

Forest Carbon Partnership Facility (FCPF)

Readiness Fund

Draft Action Plan to address the recommendations of the First FCPF Program Evaluation

July 29, 2011

This note presents a proposed rolling action plan for addressing the recommendations of the first FCPF evaluation report, based on discussions of the Evaluation Working Group established at PC8 and subsequent discussions of the PC at PC9.

Background

1. The results of the first FCPF evaluation report were presented by the consultant at the PC8 meeting in Dalat, Vietnam in March 2011. The PC established an Evaluation Working Group to discuss the findings and the report recommendations in the interim period after PC8, to facilitate the discussion of the recommendations at PC9 in Oslo.
2. At PC9, the Working Group presented its preliminary views on the report recommendations and their relevance for the FCPF. Following this presentation and the World Bank Management response to the report, the participants discussed the recommendations and provided inputs on how to respond to them, through both the plenary PC discussion and a contact group on this topic.
3. The following paragraphs present the key views expressed by the participants on the evaluation report recommendations at PC9.
 - i. Participants highlighted in particular the need to speed up the signing of Readiness Grant Agreements and disbursement under the Readiness Fund of the FCPF, and to continue efforts to improve the disbursement rates via a number of the avenues such as support to FCPF countries via Multiple Delivery Partners, in-country support using bilateral channels and other recommendations made in the evaluation report;
 - ii. Recognizing that REDD+ is in many ways a country-led process, the need was highlighted to strengthen coordination between bilateral and multilateral sources of funding, and among sector and non-sector actors, to ensure greater alignment of REDD+ processes at the national level;
 - iii. Some participants also pointed out the need to ensure that in operationalizing recommendations, namely, on the Readiness Package and related capacity building needs of countries, it is paramount not to prejudge, but to ensure alignment with, the on-going UNFCCC process;

- iv. Participants also expressed support for the recommendation related to enhancing support for engagement of CSOs in the REDD+ process, with a number of them emphasizing the need to open this process to local communities at the country level that are in great need of capacity building for REDD+. That being said, other members highlighted the need to make sure this support does not duplicate other bilateral or multilateral sources of support for CSOs. The contact group discussions emphasized the need for stocktaking and workable proposals to progress the discussion on this recommendation; and
 - v. A number of countries also expressed the need to engage in a strategic level discussion on the future of the FCPF Readiness Fund, in particular for considering options to introduce flexibility, for example by moving away from the current flat rate approach to FCPF Readiness Preparation grants, using transparent and needs-based allocation criteria. It was recognized that this strategic level discussion, along with the possible expansion of the FCPF to other countries, would need to be informed by budget scenarios to help facilitate upcoming discussions and potential decisions by the PC.
4. The PC also considered three concrete proposals by the FMT on the following recommendations.
- i. **Recommendation 1 dealing with the streamlining of the R-PP review process:** The PC expressed its support on the streamlining of the R-PP process, with a view to limiting the reviews to the extent possible to one formal review of each R-PP submission by the PC review team. Even though more than one round of review by the TAP and PC have been found to be useful by the countries for improving the R-PP quality, the time constraints of PC members make it difficult for them to review more than one R-PP versions ahead of the PC meeting. Some PC members expressed that receiving the draft R-PP early on (pre-TAP review) is useful in coordinating the feedback at their end and desired that early draft versions of R-PPs be shared with them. For R-PPs to be considered at PC10, it is proposed to continue the review process as in earlier rounds whereby the PC reviews and provides comments on both the initial draft, and the revised draft which incorporates comments received from the TAP and the PC. The FMT will share the draft R-PP submitted by the country with the TAP and the PC. However within the PC review team, if some members are unable to provide comments on both versions of the R-PP due to time constraints they can limit their comments to the revised version only
 - ii. **Recommendation 1 dealing with the streamlining of the R-PP review process (continued):** Beginning with PC11, the FMT proposes to further adjust the due dates for all R-PP submissions (new and resubmissions) in a way to provide the PC with adequate time to review and comment on post-TAP reviewed and revised R-PPs. Regarding submission dates, one REDD Country Participant requested flexibility for those countries that are resubmitting their R-PP following completion of an informal review in a previous PC meeting. The additional time would allow the country to submit a more complete R-PP draft to be reviewed by the TAP and PC. The due dates for R-PP submissions therefore have been adjusted to allow for an additional two weeks for countries resubmitting their R-PPs. The announced schedule for PC10 is August 1, 2011 for new R-PP submissions and August 22, 2011 for R-PP resubmissions;

- iii. **Recommendation 19 on outreach and communication; and Recommendation 2 on translation requirements of relevant meeting documents:** The PC approved the revised FCPF business plan for FY11, which included budget for the FMT's proposal for a dedicated staff to work on communication and outreach, and the FMT proposal regarding translation requirements of relevant documents.

5. The contact group discussion focused on the timeline and next steps to start addressing the remaining evaluation recommendations.

