

CLIMATE INVESTMENT FUNDS

FIP/SC.5/3
October 22, 2010

Meeting of the FIP Sub- Committee
Washington, D.C.
November 9, 2010

FIP SEMI-ANNUAL OPERATIONAL REPORT

Proposed Decision by FIP Sub-Committee

The Sub Committee reviewed document FIP/SC.5/3, *FIP: Semi-Annual Operational Report*, and welcomes the progress that has been made in advancing the work of the FIP in the pilot countries. The Sub-Committee urges countries participating in the program and the MDBs to move expeditiously to advance the work to develop high quality Investment Strategies which will form the basis for investments and learning. The Sub-Committee underscores the importance of building on existing activities supported by other REDD+ initiatives, in particular the FCPF and UN-REDD Programme, and of engaging with other development partners supporting forest-related activities in the countries.

INTRODUCTION

1. The purpose of this note is to provide the FIP Sub-Committee with a semi-annual report on the status of FIP activities. This is the first operational report presented to the FIP Sub-Committee, and updates will be presented to the committee on a semi-annual basis. Part I summarizes the status of the pilots under the FIP. Part II provides an update on other key issues that relate to the FIP. The annex summarizes contact details for pilot country focal points as well as the status of FIP activities by FIP pilot country.
2. The FIP has the following pilot countries:

FIP Countries
Brazil
Burkina Faso
Democratic Republic of Congo
Ghana
Indonesia
Lao PDR
Mexico
Peru

3. The pledging level as of September 30, 2010¹ to the FIP is \$558 million. \$399 million of the pledges have been pledged as grant resources and \$159 million as concessional finance.
4. In June 2010, the FIP Sub-Committee approved the *FIP Investment Criteria and Financing Modalities* as well as the *FIP Operational Guidelines*. With the approval of these two documents, the programming at the country level is underway.
5. The development of a Dedicated Grant Mechanism for Indigenous Peoples and Local Communities is now well in progress. Based on a competitive process, IUCN was recruited to provide the logistical support for four regional and one global consultative meetings that will contribute to the preparation of a design proposal.
6. The FIP Sub-Committee will discuss at its November 2010 meeting the allocation of pledged FIP resources to FIP pilots and agree upon principles to be followed in allocating grant and concessional resources.

¹ Using the exchange rate of September 30, 2010.

STATUS OF ACTIVITIES IN FIP COUNTRY PILOTS

7. All eight pilot country governments have confirmed in writing their interest in being a pilot supported under the FIP. The confirmation letters as well as the completed questionnaires are posted on the CIF website: http://www.climateinvestmentfunds.org/cif/fip_pilot_programs
8. Work has been initiated in all eight country pilots. The Multilateral Development Banks (MDBs) have reached out informally to the government representatives in the pilot countries and are in the process of planning with the governments scoping and joint missions, which will be conducted in partnership with country stakeholder groups and other interested partner institutions.
9. All tentative dates for first joint missions fall within the first quarter of 2011. Consistent with the *FIP Operational Guidelines*, the “CIF Administrative Unit will notify the FIP Sub-Committee of the agreed joint mission four weeks in advance and post this information and the TOR for the joint mission on the CIF website”.
10. The CIF Administrative Unit is currently working on a website for FIP pilots that will allow posting of detailed information on joint mission dates, terms of reference and mission reports. As soon as this website becomes available, the CIF Administrative Unit will inform the FIP Sub-Committee.
11. The CIF Administrative Unit has made available to the MDBs the contact details of country focal points for the FCPF and UN-REDD Programme to encourage early collaborative efforts as stipulated in the *FIP Investment Criteria and Financing Modalities* and confirmed in the joint paper on *Enhancing Cooperation and Coherence among Multilateral REDD+ Institutions to Support REDD+ Activities*.
12. Targeted outreach activities to the GEF have been made. The GEF has recently concluded its 5th replenishment negotiations. GEF is anticipating a potential investment of \$1billion in REDD+ activities over the coming four years. All agencies involved in the implementation of projects and programs under the FCPF, FIP and UN-REDD Programme are also GEF implementing agencies. Therefore, partnerships between these initiatives and the GEF are a logical development with considerable potential to reduce deforestation and forest degradation in the eight FIP pilot countries.

