

Forest Investment Program Update on Implementation



Andrea Kutter

**Sr. Program Coordinator – FIP and PPCR
CIF Administrative Unit**

15 th Meeting of the FCPF Participants Committee

Climate Investment Funds



Clean Technology Fund

Finance scaled-up demonstration, deployment and transfer of *low carbon technologies*

Investment Plans

- Support country and regional development strategies
- Leverage financial products of Multilateral Development Banks
- Stimulate private sector engagement

\$4.5 billion

Strategic Climate Fund

Targeted programs with dedicated funding to pilot new approaches with potential for scaling up



Pilot Program for Climate Resilience

Mainstream climate resilience into core development planning

Forest Investment Program

Reduce emissions from deforestation and forest degradation

\$ 640 million

Scaling Up Renewable Energy in Low Income Countries

Create economic opportunities and increase energy access through renewables

\$ 2 billion



FIP Pilot Countries



FIP	Other REDD+ Programs	
	FCPF	UNREDD
Brazil	x	x
Burkina Faso	x*	x
DRC	✓	✓
Ghana	✓	✓
Indonesia	✓	✓
Lao PDR	✓	✓
Mexico	✓	✓
Peru	✓	✓

REDD+ Phases

National strategies/Readiness

(Bilaterals, GEF, government, FCPF RF, UN-REDD, ...)

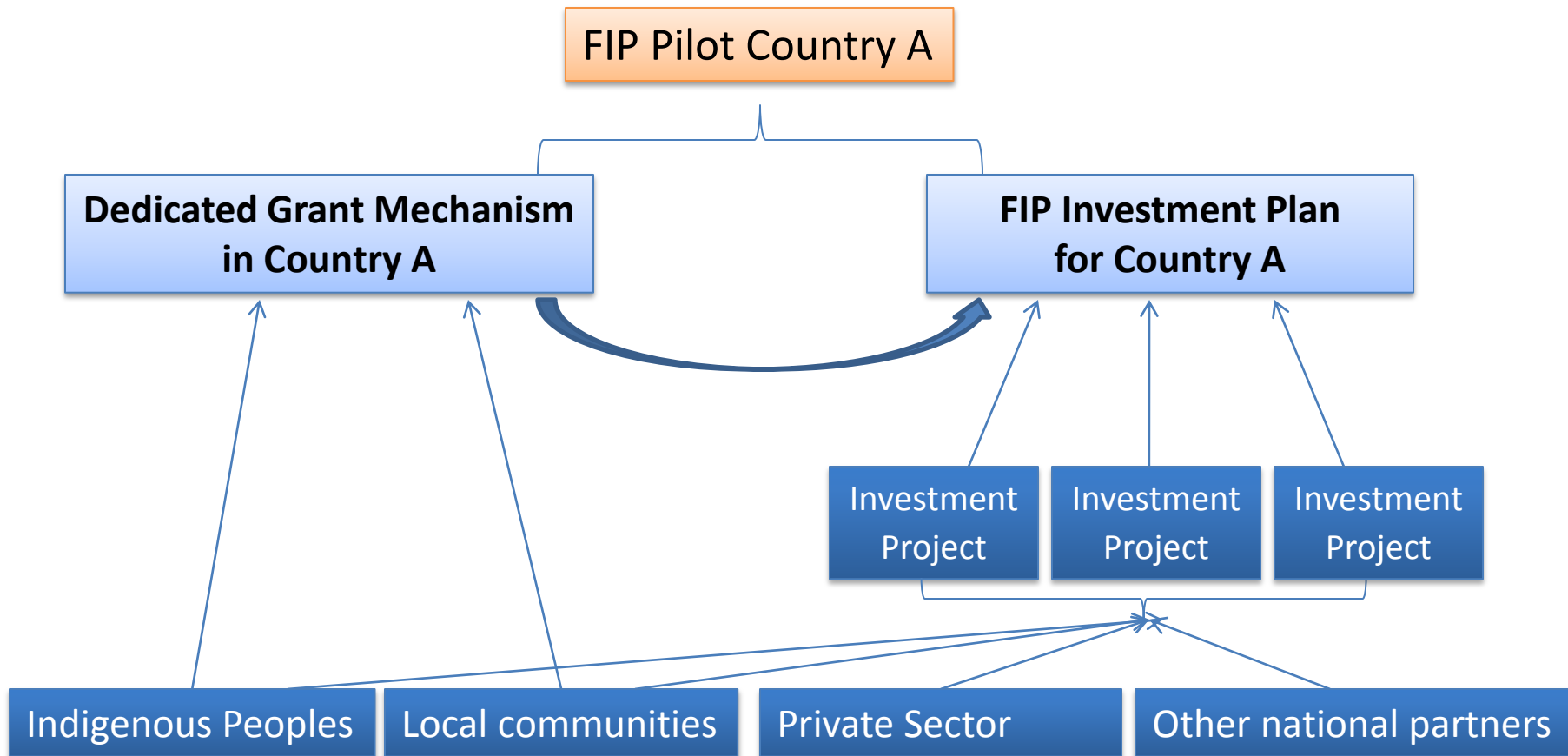
Implementation

(Amazon Fund, bilaterals, CBFF, GEF, **FIP**, government, multilaterals, private sector, UN-REDD, ...)