6. Based on the outcome of the plenary and contact group work in Oslo, the co-chairs summarized the next steps for proceeding with the remaining recommendations of the report, available in the co-chairs' summary at http://www.forestcarbonpartnership.org/fcp/sites/forestcarbonpartnership.org/files/Documents/PDF/Jun2011/PC9%20Co-Chairs%20Summary%20final.docx_.pdf

7. The steps outlined in the co-chairs' summary include the preparation of a draft Action Plan by the FMT reporting the status and proposing actions to be taken for addressing the relevant recommendations.

8. In response to this decision, the FMT has produced the attached draft Action Plan to address recommendations of the report, which outlines progress made on some of the recommendations and proposed next steps for facilitating discussions on other recommendations at the upcoming PC meetings.

9. This Action Plan will be updated after each PC meeting as relevant, as decisions are taken and acted upon, to continue addressing the evaluation recommendations.

Draft Action Plan

10. For the sake of clarity and continuity, the numbering of the recommendations in the proposed Action Plan follows the numbering of the initial 23 evaluation recommendations as discussed by the Working Group and presented in the Working Group's report available at <http://www.forestcarbonpartnership.org/fcp/node/300>. The recommendations have been regrouped into key categories established by the contact group at PC9.

Draft Action Plan

Summary of Evaluation Recommendations	Next Steps to Address Recommendations
Recommendations related to stakeholder engagement in REDD+	
R.5 Enhance support for CSO and IP engagement	Views will be sought on this item as part of strategic discussion at PC10. The views already expressed at PC9 on this item are attached to this note (see Annex 1). In addition, the FMT will write a Note in time for discussion at PC10, which will lay out options for the PC's consideration.
R20: Consider, in coordination with other REDD+ related funding mechanisms, measures to strengthen participation of private sector in REDD+	Views will be sought on this item as part of strategic discussion at PC10 on role of FCPF in stakeholder engagement in the REDD+ process. The FMT will also share the paper on the role of private sector in REDD+ which is currently under preparation in collaboration with Coalition of Rain Forest Nations and WWF and is expected to be finalized by September 2011. The key findings of this paper will be shared at PC10.
Recommendations related to the need for flexibility in the Readiness Fund	
R12: Move away from flat rate of readiness grants to countries	Views will be sought on this item as part of the planned strategic discussion at PC10 on the need and options for introducing on the basis of an FMT Note.
R13: Develop clearer plans regarding reopening the Readiness Fund of FCPF program to new countries and criteria for their inclusion	R13 has linkages to R12. Views will be sought on this item as part of planned strategic discussion based on the same FMT Note.
Recommendations related to learning, exchange and capacity building	
R3: Further decentralization of FMT staff	The PC working group and the World Bank management response to the evaluation report reflected that this recommendation should be viewed more broadly with a view to enhancing support for REDD+ implementation and not as an isolated recommendation for deployment of FMT staff. Views will be sought on this item as part of strategic discussion at PC10 on the role of the FCPF in learning, exchange and capacity building and enhancing overall implementation support for REDD+. The FMT will prepare a note identifying avenues and including proposals for enhancing the learning and exchange between FCPF countries and for increased implementation support taking into account other recommendations (R6-7, R8 and R11) relevant to this topic and to solicit further views of Participants.

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R6-7: Strengthen participation of key sectoral and non-sectoral ministries in R-PP process	This recommendation is strongly linked to the views expressed by the TAP on this issue in its presentation at PC9. The FMT will coordinate a discussion on this and other relevant issues emerging from the TAP presentation at PC9. Views will be sought on this item as part of strategic discussion at PC10 on role of FCPF in learning, exchange and capacity building using the FMT Note proposed under R3 and suggestions from TAP as the basis.
R8: Strengthen efforts to learn from previous experiences in forest management	Views will be sought on this item as part of strategic discussion at PC10 on role of FCPF in learning, exchange and capacity building based on the FMT Note proposed in R3 and suggestions from TAP.
R10: Support learning and reflection around the SESA process	Initial steps to strengthen SESA support to countries have been taken by the FMT. FMT will provide update at PC10 and further steps.
R11: Scale up support to regional measures to foster South-South exchange and learning	Views will be sought on this item as part of strategic discussion at PC10 on role of FCPF in learning, exchange and capacity building based on the FMT Note as proposed in R3.
Recommendations related to coordination and harmonization of funding sources	
R14: Foster greater cooperation of bilateral and multilateral partners at the country level	PC Working Group expressed these as country-led efforts.
R15: Continue efforts through the Task Force on Multiple Delivery Partners to identify Delivery Partners outside the WB	Work is ongoing. IDB and UNDP were approved as Delivery Partners at PC9. ADB and FAO are preparing their submissions.
R17: Continue to strengthen coordination with UN-REDD. Jointly resolve differences including with regard to advice given on implementation of social safeguards	Safeguards coordination was addressed in part through the Common Approach development. FMT to take stock after adoption of common approach and report progress to PC. FMT will provide comments on the recently proposed UN-REDD social and environmental criteria.
R18: Strengthen alignment and harmonization of FCPF with other multi/bilateral sources	PC Working Group encouraged exchanges of experiences between countries.
Readiness package, and links to operationalization of Carbon Fund	
R21: Reflection on minimum readiness conditions required to access the Carbon Fund	Discussion commenced at PC9 in the form of a Knowledge Panel and will continue at PC10 meeting under the R-Package agenda item. Participants expressed the need to finalize the discussions by PC11.
R9: Focus capacity building efforts around early building blocks of readiness process	To be discussed and addressed as relevant as part of discussion and decision on R21
R23: Ensure during the operationalization phase of	No further action required at this stage beyond the