OTHER KEY ISSUES

FIP Results Framework

13. A draft FIP results framework has been developed by the MDBs and is being submitted to the SCF Trust Fund Committee and the FIP Sub-Committee for discussion. In a subsequent step, a stakeholder consultation process with particular emphasis on pilot country stakeholder consultations is envisaged before the document is submitted to the SCF Trust Fund Committee for approval.

Joint Meeting of the Forest Carbon Partnership Facility, Forest Investment Program and UN-REDD Programme

14. Consistent with the decision by the FIP Sub-Committee, the Secretariats of the FCPF, FIP and UN-REDD Programme are organizing a joint meeting of the governing bodies of the three initiatives on November 6, 2010, in Washington, D.C.

15. The meeting is to foster closer integration of the initiatives, including the establishment of a joint platform to share country experiences, disseminate lessons learned, and facilitate strategic discussions. The program includes four major sessions:

- i. REDD+ Partnership – From Nagoya to Cancun
- ii. Presentation of the Paper “*Enhancing Cooperation and Coherence among REDD+ Institutions to Support REDD+ Activities*”
- iii. REDD+ Implementation: Country Progress
- iv. Stakeholder Collaboration – Engagement of Indigenous Peoples and Local Communities

FIP Pilot Country meeting

16. The first meeting of pilot countries for the FIP will take place on November 8, 2010. The objective of the meeting is to “build a community of practice among the FIP pilot countries to exchange experiences, document good practices and lessons from the design process of Investment Strategy; and reach a shared understanding provided by the FIP. The meeting will be attended by representatives from the pilot countries, the FIP Sub-Committee Members, NGOs and private sector observers to the FIP Sub-Committee, the MDBs and REDD+ partners, such as FCPF, UN-REDD Programme and the GEF.

17. The program for this first pilot country meeting focuses on the expectations of the pilot countries. The meeting will provide an opportunity to present to the pilot countries the operational guidelines, investment criteria and financing modalities. Pilot countries will also be invited to present their national forestry context and the role that the FIP might play in it, with a view to discussing the challenges and requirements for developing investment strategies.

18. A technical workshop has also been organized in conjunction with the pilot country meeting. This workshop will address specific issues of FIP implementation including: measuring results, the involvement of stakeholders at the national level and the participation of indigenous peoples and local communities with a focus on the dedicated grant mechanism. International organizations and representatives from the civil society, including from indigenous peoples and local communities, will be invited to provide input on the relevant issues at the workshop.

19. A report on highlights from this meeting will be presented to the Sub-Committee.

Annex: Status of Activities in FIP Pilot Countries

Brazil

Country Focal Point: Artur Cardoso de Lacerda
Advisor
Secretariat for International Affairs
Ministry of Finance of Brazil
Phone: +55 61 3412-2231 Fax: +55 61 3412-1863
Email: artur.lacerda@fazenda.gov.br

MDBs: IBRD, IDB, IFC
Date of Confirmation of Interest: September 2, 2010
Expected submission date for Investment Strategy (IS): FY2012
Expected submission dates of projects under the IS: FY2012
Tentative date for scoping mission: February 2011
Tentative date for first joint missions: March 2011

Burkina Faso

Country Focal Point: M. Samuel YEYE
Technical Advisor to the Minister of the Environment and
Standard of Living
Email: jeanneyeye@yahoo.fr
Telephone: Office (00226) 50 35 03 28 / Cell: (00226) 76 60 96 19
Fax: (00226) 50 31 06 75

MDBs: AfDB, IBRD, IFC
Date of Confirmation of Interest: March 17, 2010
Expected submission date for Investment Strategy (IS): June 2011
Expected submission dates of projects under the IS: FY2012
Tentative date for scoping mission:
Tentative dates for first joint missions: February/March 2011

Democratic Republic of Congo

Country Focal Point: Victor Kabengele Wa Kadilu
Project Coordinator
Ministry of Environment
Email: abckab@gmail.com

Jean Ilunga Muneng
Chef de Division A.I. Services Environnementaux
Direction du Développement Durable
Email: Jean_muneng57@yahoo.fr

