and provisions for alternative courses** in plan formulation and implementation, within a clear **conceptual framework.**
2. **Participatory processes demands political preparation and attitude** that exceed the capacity and timing for technical response. A particular challenge is the need to ensure that FIP funds complements other innovative thematic and geographic public and private initiatives.
3. Terms of reference for **external consultancies must be clear and precise as to the final expected results and its logical iteration from analysis to outputs.**
4. **Present FIP resources for investment have to be complementary with other funding sources** in order to have a significant impact.

2. What is the most important value added and/or benefit from the FIP process in your country?

Among other positive impacts, it is **expected further consolidation of inter-institutional cooperation** regarding the forestry sector management, and synergies from initiatives and investments of various sources;

Enhanced attention to indigenous people's needs and its incorporation into the public and private development agenda;

Improved coordination between national and regional government entities for REDD+ implementation; and,

Integration of forestry policy and initiatives into an organic approach and action frame will leverage the dynamic action of Peruvian entrepreneurial spirit to manage forests, promote ecotourism, engage in sustainable agriculture, and other endeavors.

Briefly outline the institutional arrangements for the coordination and oversight of the implementation of the investment plan as a program. What works and what needs improvement?

The experience and lessons learned during the preparation of the Plan have proven very useful to extend it to a more stable and coordinated stage for implementation. Regional governments and sectors like Agriculture and Economy and Finance, are working together in several initiatives, and prospect for improvement is becoming higher in time.

What is working:

- Coordination with Indigenous people organizations is improving.
- Ongoing revision of the forestry sector legal and statutory framework.
- Enhanced level of coordination with, and involvement of, regional governments in the forestry governance.

What needs improvement:

- Improved trust, mutual reliability, and accountability of public and private institutions, and inclusion of additional actors.
- Coordination between central government and regional governments need to be institutionalized.
- Convergence of actions under a shared vision for forestry sector and national development.

What are the 3 major tasks ahead for your investment plan during the next 6-12 months?

1. Completion of the Investment Plan document and setting up of implementation mechanisms (March 2013)
2. Positioning of the subject and involvement of actors at the highest political decision making levels (in progress).
3. Improved and converging action coordination of FIP and REDD+ initiatives (on-going)