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the Carbon Fund that it builds on the lessons of the Readiness phase, in particular in respect to due diligence requirements	need for consistency between due diligence in the Carbon Fund phase with the ongoing due diligence requirements in the Readiness phase
Other recommendations addressed at PC9	
R1: R-PP review process	FMT proposal at PC9 is outlined in paragraph 4(i) above.
R2: Translation requirements	FMT proposal accepted as part of PC9 budget approval.
R4: Operationalization of M&E Framework	FMT will present an update on progress at PC10 including advanced and enhanced reporting formats building on the information currently provided through the dashboard with adequate level of detail that will enable the PC to monitor progress in the Readiness Fund.
R19: Communication and outreach	FMT proposal accepted as part of budget approval at PC9. The FMT will update the PC on progress.
Other recommendations taken note of by PC	
R16: Provide limited flexibility with respect to specific budget allocations under the Readiness grant	No action required as this flexibility is already effective. FCPF recognizes this need for flexibility.
R22: Engage with countries on options for governance and institutional set-up to ensure transparency and agreed approaches to benefit sharing	No action required as this is being dealt with as part of R-PP process and further efforts remain up to the countries, as guided by the SESA process and the outcome of the discussions on the R-Package.

Annex 1

Summary of contact group discussion on the role of CSOs at PC9 (as shared with Participants via email dated July 12, 2011)

At PC 9, an informal group was convened to initiate a discussion on the role of CSOs in the Participants Committee meetings. The discussion was meant to be informal and the participants of this discussion did not make any formal recommendations. Representatives from financial contributors and CSOs, one representative from REDD Country Participants, one from Indigenous Peoples, and the FMT members participated in this informal discussion. It was noted at the beginning of the discussion that at times, it could be challenging to achieve a "balanced composition" in a contact group, as is now required under the amended Rules of Procedures that were adopted on June 20 (Section 13.02). This challenge was also faced in this informal discussion group. Below is a summary of the discussion.

- While the amendments to the Rules of Procedure capture the need to achieve a balanced participation in contact groups, it was noted that there is some uncertainty as to who would decide on this "balanced composition", when exactly and whether this requirement would imply a minimum or maximum number of participants in a given category of observers. Participants of this informal discussion group also asked whether amendments to the Charter or the Rules of Procedure would be necessary to clarify the role/representation of CSOs in the PC meetings/contact groups. One suggestion that was made during the discussion was to encourage the facilitator of a contact group to adjourn the contact group if there is no "balanced composition" in the contact group. It was also noted that if a contact group was to be suspended, no drafting of a resolution would take place and that the plenary would have to reconsider the issues at stake but that ultimately, it should not block the process.
- It was noted that delegates, especially from REDD+ countries, cannot always split themselves among concomitant contact groups and that there is an organizational imperative for the FMT to announce the establishment of contact groups in advance so that delegates can arrange among themselves for their proper representation in the respective contact groups. It was suggested that if one feels her/his views could not be conveyed properly in a contact group, one should notify the FMT as soon as possible to allow possible rescheduling of the contact group.
- As regards the balance between social/environmental/human rights CSOs, the distinction was not actually deemed relevant by participants. It was, however, noted that a balance between Northern and Southern CSOs would be desirable in a PC meeting but that would have (moderate) budget implications. CSO representatives also stressed the challenge of translating relevant documents in their representation and coordination activities within their networks/coalitions. It was noted that a self selection and support scheme akin to that of the Indigenous Peoples should be considered for CSOs, also in response to the Recommendation 5 from the FCPF evaluation.

- As regards the increasing participation of CSOs in the PC meetings, it was acknowledged that it is welcomed and useful but that it could also pose some logistical issues. A cap was applied for PC9 but it obliged some CSO representatives to change their plans at the last minute. CSO representatives appreciated the fact that the FMT has used the flexibility allowed by the Charter but noted that stable yet adaptable rules might be needed. CSO representatives agreed to discuss with their constituencies and follow up with them on the future self-selection of their representatives to the future PC meetings.
- CSO representatives noted that they would not accept an obligation to notify the FMT or the donors when they engage the media but the participants of the informal discussion group underlined it would be the duty of a professional journalist to do so and to cross reference its sources.

FMT has proposed that Participants continue this discussion virtually before PC10 so that the role of CSOs may be further clarified before PC 10. Further action will be taken by the FMT depending on the interest expressed by the Participants.