Forest Carbon Partnership Facility (FCPF)

Readiness Fund

FCPF Capacity Building Programs for Forest-Dependent Peoples and Southern Civil Society Organizations

April 3, 2012

Background

- 1. The Forest Carbon Partnership Facility (FCPF) is helping build the capacity of developing countries in tropical and subtropical regions to reduce emissions from deforestation and forest degradation (REDD+) and to tap into future system of financial incentives for REDD+.
- 2. The FCPF's initial activities relate to technical assistance and capacity building for REDD+ in IBRD and IDA member countries in the tropics across Africa, East Asia and Pacific, Latin America and the Caribbean and South Asia. Specifically, the FCPF assists countries work out their national reference scenarios for emissions from deforestation and forest degradation, adopt and complement national strategies for stemming deforestation and forest degradation, and design national monitoring, reporting and verification systems for REDD. These activities are referred to as 'REDD+ Readiness' and supported by the Readiness Fund of the FCPF.
- 3. As of March 2012, 37 countries from Asia, Latin and Central America, and Africa have been selected into the Readiness Mechanism based on Readiness Preparation Idea Notes reviewed by the Participants Committee and independent reviews by a Technical Advisory Panel. The selected countries become REDD+ Country Participants and receive grant support to develop a Readiness Preparation Proposal (R-PP), which contains an assessment of the drivers of deforestation and degradation, terms of reference for defining their emission reference levels, establishing a measurement, reporting and verification system for carbon and non-carbon aspects, adopting or complementing their national REDD+ strategy, and adopting national management arrangements for REDD+. A consultation plan is also part of the R-PP.¹
- 4. Forest-Dependent Indigenous Peoples and Forest Dwellers, as they are referred to in the FCPF Charter (hereafter referred to as "Forest-Dependent Peoples"), and Southern Civil Society Organizations (CSOs) are key partners in REDD+ design and implementation.
- 5. On one hand, Forest-Dependent Peoples are often the age-old stewards of forest ecosystems, living in and depending on forests. Their potential roles in REDD+ are multifarious, ranging from design to implementation, monitoring and enforcement. The UNFCCC CoP16 decision on REDD+ calls for the full and effective participation of "indigenous peoples and local communities" and the need to respect their traditional knowledge and rights.
- 6. On the other hand, Southern CSOs have been actively engaged in national REDD+ planning and formulation of R-PPs in recent years. They have continued to play an active role in partnering with governments in some of the FCPF countries (e.g., Democratic Republic of Congo, Ghana, Kenya, Liberia,

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¹ See more information on the FCPF at <u>www.forestcarbonpartnership.org</u>.

the Republic of Congo, and Uganda) to implement consultation activities, and have been included as part of the national REDD+ technical bodies responsible for REDD+ in these countries. International and national CSO participation in FCPF missions to Costa Rica, DRC, Mexico and Peru has contributed to significant improvements in Readiness Preparation Proposals (R-PP) prior to their submission to the FCPF Participants Committee (PC), and has improved understanding of the World Bank due diligence process.

Capacity Building Programs for Forest-Dependent Peoples and Southern Civil Society Organizations

