



Dedicated Grant Mechanism

FIP Sub-Committee Meeting

MAY 1, 2013 | WASHINGTON, D.C.

Request for funding approval for MDB Project Preparation and Supervision services for DGM Programs in Brazil and Ghana

by IBRD

[Document FIP/SC.10/4]



Dedicated Grant Mechanism (DGM)

Overview of Decisions & Agreed Documents

DGM - Overview of Decisions & Agreed Documents



1. FIP Design Document - July 2009

A dedicated grant mechanism should be established under the FIP to provide grants to indigenous peoples and local communities in country or regional pilots to support their participation in the development of the FIP investment strategies, programs and projects.

DGM - Overview of Decisions & Agreed Documents



2. Design for the Dedicated Grant Mechanism For Indigenous Peoples And Local Communities [FIP/SC.7/8] October 2011

The Sub-Committee approves the design proposal presented as a framework for the work of the dedicated grant mechanism and takes note of the request for USD 50 million to finance the mechanism.

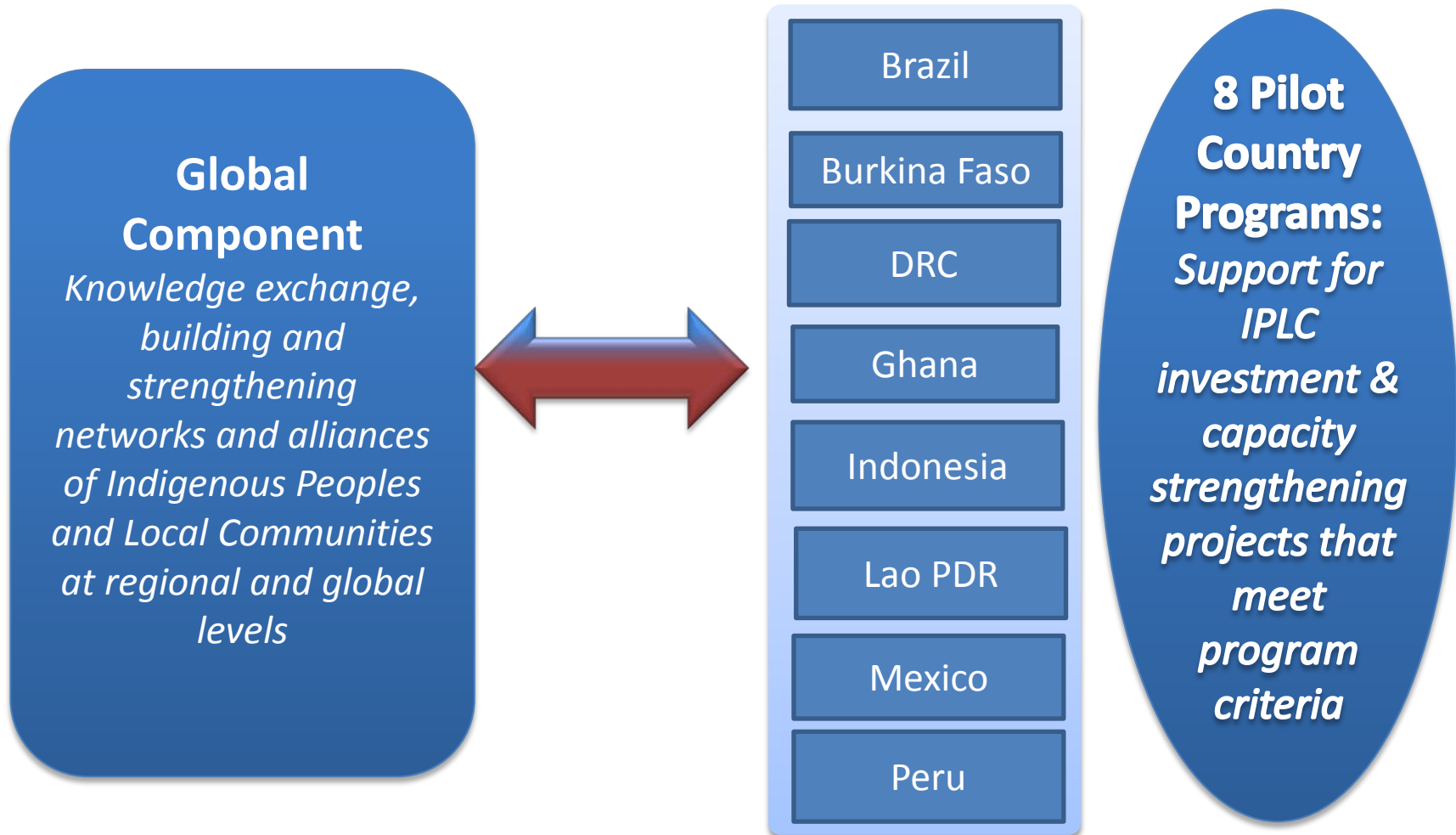
DGM - Overview of Decisions & Agreed Documents



3. Preliminary Proposal for the Implementation Arrangements under the Dedicated Grant Mechanism for Indigenous Peoples and Local Communities [FIP/SC.7/9] October 2011

The Sub-Committee took further note of the proposed implementation arrangements presented. The FIP Sub-Committee requests the MDBs and the representatives of the indigenous peoples groups and local communities to further develop the project/program proposals required for approval of FIP funding and operationalization of the dedicated grant mechanism.

