

**Peru Forest Investment Program  
Terms of Reference –Fourth Joint Mission  
Lima, September 9th-13th, 2013**

**Background**

1. The Forest Investment Program (FIP) is one of the three programs established under the Strategic Climate Fund, one of the Climate Investment Funds implemented through Multi-lateral Development Banks and supported by a number of development partners. The objective of the FIP is to support policy measures and investments which result in reduction of deforestation and forest degradation and support sustainable forest management, leading to reduced emissions, protection of carbon stocks and poverty reduction. It achieves this by providing scaled-up financing for readiness reforms and public and private investments.
2. The purpose of FIP is to assist Countries' efforts, providing upfront bridge financing for readiness reforms and public and private investments identified through national REDD strategies. It promotes programmatic investments aimed at transformational change in the forest sector or sectors affecting forests. FIP investments will contribute to mainstreaming climate resilience considerations as well as enhancing multiple co-benefits such as biodiversity conservation, protection of the rights of indigenous peoples and local communities, and poverty reduction through rural livelihoods enhancements.
3. In March 2010, Peru was selected as one of the eight FIP pilot countries. The national resource envelope for planning FIP investments in Peru is \$30to \$50 million, comprised of grants and concessional loans.
4. So far the FIP-Peru has held a scoping mission and three joint missions. The scoping mission took place in Lima and Tarapoto in January 17-21, 2011, while the joint missions took place in Lima in March 21-23, 2012, in October 3-5, 2012 and in February 18<sup>th</sup>-22<sup>nd</sup>, 2013. The four missions included representatives from the Inter-American Development Bank (IDB), International Finance Corporation (IFC) and the World Bank (WB).
5. The scoping mission, held meetings with a wide variety of stakeholders ranging from the national and sub-national governments, civil society, private sector, and bilateral donors that are supporting REDD+ related initiatives in the forestry and agriculture sector:
  - a. With the national government, meetings were held with vice ministers, directors and technical staff from the Ministry of Environment, Ministry of Economy and Finance, and the Ministry of Agriculture.

- b. With the sub national governments, the mission with support from the “Consejo Interregional Amazónico” (CIAM), held a meeting with representatives of sub national governments such as, the Regional Government of San Martin and Amazonas, and sub national stakeholders.
  - c. With indigenous groups, the mission held individual meetings with key representatives of native communities of the Peruvian Amazon, including the “Asociación Interétnica de Desarrollo de la Selva Peruana” (AIDSESP) and the “Confederación de Nacionalidades Amazónicas del Perú” (CONAP).
  - d. With the civil society and private sector, the mission held a meeting, with support from the “Peru REDD+ Roundtable”
- 6 The main results and agreements of the scoping mission include the following<sup>1</sup>:
- a. The mission recommended to the government the need to create an inter-ministerial committee to coordinate the preparation of the FIP Investment Plan and to ensure the proper engagement of the most relevant government institutions in the FIP and more generally, the REDD process.
  - b. The mission also recommended to the government the use of the project preparation grant to gather, systematize and analyze the available information in order to have inputs for the government to develop the investment plan.
  - c. The mission has recommended for the government to pay special attention to the stakeholder engagement plan. As well as, the need to link the Dedicated Grant Mechanism for Indigenous People and Local Communities to the Investment Plan.
- 7 In spite of the smooth transition of governments after the 2011 elections, the agreements and schedule for the investment plan preparation had experienced some delays given the need of the newly elected government and public officials to understand and follow up on the recommendations of the scoping mission.
- 8 In October 13, 2011, after the new government took office, the inter-ministerial committee was formed including the: Ministry of Environmental (MINAM), Ministry of Agriculture (MINAG), Ministry of Economy and Finance (MEF), and the “Consejo Interregional Amazónico” (CIAM). The meetings of the committee are chaired by MINAM. The main objective of the committee is to coordinate the process that will lead to the endorsement of the Investment Plan by the Government of Perú. The committee meets regularly to discuss progress regarding the technical inputs for the investment plan. The MDBs are invited to participate as observers.