- 7. Prior to the operational start of the FCPF in 2008, regional exchanges s were carried out in Africa, Asia and Latin America, where Forest-Dependent Indigenous Peoples and other Forest Dwellers raised a number of concerns with respect to REDD+ in general and the FCPF in particular, and requested a regional and national capacity building program to enhance their knowledge on climate change and the technicalities of REDD+. This would enable them to play a more meaningful role in REDD+ programs in their respective countries and to take part more effectively in the international discussions on REDD+.
- 8. As agreed by the FCPF's Participants Committee in October 2008, the Readiness Fund of the FCPF launched a capacity building program for REDD+ targeting Forest-Dependent Peoples. Promoting their full and effective participation will take time and may not succeed unless a strategic and systematic effort is made to promote their information and understanding and active engagement in the various aspects involved in REDD+. The program was conceived to be a demand-driven one, in which Forest-Dependent Peoples' organizations make proposals to the FCPF based on their needs. The program provides support for capacity building activities in REDD+ countries participating in the FCPF.
- 9. Since the program was approved, with an allocation of \$1 million for fiscal years 2009-2013, (\$200,000 per fiscal year), the FCPF Facility Management Team (FMT) has funded 14 proposals. Nine national level activities in countries in Africa, Asia and Latin America, and six regional capacity building workshops have been funded. See Annex 1 for the activities funded to date.
- 10. The 2011 First Program Evaluation of the FCPF acknowledged the concerted efforts that the FCPF has made to facilitate the active inclusion of Forest-Dependent Indigenous Peoples and other Forest Dwellers and Southern CSOs in REDD+ Readiness in participating countries, as well as their inputs as observers into key decisions made by the PC. The evaluation report made recommendations for: (i) enhancing e support for Forest Dependent Indigenous Peoples and other forest Dwellers' engagement in REDD+ at every level and (ii) creating of a new capacity building program for southern CSOs to enable them to systematically engage in decision-making processes at all levels.-
- 11. Indigenous Peoples leaders sent a letter to the Vice President of the World Bank's Sustainable Development Network on April 11, 2011, in which they requested the Bank to conduct a "global consultation" (subsequently renamed "global dialogue") with Indigenous Peoples on the FCPF with the following objectives: (i) update Indigenous Peoples on the FCPF; (ii) reach a common understanding on how the FCPF will implement the UNFCCC decision on REDD+ in the context of the draft Guidelines on Stakeholder Engagement in REDD+ Readiness; (iii) reach a common understanding on the application of relevant environmental and social safeguard policies in the Multiple Delivery Partner arrangement; (iv) reach an agreement on proposed future mechanisms, processes and funding for the effective

² See more details on these regional exchanges at http://wbcarbonfinance.org/Router.cfm?Page=FCPF&FID=34267&ItemID=34267&ft=FeaturedResources&FeatResID=40587.

engagement of indigenous peoples in FCPF processes; and (v) exchange information on the process of updating and consolidating the Bank's Safeguard Policies, with a focus on those safeguards of particular concern to Indigenous Peoples (e.g., Indigenous Peoples, Involuntary Resettlement, and Forests).

- 12. This global dialogue was held in Guna Yala, Panama, in September 2011, and resulted in the adoption by the Indigenous Peoples representatives of an Action Plan.³ One of the requests made by the Action Plan was a proposal to the PC for expanding the existing capacity building program.
- 13. The PC responded positively to both the Evaluation Report and the request from the Guna Yala Action Plan and decided to expand the Forest-Dependent Peoples' program by allocating \$3.5 million for fiscal years (FY) 2012-2015. In addition, the PC created of a new capacity building program for Southern CSOs by allocating \$2 million for FY 2012-2015, subject to the FMT presenting, by PC11, the results of a mapping exercise of the activities supported by existing capacity building programs for forest dependent Indigenous Peoples and other forest Dwellers and Civil Society Organizations, such as those financed by the Forest Investment Program and the UN-REDD Programme and other programs, with the view to efficiently and transparently channeling resources. See annex two for the results of the mapping exercise.

Objectives

- 14. The objectives of the two capacity building programs are to provide Forest-Dependent Indigenous Peoples and other forest Dwellers and Southern CSOs with information, knowledge and awareness on REDD+ in order to enhance their understanding of REDD+, and to engage more meaningfully in the implementation of REDD+ activities. The aim is to supports activities that empower and enable these stakeholder groups, to enhance and influence REDD+ development outcomes, and also to strengthen mechanisms for inclusion, accountability, and participation.
- 15. Both programs have the following objectives:
 - i. Enhance Forest-Dependent Indigenous Peoples and other forest Dwellers' and Southern CSOs' understanding of climate change and REDD+;
 - ii. Enable Forest-Dependent Indigenous Peoples and other Forest Dwellers' and Southern CSOs' active participation in the preparation of REDD+ strategies and implementation of REDD+ programs within the context of their countries' policy and regulatory frameworks;
 - iii. Prepare Forest-Dependent Indigenous Peoples and other forest Dwellers and Southern CSOs to effectively participate in, and contribute to, the international discussions on the role of REDD+ in climate change mitigation; and
 - iv. Publicize and understand the views of Forest-Dependent Indigenous Peoples and other forest Dwellers and Southern CSOs of REDD+ and the FCPF.

