

CLIMATE INVESTMENT FUNDS

November 03, 2008

Chair's Summary
First Design Meeting for the Forest Investment Program
Washington, DC,
October 16-17, 2008

Chair: James Warren Evans
Director, Environment Department

1. The first Design Meeting for the Forest Investment Program (FIP) was held in Washington, D.C., on October 16-17, 2008. The meeting was chaired by Mr. Warren Evans, Director, Environment Department, World Bank. Participants attending included representatives from governments, UN agencies, NGOs, indigenous peoples, private sector, and other civil society groups. A list of participants is annexed to this summary.

Highlights of the Discussion

2. It was recognized that a principal objective of the FIP, as a program under the Strategic Climate Fund, is to pilot and demonstrate new approaches to forest management that lead to major impacts in reducing greenhouse gas emissions from forests.

3. The FIP should lead to reductions in deforestation and forest degradation and should promote policies and measures for improved sustainable forest management that lead to emissions reductions and protection and maintenance of carbon reservoirs, biodiversity benefits and ecosystem services, working with both public and private sector. It was recognized that FIP activities should be designed to address comprehensively the drivers of deforestation and degradation if it is to demonstrate how to capture the climate change mitigation potential of forests and lead to sustainable reductions of greenhouse gases and of the threats to deforestation along with other benefits of healthy forest ecosystems.

4. The goal of the FIP should be to pilot and demonstrate what can be achieved through scaling up of resources and activities so as to achieve transformational change at national level. The FIP should leverage other resources, including from the private sector.

5. In designing programs under the FIP, there is a need to build on the rich experience and lessons in forest management and biodiversity conservation regarding how to achieve sustainable forest benefits. This includes lessons concerning the importance of:

- (a) inclusiveness of stakeholders,
- (b) addressing the drivers of deforestation, including illegal logging and extra-sectoral developments,
- (c) adoption of a multi-sectoral approach, and
- (d) flexibility to ensure process for learning and sharing of lessons.

6. It should be recognized that reducing emissions from deforestation and forest degradation can promote co-benefits, including enhancement of resilience to adapt to the impacts of climate change. Forest activities financed under the FIP may serve to complement the aims and objectives of other relevant conventions, including the Convention on Biological Diversity and the UN Convention to Combat Desertification. The FIP should seek to demonstrate how forest investments to reduce emissions from deforestation and degradation and to maintain high forested areas in countries with low deforestation can also contribute to protecting biodiversity and the broad range of ecosystem services derived from forests.

7. The needs of local and indigenous communities should be addressed when designing and implementing actions at the country level, building on existing mechanisms for collaboration and consultation.

8. The FIP should take into account country-led priority strategies for forests and build upon complementarities with existing forest initiatives. Close cooperation with GEF, FCPF, UN-REDD, UNFF, CPF and bilateral programs is encouraged.

9. There was agreement that the FIP should be designed as a pilot program. The number of countries that would be included in the pilot program would need to be determined once there is a clear idea of the resources to be made available. In designing the pilot program, there should be scope to include sub-regional or regional pilots.

10. A holistic, programmatic approach should be developed at country level, in consultation with all stakeholders and taking into account national circumstances. The formulation of the program should be led by the government, and the country process should include sectoral ministries, other development partners, bilateral development agencies, NGOs, indigenous peoples, forest dwellers, the private sector and other stakeholders. Country programs should build on national forest programs, national development strategies, action plans for climate change and biodiversity, PRSPs, and assistance programs of the MDBs and bilateral agencies.

11. Consideration should be given to financing work on developing the technology necessary to ensure that the benefits from the management of forests can be measured and verified at the country level.

12. In designing a pilot program, it will be necessary to consider the criteria and procedures for selecting pilot countries. Procedures should be clear, transparent and inclusive. It was proposed that the pilot should seek to address different forest situations, including:

- (a) demonstration of how to curb deforestation over the medium term (REDD),
- (b) demonstration of how to lay foundations for sustainable management of forests in countries with extensive forested areas,
- (c) demonstration of incentives to maintain existing carbon stocks and protect against triggering deforestation processes,
- (d) systematic halt and reversal of degradation.

13. The FIP should build upon, and complement, the FCPF, UN-REDD and similar initiatives.

14. The design of the FIP should also describe the process and outline guidance for the development of pilot country programmatic plans. It is essential to ensure that the FIP includes results indicators and measurement.

Steps for moving forward

15. It was agreed that in moving forward on the design of the FIP, it is important to have a fully consultative process. It was agreed that the next step would be to invite a working group, comprising invited representatives of governments, NGOs, indigenous peoples, private sector and UN agencies, to prepare a preliminary design document for consideration by the Second Design Meeting. The working group should be convened, if possible, before the end of the calendar year, and the second design meeting should be convened during the first quarter of 2009.