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<sup>1</sup> More details about the scoping mission can be found in the following link to the aide memoire: [http://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/Peru\\_AIDE\\_MEMOIRE\\_FIP%20SCOPINGMISSION\\_English\\_21\\_1\\_2011\\_6\\_00pm.pdf](http://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/Peru_AIDE_MEMOIRE_FIP%20SCOPINGMISSION_English_21_1_2011_6_00pm.pdf).

9 Similar to the scoping mission, the two joint missions held meetings with stakeholders ranging from government, civil society, private sector, to bilateral donors that are supporting initiatives in the REDD+ related forestry and agriculture sector:

10 The first joint mission had the following conclusions<sup>2</sup>:

- a. The work plan of the Technical Group is supposed to have the following components: i) financing gaps and overlaps for the REDD related programs under execution in Peru; ii) drivers of deforestation and forest degradation and the estimation of land-use change and associated emissions; iii) identification and rationale for the projects and programs to be co-financed by FIP; and iv) stakeholder engagement plan and proposal to link the Dedicated Grant Mechanism to the Investment Plan. A workplan for the private sector was also discussed, even if the creation of the working group experienced some delay.
- b. The mission stressed the necessity to ensure coherence and linkages among the different studies, and to elaborate the FIP Investment Plan in the context of the national REDD + strategy. At the time as the mission was taking place, a consultancy to carry out a study on the involvement of the private sector in the FIP was in the process of being contracted. The mission highlighted the importance of coordinating between private and public sector interventions.
- c. The mission team recommended broad participation and transparency mechanisms during the process in order to engage agents and actors involved in REDD+ and forest institutions in Peru. It was agreed that the Technical working groups will have working meetings with the indigenous organizations during the formulation of the Investment Plan.

11 The inter-ministerial committee had meetings on a regular basis to review the progress of the Technical Group. Also, regional and national workshops were organized to provide information about FIP-Peru and to gather recommendations from stakeholders on studies and on potential interventions. These workshops took place in the regions of Loreto, Ucayali and San Martin, plus a national workshop in Lima. Each meeting was attended by 70 to 90 people, representing a wide variety of stakeholders.

12 The second joint mission had the following conclusions<sup>3</sup>:

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<sup>2</sup>The aide memoir of the mission can be found at [http://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/FIP\\_Peru\\_Joint\\_Mission\\_Aide\\_Memoire\\_\(Spanish\).pdf](http://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/FIP_Peru_Joint_Mission_Aide_Memoire_(Spanish).pdf)

- a. The mission highlighted the importance of the full involvement of MINAG, MINAM, MEF and CIAM at highest level and the close dialogue with other stakeholders involved in the REDD+ process;
- b. The mission acknowledged the need to revise the studies provided by the consultants that will represent inputs for the elaboration of the draft Investment Plan. The draft Investment Plan will be shared with the public and its final version presented to the FIP Sub Committee in May 2013.
- c. The mission stressed the need to assure a mechanism of engagement of stakeholders, following the Plan for the engagement of Actors, at the time of the mission under revision by the Ministry of Culture.

13 A representative of the Government of Peru made a presentation on the advancement in the preparation of the Investment Plan during the FIP Sub-Committee which took place in Istanbul, November 7, 2012. The presentation was well received and the Sub Committee welcomed the timeline proposed that included the submission of the Investment Plan for endorsement by the Sub-Committee at its meeting in May 2013.

14 The studies provided by the consultants were officially approved by the Inter-ministerial Committee on November 2012 and made publicly available on MINAM's website<sup>4</sup>. The Inter-ministerial Committee appointed among its members a small group to draft the FIP Investment Plan.

15 The third joint mission had the following conclusions<sup>5</sup>:

- a) The logic of the design process of the draft IP-FIP in Peru was agreed and validated, including the methodology for selecting priority geographical areas.
- b) The Steering Committee agreed the following four thematic areas that will lead to specific programs and projects
  - Governance and land-use planning (including land management and tenure, monitoring and verification and strengthening of institutions, among others);
  - Valuation of environmental assets of Amazonian forests;
  - Valuation of environmental assets in areas already participating; and
  - Institutional innovation and development of markets.