Eligible Activities

16. Activities to be funded under these programs include the following:

³ The Action Plan can be found at http://www.forestcarbonpartnership.org/fcp/node/327.

⁴ See paras.7-9 in Resolution PC/10/2011/1, which can be accessed from http://www.forestcarbonpartnership.org/fcp/node/324.

- Regarding Forest-Dependent Indigenous Peoples and other forest Dwellers, the financing of five observers from Forest-Dependent Indigenous Peoples and Forest Dwellers —two from Africa, one from Asia and two from Latin America to travel to and participate in the three meetings each year of the FCPF governing bodies;
- Regarding Southern CSOs, the financing of three Southern CSOs from Africa, Asia and Latin America to travel to and participate in the three meetings each year of the FCPF governing bodies;
- iii. Funding mechanisms to help Forest-Dependent Indigenous Peoples and other forest Dwellers and Southern CSOs reinforce their capacity related to REDD+ and other thematic areas deemed necessary to enhance their engagement in ways that contribute to the national efforts on REDD+ Readiness. Areas of consideration for funding would include but not necessarily be limited to:
 - a. Research and policy work on land tenure, social and environmental issues;
 - b. Sustainable livelihoods;
 - c. Good governance;
 - d. Training, outreach and awareness building;
 - e. Analytical and design work on benefit sharing and grievance redress mechanisms;
 - f. Mapping of indigenous or community land use⁵;
 - g. Support for multi-stakeholder dialogues and collaboration between government, Forest-Dependent Peoples and Southern CSOs, respectively;
 - h. Other activities contributing to the national Strategic Environmental and Social Assessment (SESA); and
 - i. Community-level monitoring of and reporting on various aspects of the overall REDD+ process (to enhance transparency/accountability).

Modalities for delivery of financial support

Creation of one or several Advisory Committee(s)

- 17. The Guna Yala Action Plan recommended that, in the context of the requested increase in the FCPF capacity building program, "a Global Advisory body with a decision-making power shall be created and to be composed of the following: Two (2) indigenous peoples representatives from each of these regions Africa, Latin America and Asia, and one (1) IP representative from the Pacific region: two (2) representatives of the PC and two (2) representatives from the FMT. The indigenous representatives shall be chosen through a self-selection process."
- 18. The FMT has consulted with the representatives of Forest-Dependent Indigenous Peoples and CSO observers to the PC and with colleagues working on the Forest Investment Program (FIP) and the

⁵ This mapping exercise does not include defining property rights or resolving land disputes.

⁶ See Annex I of the report available at http://www.forestcarbonpartnership.org/fcp/sites/forestcarbonpartnership.org/files/Documents/PDF/Nov2011/G una Yala Dialogue Final Report EN.pdf.

UN-REDD Programme for, ideally, this advisory body would also include Indigenous Peoples and CSOs' representatives in the FIP and UN-REDD Programme.

- 19. The function of the advisory body (or bodies) (referred to hereafter as "Advisory Committee(s)", depending on whether a single committee would be responsible for both the capacity building programs for Forest-Dependent Indigenous Peoples and other forest Dwellers and Southern CSOs) would be to provide guidance to the FMT on the allocation of funding from the Capacity Building Programs.
- 20. In particular the Advisory Committee(s) would do the following: (i) adopt guidelines for the submission of proposals; (ii) review proposals using a template designed with the FMT; and (iii) recommend which ones should get funded. For each submitted proposal, these reviewers would evaluate the rationale for the proposed activities; assess the appropriateness of the approach, the soundness of the methodology, the suitability of the budget and the proposed recipient, as well as the proposed leadership of the project.
- 21. Over the past years, when processing proposals from Forest-Dependent Indigenous Peoples, the FMT has relied on the World Bank's vendor system, whereby Forest-Dependent Peoples' organizations are contracted to render the services they propose. While this method has proven efficient at providing the funding to the selected activities, several questions have arisen regarding the following: (i) transparency in the selection of proposals; (ii) the FMT's capacity to manage the program; and (iii) the disbursement system. The transparency question is addressed below. Several ideas are being explored regarding the responsibility for managing the program. Regarding the disbursement system, alternative to the current vendor approach managed by the FMT would consist of relying on the World Bank's small grants system or farming out the management to an external organization. The pros and cons of each option are being compared. In case of a transition away from the current system, it will be important not to cause any disruption or discontinuity in the program.