Dedicated Grant Mechanism (DGM) Description



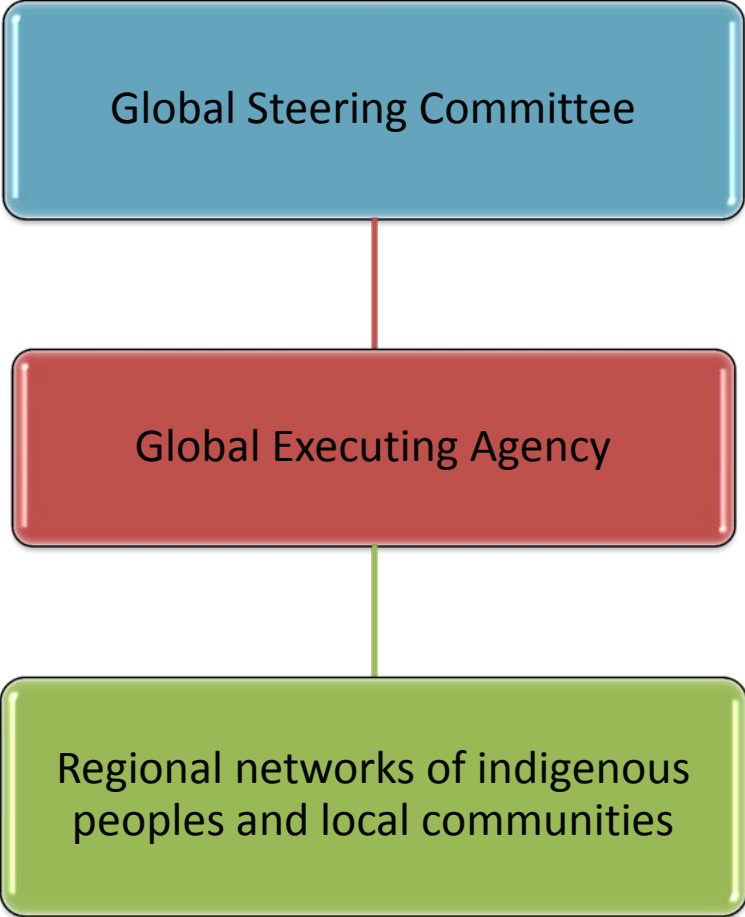
DGM Country Program Indicative Allocation

| Country | MDB responsible | Indicative allocation of DGM resources (mill.US \$) |
|--------------|-----------------|---|
| Brazil | IBRD | 6.5 |
| Burkina Faso | IBRD | 4.5 |
| DRC | IBRD | 6.0 |
| Ghana | IBRD | 5.5 |
| Indonesia | IBRD | 6.5 |
| Lao PDR | IBRD | 4.5 |
| Mexico | <i>TBD*</i> | 6.0 |
| Peru | <i>TBD*</i> | 5.5 |
| Global | IBRD | 5.0 |
| Total | | 50.0 |