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<sup>3</sup>The aide memoire of the mission can be found at [https://climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/FIP\\_Peru\\_Joint\\_Mission\\_October\\_2012\\_Completion\\_report.pdf](https://climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/FIP_Peru_Joint_Mission_October_2012_Completion_report.pdf)

<sup>4</sup><http://cambioclimatico.minam.gob.pe/category/publicaciones/publicaciones-mitigacion/publicaciones-redd/programa-de-inversion-forestal-fip/>

<sup>5</sup> The aide memoire of the mission can be found at [https://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/FIP\\_Peru\\_Joint\\_Mission\\_Aid\\_e\\_Memoire\\_\(Spanish\)\\_February\\_2013.pdf](https://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/FIP_Peru_Joint_Mission_Aid_e_Memoire_(Spanish)_February_2013.pdf)  
[https://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/FIP\\_Peru\\_Joint\\_Mission\\_Aid\\_e\\_Memoire\\_\(English\)\\_February\\_2013.pdf](https://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/FIP_Peru_Joint_Mission_Aid_e_Memoire_(English)_February_2013.pdf)

- c) As part of the public socialization and participation process, the Steering Committee indicated that the draft Investment Plan would be developed with the participation of Mesa REDD members, regional governments and other interested stakeholders, such as AIDSESEP and CONAP.
- d) Stakeholders engagement. The Joint Mission, under the framework of the draft Stakeholders Engagement Plan, has developed guidelines based on the requirements of the FIP Design Document and Annex III with respect to public participation during the preparation of the Investment Plan. The guidelines have been discussed with government representatives. It was agreed that the Steering Committee will review the proposed methodology in these guidelines and respond to the MDBs, confirming their agreement or presenting an alternative version, which should be consistent with the FIP Design Document and especially with Appendix III, and shall contain a timetable for the proposed activities and budget.
- e) For the stakeholders' engagement process, the Steering Committee agreed to hold permanent meetings with Mesa REDD+, AIDSESEP and CONAP to receive feedback on the draft Investment Plan.
- f) The Steering Committee and the Mission agreed to present the Investment Plan to the FIP Sub-Committee during the meeting in October 2013.

The Vice Minister of Environment presented to the FIP Sub Committee meeting in May 2013 the status of the preparation of the IP emphasizing the need to have a coherent plan that is part of an overall REDD+ strategy in the country and the ongoing effort of keeping a close synergy between the FCPF and FIP processes.

The Vice Minister also emphasized the importance of the participation of the civil society and indigenous people representative in the process of socialization of the draft IP.

In the period between June and September of 2013 different meetings took place as part of the socialization process of the IP and the need to include feedbacks and comments from the civil society and indigenous people:

- The first national workshop on Aug 1 and 2, 2013 ;
- A series of regional workshop:
  - Atalaya: August 08 and 09
  - Madre de Dios: August 13 and 14, 2013;
  - Yurimaguas: August 19 and 20, 2013;
  - Tarapato: August 21 and 22, 2013;
- The final national workshop on September 5, 2013.

A draft Investment Plan, that includes program proposals has been posted on the MINAM website at

<http://cambioclimatico.minam.gob.pe/category/publicaciones/publicaciones-mitigacion/publicaciones-redd/programa-de-inversion-forestal-fip/>

## **Fourth Joint Mission objectives**

The overall objective of the fourth Joint Mission, to be held in Lima, Peru on September 9<sup>th</sup>-13<sup>th</sup>, 2013, is to assist the Government of Peru in reviewing the proposed draft Investment Plan and its costs, in line with FIP objectives and investment criteria.

The specific objectives are to:

- a. The Government, together with the MDBs, will review and update the draft Investment Plan, including the required annexes, for endorsement at the next FIP Sub-Committee meeting, which will take place in October.
- b. The JM will review the project concept notes in detail. This will include proposed activities, implementation arrangements, proposed financing and deliverables.
- c. The JM will review the proposed Results Framework and its linkages, upstream to the FIP objectives and downstream to the proposed investments. Monitoring and Evaluation process as well as the Dedicated Grant Mechanism for Indigenous People will also be discussed in the context of the Investment Plan.
- d. The Joint Mission will prepare an updated timetable for the submission of the Investment Plan in the next FIP-Sub-Committee in October 2013. The timetable will constitute a reference for meeting the FIP requirements for the Investment Plan process submission.
- e. In the effort to integrate FIP with the FCPF process, the Government will provide an update on the revision process of the RPP.