Semi-annual call for and review of proposals

- 22. The Capacity Building Programs will include calls for proposals twice a year, with deadlines for submitting proposals set, say, in February and August. The Advisory Committee(s) would then meet twice a year to review proposals and make funding recommendations, for example, on the margins of the March and October Participants Committee meetings. The additional cost of bringing FIP Observers to these meetings, or keeping UN-REDD or FCPF Observers for additional days, would be borne by the FCPF. The Advisory Committee(s) could also decide to meet virtually, either as a rule on a needs basis, if this is more efficient.
- 23. The FMT will request the representatives of Forest-Dependent Indigenous Peoples and Southern CSOs to the FCPF, UN-REDD Programme and FIP to take on this additional work and responsibility of reviewing proposals from their region, and attending additional meetings to discuss and make recommendations. Initial contacts with observers indicate a willingness to take on this role. Other than travel expenses, the members of the Advisory Committee(s) will not be remunerated for this work (the same way that PC members from REDD Country Participants are not remunerated for reviewing R-PPs as part of the PC R-PP assessment process).
- 24. Dissemination of information about the Capacity Building Programs and proposal(s) due dates will be made through multiple channels, utilizing the FCPF website and the networks of contacts of the FCPF, UN-REDD and the FIP, as well as those of the Forest-Dependent Peoples and Southern CSOs.

Amount of financial support

25. The total allocation is \$5.5 million for FY2012-2015 (\$3.5 million for Forest-Dependent Peoples and \$2 million for Southern CSOs). An effort will be made to use these resources evenly over time, but flexibility exists for faster or slower usage in given years. Indicative amounts per year and per beneficiary are included in the table below.

	FY12	FY13	FY14	FY15	TOTAL
Southern CSO Capacity Building Program	\$230,000	\$560,000	\$560,000	\$650,000	\$2,000,000
Support through contracts/grants	\$200,000	\$500,000	\$500,000	\$590,000	\$1,790,000
Travel budget for FCPF meetings	\$30,000	\$45,000	\$45,000	\$45,000	\$165,000
Operational budget (travel & incidental)	\$0	\$15,000	\$15,000	\$15,000	\$45,000
Forest Dependent Indigenous Peoples and other Forest Dwellers Capacity Building					
Program	\$790,000	\$1,330,000	\$690,000	\$690,000	\$3,500,000
Support through contracts/grants	\$300,000	\$700,000	\$600,000	\$600,000	\$2,200,000
Observers' travel budget for FCPF meetings	\$75,000	\$75,000	\$75,000	\$75,000	\$300,000
Operational budget (travel & incidental)	\$15,000	\$15,000	\$15,000	\$15,000	\$60,000
Regional Dialogues on FCPF	\$400,000	\$200,000	\$0	\$0	\$600,000
Global Dialogue on FCPF	\$0	\$340,000	\$0	\$0	\$340,000
TOTAL	\$1,020,000	\$1,890,000	\$1,250,000	\$1,340,000	\$5,500,000

Selection Criteria

- 26. To date the FCPF Facility Management Team has adopted the following selection criteria to assess proposals submitted by organizations of Forest-Dependent Indigenous Peoples. Programs should:
 - i. Be located in FCPF REDD Country Participants;
 - Be proposed by networks or organizations of Forest-Dependent Indigenous Peoples and/or Southern CSOs, as appropriate, or be explicitly endorsed by relevant networks and organizations;
 - iii. Prepare national and regional organizations of Forest-Dependent Indigenous Peoples and/or Southern CSOs, as appropriate, to contribute to their national REDD+ readiness processes;
 - iv. Reinforce the national REDD+ readiness efforts;
 - v. Include regional and/or national capacity building workshops and initiatives on REDD+;
 - vi. Emphasize the dissemination of capacity building benefits to local communities; and
 - vii. Show how FCPF support to Forest-Dependent Indigenous Peoples and Southern CSOs will be leveraged to attract additional support.

