

CLIMATE INVESTMENT FUNDS

December 3, 2014

Summary of the Co-Chairs
Meeting of the Forest Investment Program Sub-Committee

November 19, 2014

Co-Chairs
Ms. Berenice Hernández Toro, Mexico
Ms. Katie Berg, United States

AGENDA ITEM 1. OPENING AND ELECTION OF CO-CHAIRS

1. The meeting of the FIP Sub-Committee was opened by Ms. Katie Berg, the outgoing Co-Chair.
2. The Sub-Committee re-elected Ms. Katie Berg, the Sub-Committee member from the United States, and elected Ms. Berenice Hernández Toro, the Sub-Committee member from Mexico, to serve as Co-Chairs for a term from November 19, 2014 until the next election of the new Co-Chairs at the first Sub-Committee meeting to be convened after the Partnership Forum in 2016.

AGENDA ITEM 2. ADOPTION OF AGENDA

3. The FIP Sub-Committee adopted the provisional agenda set forth in document FIP/SC.13/1, with the addition of an update by the observer from the Forest Carbon Partnership Facility (FCPF) on the progress of the FCPF under Agenda Item 7, *Other Business*.
4. The Sub-Committee welcomes the official communication by the representative of the United Kingdom of new contributions to the CIF, including up to GBP 123 million in new resources to the FIP. Final allocations and amounts will depend on the progress in programming the new resources.

AGENDA ITEM 3. FIP SEMI-ANNUAL OPERATIONAL REPORT

5. The FIP Sub-Committee reviewed document, FIP/SC.13/3/Rev.1, *FIP Semi-Annual Operational Report*, and welcomes the progress that has been made in advancing the work of the FIP in the pilot countries.
6. The Sub-Committee requests:
 - a) the CIF Administrative Unit and the MDBs to provide in future reports more information on the implementation of the FIP at the country-level, including information on how FIP supports the REDD+ agenda in the FIP countries and how FIP and other ongoing REDD+ mechanisms, such as the FCPF and the UN-REDD Programme, collaborate at the country-level; and
 - b) the CIF Administrative Unit, the MDBs and the FIP pilot countries to take stock of the experience with the first round of FIP results reporting and consider the need to make improvements to further enhance FIP results reporting.
7. The Sub-Committee notes with concern the delays in the preparation of the remaining projects in the FIP pipeline and requests the CIF Administrative Unit and the MDBs to explore measures to expedite project preparation and approval with a view to update the Sub-Committee on the progress made at the next meeting.

8. Recognizing the challenges of developing and implementing small-scale private sector projects, the Sub-Committee encourages the MDBs to make their best efforts to find solutions for the development of these projects as part of the FIP set-aside mechanism.

9. The Sub-Committee encourages the World Bank as the implementing MDB for the DGM to make its best efforts to support the indigenous peoples and local communities in setting up the DGM project in Lao PDR.

AGENDA ITEM 4. FURTHER ELABORATION OF THE OPTIONS FOR THE USE OF POTENTIALLY NEW FUNDS UNDER THE FOREST INVESTMENT PROGRAM

10. The FIP Sub-Committee reviewed document FIP/SC.13/6, *Further Elaboration of the Options for the Use of Potentially New Funds under the Forest Investment Program*, and notes with appreciation the work of the CIF Administrative Unit, the MDBs and the pilot countries to provide further details on the three options.

11. The Sub-Committee further acknowledges the importance of upfront investments in the phased approach to REDD+ and the role the FIP has played in providing such funds.

12. The Sub-Committee agrees that, in order to advance the consideration of new countries in the FIP (including the DGM), the CIF Administrative Unit should invite countries eligible for FIP funding to submit an expression of interest in participating in the FIP by no later than February 27, 2015.

13. The Sub-Committee also agrees to make available existing unallocated FIP resources as well as previously pledged resources, once available, to existing FIP pilot countries on a competitive basis to complement activities supported under their endorsed investment plans. These resources may be complemented by any future pledges to the FIP.

14. The Sub-Committee invites written comments on the criteria and procedures for the selection of new FIP countries, the allocation of resources to existing FIP pilot countries and the selection and working modalities of the expert group by no later than December 17, 2014. The CIF Administrative Unit, working with MDBs, will submit a revised document to the FIP Sub-Committee for a decision by mail by no later than January 7, 2015.

AGENDA ITEM 5. UPDATE ON THE STUDY ON LINKAGES BETWEEN FIP INVESTMENTS AND REDD+ PERFORMANCE-BASED MECHANISMS

15. The FIP Sub-Committee welcomes the update and emerging findings from a study exploring the *Linkages between FIP Investments and REDD+ Performance-Based Payment Mechanisms*. The Sub-Committee recognizes the complexity of the issue and its importance in helping to clarify the relationship between institutions providing resources and support to countries in support of their REDD+ priorities.

16. The FIP Sub-Committee invites the consultant to finalize the report in consultation with the CIF Administrative Unit, the MDBs and FIP Sub-Committee members, with a view to discussing the results at its next meeting in the spring of 2015.

AGENDA ITEM 6. OTHER BUSINESS

17. The FIP Sub-Committee welcomes the presentation provided by the Forest Carbon Partnership Facility (FCPF) on a progress update of the activities undertaken in the FCPF Readiness Fund and Carbon Fund.

AGENDA ITEM 7. CLOSING

18. The meeting was closed on Wednesday, November 19, 2014.