## **16 Deliverables**

The Third Joint Mission is expected to result in the following deliverable:

An Aide Memoire summarizing:

- Agreement on stakeholder engagement, including review of the process for addressing comments on the Draft Investment Plan;
- Agreements with respect to the revision of the draft Investment Plan, including final drafts of project concept notes;
- Agreement on the time line, leading up to the submission of the Investment Plan to the FIP Sub-Committee by the Government of Peru

- Agreements on the draft Results Framework, including elements for the design and operation of the monitoring and evaluation system, as well as knowledge sharing.

## Team Composition<sup>6</sup>

Institution	Name	Expertise
Ministry of the Environment	Eduardo Durand López Hurtado	Director General de Cambio Climático, Desertificación y Recursos Hídricos, Ministerio de Medio Ambiente
Ministry of Agriculture	Rosario Acero	Directora General Forestal y de Fauna Silvestre, Ministerio de Agricultura
Ministry of Economy and Finances	Javier Roca Fabian	Director General de Asuntos de Economía Internacional, Competencia y Productividad, Ministerio de Economía y Finanzas-MEF
Consejo Interregional Amazónico	Victor Galarreta	Secretario Técnico
IDB	Gloria Visconti	Climate Investment Funds Coordinator/Lead Climate Change Specialist
	Eirivelthon Lima	Rural Development Specialist (based in Lima)
	Paloma Marcos	Gender Specialist
	Maria Da Cuna	Social Development Lead Safeguard Specialist
	Ernani Pilla	Natural Resource Senior Safeguard Specialist
	Jaime Fernández-Baca	FIP Peru In-Country Focal Point (based in Lima)
	Juan Chang	Monitoring and Evaluation specialist and coordinator FCPF Peru
IBRD	David Tuchsneider	Sr Rural Development Specialist
	Gerardo Segura	Sr Rural Development Specialist
	Raquel Orejas	Junior Professional Associate
	Griselle Vega	Consultant

<sup>6</sup> IFC will not participate in the JM.

## DRAFT Joint Mission Agenda (subject to changes)

Time	Activity Description	Venue
Monday, September 9 <sup>th</sup> 2013		
Morning	Welcome and Introduction Meeting with the Inter-Ministerial Committee for the finalization of the FIP Investment Plan and its annexes	tbc
Afternoon	Meeting with the Inter-Ministerial Committee for the finalization of the FIP Investment Plan and its annexes	tbc
Tuesday, September 10 <sup>th</sup>		
Morning	Meeting with the Inter-Ministerial Committee for the finalization of the FIP Investment Plan and its annexes	tbc
		tbc
Afternoon	Meeting with the Inter-Ministerial Committee for the finalization of the FIP Investment Plan and its annexes	(tbc)
		(tbc)
Wednesday, September 11 <sup>th</sup>		
Morning	Meeting with the Inter-Ministerial Committee for the finalization of the FIP Investment Plan and its annexes	tbc
Afternoon	Meeting with the Inter-Ministerial Committee for the finalization of the draft FIP Investment Plan and finalization of the aide memoir	tbc
Thursday, September 12 <sup>th</sup>		
Morning	Meeting with the Inter-Ministerial Committee for the finalization of the FIP Investment Plan and its annexes	tbc
Afternoon	Meeting with the Inter-Ministerial Committee for the finalization of the FIP Investment Plan and its annexes	tbc
Friday September 13 <sup>th</sup>		
Morning	Meeting with the Inter-Ministerial Committee for the finalization of the FIP Investment Plan and its annexes	tbc

Afternoon	Meeting with the Inter-Ministerial Committee for the finalization of the FIP Investment Plan and its annexes	tbc
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## **Contacts**

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