Annex 1: Forest-Dependent Peoples Capacity Building Program Activities

FY Allocated	Vendor	Location	Amount (USD)	Status		
FY09	COICA (Coordinadora de las					
	Organizaciones Indígenas de la	Amazon				
	Cuenca Amazónica)	Basin	49,950	Completed		
	IIDKY-COONAPIP (Instituto de					
	Investigación y Desarrollo de					
	Kuna Yala)	Panama	62,048	Completed		
	IPACC (Indigenous Peoples of					
	Africa Co-ordinating					
	Committee)	Africa	69,246	Completed		
FY09 TOTAL			181,244			
FY10	Telapak	Indonesia	78,545	Completed		
	Groupe de Travail Climat REDD+					
	de la Société Civile	DRC	70,000	Completed		
	ONPIA (Organización de Pueblos					
	y Naciones Indígenas en					
	Argentina)	Argentina	67,317	Completed		
FY10 TOTAL			215682			
FY11	COICA (Coordinadora de las					
	Organizaciones Indígenas de la					
	Cuenca Amazónica)	Colombia	60,000	Completed		
	,		,	·		
	FIPAC Congo Basin Workshop	Congo Basin	40,000	Completed		
	High Level SDN Direct Dialogue			·		
	with Indigenous Peoples	DC	20,000	Completed		
	International Technical					
	Workshop of Indigenous					
	Peoples towards COP 16	Mexico	25,000	Completed		
	FIP Regional Global Caucuses	Global	53,653	Completed		
FY11 TOTAL		198,653				
FY12	NEFIN: Nepal Federation of					
	Indigenous Nationalities	Nepal	60,000	Under implementation		
		Republic of				
1	National Platform For Civil					
	National Platform For Civil society Organization	•	70.000	under implementation		
	society Organization	Congo	70,000	under implementation		
		•	70,000 44,950	under implementation Under implementation		

Annex 2: Results of the Mapping Exercise of Capacity Building Programs for Forest-Dependent Peoples and Southern CSOs (FCPF, UN-REDD Programme and FIP)

The mapping revealed that all three programs have strong commitments towards enhancing the effective participation and inclusion of Forest-Dependent Indigenous Peoples and other forest Dwellers and CSOs in REDD+ related activities. There is a recognition amongst the three programs that the engagement of Forest-Dependent Indigenous Peoples and other forest Dwellers and CSOs critical in all the phases of REDD+ (i.e., readiness, investments and performance-based payments). As countries are starting to engage relevant stakeholder groups in developing their REDD+ strategies, substantial awareness raising and capacity building is required for people at the grassroots to meaningfully participate in the national dialogues where critical issues with implications for their livelihoods will be discussed. At the same time it was recognized that there is a need for capacity building at regional and global levels in order to build the knowledge base of IPs and CSOs on climate change and REDD+, thus empowering them to translate global knowledge into actionable plans at the national level. Details are provided below.

Participation in meetings

All three programs provide travel support to self-selected representatives of Forest-Dependent Indigenous Peoples and CSOs to participate in governance meetings (FCPF Participants Assembly and Participants Committee; UN-REDD Policy Board; and FIP Sub-committee). The UN-REDD Programme has provided additional resources for these representatives to consult and engage their constituencies prior to participating in meetings (the FCPF now also provides this flexibility). The UN-REDD Programme provides funding on an annual basis for Forest-Dependent Indigenous Peoples and CSOs to participate in other relevant regional and international REDD+ events, such as UNFCCC COPs, the UN Permanent Forum on Indigenous Issues, and COPs of the Convention on Biological Diversity (the FCPF now also provides this flexibility).

Consultation and Participation in REDD+ Processes

All three programs are supporting national, regional and global level consultations with Forest-Dependent Peoples and CSOs.

