

**Peru Forest Investment Program  
Terms of Reference –Third Joint Mission  
Lima, February 18th-22nd, 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 two 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 and in October 3-5, 2012. The three 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

---

<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).

progress regarding the technical inputs for the investment plan. The MDBs are invited to participate as observers.

- 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

---

<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)

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>:
- 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. During the drafting exercise, the Inter-ministerial Committee and the MDBs have had different meetings between October 2012 and January 2013, exchanging ideas and revising inputs. A preliminary version of the Investment Plan was submitted to the Inter-ministerial Committee on January 21<sup>st</sup> and is currently under discussions and revisions by the Inter-ministerial Committee.

### **Third Joint Mission objectives**

The overall objective of the third Joint Mission, to be held in Lima, Peru on February 18<sup>th</sup>-22<sup>nd</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.

---

<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/>

The specific objectives are to:

- a. The Government, together with the MDBs, will review and update the draft Investment Plan and projects concept notes for endorsement at the next FIP Sub-Committee meeting, which will take place in early May. This will include details on proposed activities such as implementing partners, proposed financing and deliverables. . 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.
- b. The Joint Mission will prepare an updated timetable for the submission of the Investment Plan in the next FIP-Sub-Committee in May 2013. The timetable will constitute a reference for meeting the FIP requirements for the Investment Plan process submission.
- c. The Joint Mission will meet with relevant stakeholders from civil society and the private sector through the REDD+ roundtables and with representatives of indigenous people's organizations to receive comments and considerations leading to the finalization of the of the Investment Plan. The Joint Mission will also provide updates on the progress of the Dedicated Grant Mechanism for Indigenous Peoples and Local Communities (DGM).
- d. The Joint Mission will meet to share information with other multi-lateral and bilateral donors as well as private sector participants, to foster greater synergy, coordination and collaboration, as well as to discuss potential leverage to the actions proposed under the draft Investment Plan.
- e. In the effort to integrate FIP with the FCPF process, the Government and the MDBs will also have a meeting with the FCPF Secretariat from the WB. An update on the revision process of the RPP will be presented by the Government of Peru and the IDB as implementing partner of FCPF in Peru.

## 15 Deliverables

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

An Aide Memoire summarizing:

- Agreements with respect to the revision of the draft Investment Plan and the time line, leading up to the submission of the Investment Plan to the FIP Sub-Committee by the Government of Peru
- Agreement on stakeholder engagement, including the process for addressing comments on the Draft Investment Plan
- Elements for determining a monitoring and evaluation system, as well as knowledge sharing.
- Outcome of the discussion with Mesa REDD , Mesa REDD Indigena and the private sector on the work program for the finalization of the Investment Plan
- Update on the ongoing and new REDD+ programs and projects financed by multilateral and bilateral donors with the view to build close synergies with the FIP Investment Plan.

## Team Composition

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	VictorGalarreta	Secretario Técnico
IDB	Gloria Visconti	Climate Investment Funds Coordinator/Lead Climate Change Specialist
	Eirivelthon Lima	Rural Development Specialist (based in Lima)
	Paloma Marcos	GenderSpecialist
	Jaime Arturo Giesecke	Senior Private Sector Specialist (based in Lima)
	Jaime Fernández-Baca	FIP Peru In-Country Focal Point (based in Lima)
	Juan Chang	Monitoring and Evaluation specialist and coordinator FCPF Peru
IBRD	David Tuschneider	Sr Rural DevelopmentSpecialist
	Madhavi Pillai	Natural Resources Specialist, FIP Coordination Team
IFC	Steve Gretzinger	Senior Forestry Specialist
	Laura Gaensly	Operations Officer, Blended Finance Unit
	Leonardo Ramirez,	Financial Mechanisms Consultant
	Daniel Shepherd	Senior Operations Officer, Access to Finance

**DRAFT Joint Mission Agenda (subject to changes)**

<b>Time</b>	<b>Activity Description</b>	<b>Venue</b>
<b>Monday, February 18<sup>th</sup> 2013</b>		
Morning	Welcome and Introduction Meeting with the Inter-Ministerial Committee on the development of the REDD+ and FIP Investment Plan processes	tbc
Afternoon	Meeting with the Inter-Ministerial Committee on the development of the REDD+ and FIP Investment Plan processes	tbc
<b>Tuesday, February 19th</b>		
Morning	Meeting with the Inter-Ministerial Committee for the review of the draft FIP Investment Plan	tbc
	Meeting with the Inter-Ministerial Committee for the review of the draft FIP Investment Plan	tbc
Afternoon	Meeting with the Inter-Ministerial Committee for the review of the draft FIP Investment Plan	(tbc)
	Meeting with the Inter-Ministerial Committee for the review of the draft FIP Investment Plan	(tbc)
<b>Wednesday, February 20th</b>		
Morning	Meeting with the Mesa REDD	tbc
Afternoon	Meeting with the Mesa REDD Indigena	tbc
<b>Thursday February 21st</b>		
Morning	Meeting with multilateral and bilateral donors	tbc
Afternoon	Meeting with private sector stakeholders	tbc
<b>Friday February 22</b>		
Morning	Meeting with the Inter-Ministerial Committee for the finalization of the draft FIP Investment Plan	tbc

Afternoon	Meeting with the Inter-Ministerial Committee for the finalization of the draft FIP Investment Plan and finalization of the aide memoir	tbc
-----------	--	-----

## Contacts

### Government of Peru

Eduardo Durand  
 FIP Technical Focal Point  
 General Director of Climate Change, Desertification and Water Resources  
 Ministry of the Environment

### *MDBs*

#### **Inter-American Development Bank**

Gloria Visconti  
 Climate Change Lead Specialist  
 Inter-American Development Bank  
[gloriav@iadb.org](mailto:gloriav@iadb.org)

Eirivelthon Lima  
 Rural Development Senior Specialist  
 Inter-American Development Bank  
[elima@iadb.org](mailto:elima@iadb.org)

#### **International Bank for Reconstruction and Development**

David Tuchschnieder  
 Sr Rural Development Specialist  
[dtuchschnieder@worldbank.org](mailto:dtuchschnieder@worldbank.org)

#### **International Finance Corporation**

Steve Gretzinger  
 Global Forestry Specialist  
 International Finance Corporation  
[sgretzinger@ifc.org](mailto:sgretzinger@ifc.org)