MDBs: AfDB, IBRD, IFC

Date of Confirmation of Interest: July 8, 2010

Expected submission date for Investment Strategy (IS): August 2011

Expected submission dates of projects under the IS: FY2012

Tentative date for scoping mission:

Tentative dates for first joint mission: February 2011

Ghana

Country Focal Point: Hon. Alhaji Collins Dauda
Ministry of Lands and Natural Resources
Accra, Ghana
Tel: + (233) – 21 - 665 949
Fax: + (233) – 21 – 666 801
Mobile: + (233) – 24 – 336 6024
Email: collinsdauda@yahoo.com

Mr. Abu Musa Juam
Technical Director
Ministry of Lands and Natural Resources

Mr. Kwesi Tabi
Director of Research
Ministry of Environment Science and Technology

Mr. Franklin Ashiadey
Coordinator
Ghana Natural Resources and Environmental Governance Program

Ministry of Finance and Economic Planning

MDBs: AfDB, IBRD, IFC

Date of Confirmation of Interest: April 27, 2010

Expected submission date for Investment Strategy (IS): June 2011

Expected submission dates of projects under the IS: FY2012

Date of scoping mission: September 29– October 1, 2010

Tentative date for first joint missions: February 2011

Comments:

Outcomes of the first scoping mission include:

- Agreement on effective technical coordination,
- Identification of the national body to provide overall guidance on FIP , including FIP requirements and government needs,
- Creation of an Ad-Hoc Working Group to guide the preparation of the Investment Strategy,
- Scheduling of the Joint Mission for January 2011,
- Agreement on tentative delivery date for the Investment Strategy for June 2011.
- Agreement on request for a preparation grant of \$250,000 and discussion on preferred execution modality (either Government or MDB executed), and
- Nomination of two participants to the FIP pilot country meeting on November 7 and 8, 2010.

Indonesia

Country Focal Point: Dr. Hadisusanto Pasaribu,
Senior Advisor to the Minister for Institutional Affairs,
Ministry of Forestry
Jakarta, Indonesia
Phone: 62-21-5730205
Fax: 62-21- 5738732
Email: hadispsaribu@yahoo.com

MDBs: ADB, IBRD, IFC

Date of Confirmation of Interest: June 11, 2010

Expected submission date for Investment Strategy (IS): August 2011

Expected submission dates of projects under the IS: FY2012
Tentative date for scoping mission:
Tentative date for first joint missions: mid January 2011

Lao PDR

Country Focal Point: Oupakone Alousavath
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Ministry of Agriculture and Forestry
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Khampay Manivong
Deputy Director
Department of Forestry
Vientiane, Lao PDR
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MDBs: ADB, IBRD, IFC
Date of Confirmation of Interest: June 22, 2010
Expected submission date for Investment Strategy (IS): October 2011
Expected submission dates of projects under the IS: FY2012
Tentative date for scoping mission:
Tentative date for first joint mission: February 2011

Mexico

Country Focal Point: Ricardo Ernesto Ochoa Rodriguez
Head of the International Financial Affairs Unit
Ministry of Finance and Public Credit
Mexico
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Juan Manuel Torres-Rojo
Director General National Forest Commission

Mexico
E-mail: directorgeneral@conafor.gob.mx

MDBs:	IADB, IBRD, IFC
Date of Confirmation of Interest:	July 28, 2010
Expected submission date for Investment Strategy (IS):	FY2012
Expected submission dates of projects under the IS:	FY2012
Tentative date for scoping mission:	Week of November 15, 2010
Tentative date for first joint mission:	January/February 2011

Peru

Country Focal Point: Eduardo Durand
General Directorate of Climate Change, Desertification and Water Resources
Vice Ministry of Strategic Development of Natural Resources
Ministry of Environment
Lima, Peru

MDBs:	IADB, IBRD, IFC
Date of Confirmation of Interest:	May 12, 2010
Expected submission date for Investment Strategy (IS):	FY2012
Expected submission dates of projects under the IS:	FY2012
Tentative date for scoping mission:	
Tentative date for first joint missions:	January/February 2011