The FIP has supported a series of regional consultations and facilitated self-selection of Indigenous Peoples and Local Community representatives from FIP pilot and non-pilot countries to develop the design of the Dedicated Grant Mechanism (DGM) for Indigenous Peoples and Local Communities — a \$50million grant-making initiative to support initiatives of Indigenous Peoples and Local Communities. The DGM will channel grants to Indigenous Peoples and local communities in FIP pilot countries to build capacity and support their participation in FIP and other REDD+ processes in national regional and global levels. To make the DGM operational in the pilot countries, the World Bank, acting as a FIP implementing agency, will begin facilitation of national information sharing workshops during 2012 in DR Congo, Burkina Faso, Ghana and Lao PDR. Information sharing workshops on the DGM are also planned in Brazil, Mexico and Peru. A meeting of the global working group of Indigenous Peoples' and Local Communities' representatives on the DGM is planned during 2012 to discuss and agree on key operational principles for the DGM. Once fully operational, the DGM will serve as a global platform for Indigenous and other forest dependent communities on REDD+ issues. In addition, the DGM has a global component of \$5 million that aims to facilitate exchanges of knowledge and experience among

Indigenous Peoples and Local Communities on REDD+ issues in both pilot and non-pilot countries. This program will build and strengthen networks and alliances and provide resources for effective monitoring and evaluation of the DGM.

The UN-REDD Programme has a capacity development program for Forest-Dependent Indigenous Peoples and CSOs to participate fully and effectively in national and international REDD+ processes. Financial support is from January to December 2012) with annual renewals to be requested of the Policy Board.

UN-REDD also supports the development of guidance (e.g., stakeholder engagement, Free, Prior, and Informed Consent, grievance) through inclusive and consultative processes, as well as the implementation of this guidance through support to National Programmes and awareness-raising of stakeholders at the national, regional and international levels.

The UN-REDD Programme has an annual budget (January to December 2012) that provides funding for national and regional consultations, as well as for the participation of Indigenous Peoples and CSOs in the development of key components of UN-REDD National Programmes (e.g., safeguards, governance, anti-corruption, participatory governance assessments, benefit sharing).

Finally, the UN-REDD Programme has set aside resources to be used specifically to support the FCPF regional and global dialogues.

For its part, the FCPF provides funding for regional and global dialogues with Indigenous Peoples to be conducted in 2012 and 2013.

The FCPF includes a capacity building program for Forest-Dependent Indigenous Peoples and other forest Dwellers designed to enhance information, knowledge and awareness on REDD+ in order to enhance understanding of REDD+, and to engage more meaningfully in the design and implementation of REDD+. This program started in 2009 with \$1 million and was expanded in 2011 to a level of \$3.5 million. In addition a new capacity building program for Southern CSOs was created in 2011 and funded up to \$2 million. The goal of this program is to enhance the participation of CSOs in the design and implementation of REDD+.

Coordination

The capacity building activities for all three programs tend to focus on REDD+ related issues, such as land tenure, governance, community-based MRV, livelihoods initiatives, safeguards, benefit sharing, the use of local indigenous knowledge systems, etc. Therefore coordination of activities is key to ensuring the effective use of resources and maximizing development outcomes.

The Indigenous Peoples Action Plan regarding FCPF adopted by Indigenous Peoples in the Global Dialogue on the FCPF held on September 27-29, 2011 in Guna Yala, Panama recommended that, in the context of the requested increase in the FCPF Indigenous Peoples' Capacity Building Program, "A Global Advisory body with a decision-making power shall be created and to be composed of the following: Two (2) indigenous peoples representatives from each of these regions – Africa, Latin America, Asia and one (1) IP representative from the Pacific region: two (2) representatives of the PC and two (2)

representatives from the FMT. The indigenous representatives shall be chosen through a self-selection process."⁷ A similar model has been proposed by CSO Observers for the CSO Capacity Building Program.

This advisory body, referred to below as Advisory Committee (or two different Advisory Committees, depending on whether one or two bodies serve the capacity building programs for Forest-Dependent Peoples and Southern CSOs), can help increase the transparency and efficiency by targeting well-positioned organizations with interesting proposals. If need be, the Advisory Committee(s) could serve as coordination mechanisms for capacity building programs beyond the FCPF, hence increasing synergy and avoiding duplication across various initiatives. To this end, UN-REDD Programme and FIP representatives could be invited to participate.

The Advisory Committee(s) would make recommendations on the allocation of funding from the FCPF capacity building programs by setting priorities and requesting proposals, reviewing proposals, and recommending which ones should get funded. Specific selection criteria would be adopted in due course.

⁷ See Annex I of the report available at http://www.forestcarbonpartnership.org/fcp/sites/forestcarbonpartnership.org/files/Documents/PDF/Nov2011/G una Yala Dialogue Final Report EN.pdf.