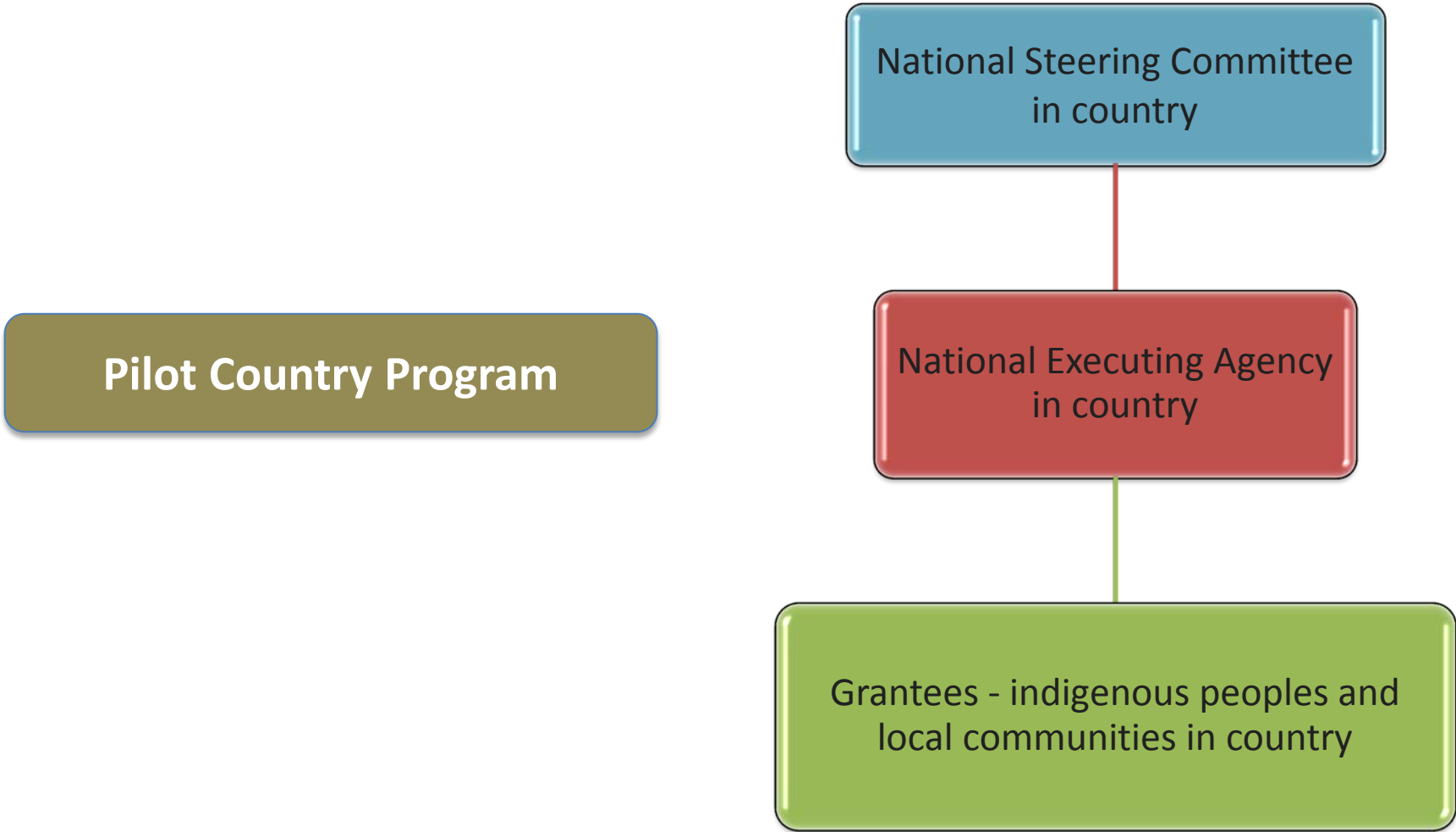
- Meeting to agree on MDB will be held in **Mexico** and **Peru** in the coming months.

Dedicated Grant Mechanism (DGM) Structure

Global Component



Dedicated Grant Mechanism (DGM) Structure





Status of the Program

First Global Transitional Committee meeting in Istanbul, November 2012

- Important Milestone - establishing the Global Transitional Committee
- Participation by all 8 pilot countries & South Pacific IPLC members, Pilot Country Governments & MDBs



First Global Transitional Committee meeting in Istanbul, November 2012

- Discussion and agreement on several key elements of the program guideline as a common framework for all DGM pilot countries
- Guidelines circulated to all members December 2012 and February 2013 for further commenting



First Global Transitional Committee meeting in Istanbul, November 2012



Update on Country Programs

- There is a lot of interest among IPLC organizations to operationalize the program in the countries
- Higher level of enthusiasm since the Istanbul meeting, evidenced by nearly all members providing feedback on the operational guidelines
- IPLCs have often organized meetings on their own to discuss the way forward

Update on Country Programs

- **Brazil:** Meeting organized in Cuiabá to discuss the program; more such meetings scheduled in the Cerrado in the coming months.
- **Ghana:** Concrete steps to establish structures for national DGM program preparation are under way
- Similar meetings have been organized in **DRC**, **Burkina Faso**, **Indonesia** and **Peru** to discuss the organization of National Steering Committees.

Update on Country Programs



Update on Country Programs: Brazil



Next Steps and Timeline

- Final revision/agreement on **Operational Guidelines** expected end May 2013
- **Global Executing Agency** - Competitive Selection process being initiated to proceed in parallel with project preparation. IBRD to call for expressions of interest in May 2013
- IBRD is ready to begin project preparation in **Brazil** and **Ghana** and **requests 50% of estimated costs of preparation & supervision of the two projects**
- **Estimated FIP SC Approval of Funding of Global framework, Brazil & Ghana programs:** Quarter 3 - 2013
- **Estimated World Bank Board Approval:** Quarter 4 - 2013
 - Designed as a framework program for which country examples are required.
 - FIP SC approval of funding requests for **Brazil** and **Ghana** is of critical importance to meet time plan



Thank you