Results-based actions

(Bilaterals, FCPF CF, government, NICFI, ...)

FIP Programming



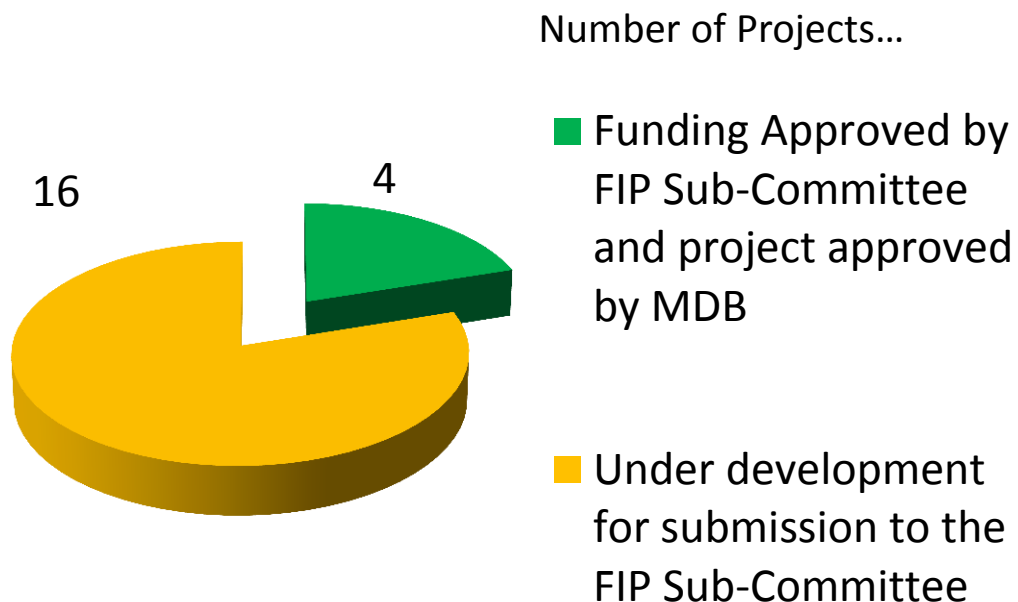
FIP Principles



FIP fosters a programmatic approach with....

- ✿ National ownership and support of national strategies
- ✿ Contribution to sustainable development and poverty reduction
- ✿ Promotion of measurable outcomes and results-based support
- ✿ Coordination with other REDD+ efforts
- ✿ Partnerships using comparative advantages of others
- ✿ Early, integrated and consistent learning efforts

Status of Program



- ✓ 7 out of 8 Investment Plans (IP) endorsed
- ✓ IP for Peru is scheduled for November 2013
- ✓ Solid and active pipeline of projects and programs
- ✓ AfDB, ADB, IDB, WBG (incl. IFC)
- ✓ High confidence of submission of projects and programs as scheduled

Link between REDD+ readiness and implementation

“There is a strong correlation between the level of readiness and the identification and implementation of results-oriented REDD+ relevant investment activities.”

Examples: link between FCPF and FIP



Ghana - deliberate mapping of synergies revealed that FCPF and FIP can mutually enhance each other's objectives in the area of safeguards. FIP incorporated the findings of the analytical work done in the context of the FCPF Strategic Environmental and Social Assessment (SESA) in its investment plan.

Peru - results of a FIP funded study on the drivers of deforestation and a gap analysis of ongoing and planned REDD projects will serve as inputs to the National REDD+ Strategy for Peru under its FCPF readiness program and inform the identification of the projects in the FIP investment plan

Strategic Lessons

Challenges and opportunities with developing investment plans

“There is a great variance in the time it has taken the eight pilot countries to develop their investment plans [...]. It can be attributed to differences in country circumstances regarding institutional readiness, stakeholder involvement, approaches to consultation, and the progress in implementation of other REDD+ readiness activities.”

Timeframe	Countries
Group 1 (12 months or less)	Democratic Republic of Congo (DRC)
Group 2 (13 to 24 months)	Brazil, Lao PDR, Mexico
Group 3 (more than 24 months)	Burkina Faso, Ghana, Indonesia, Peru

Other Emerging Lessons



Private Sector and REDD+

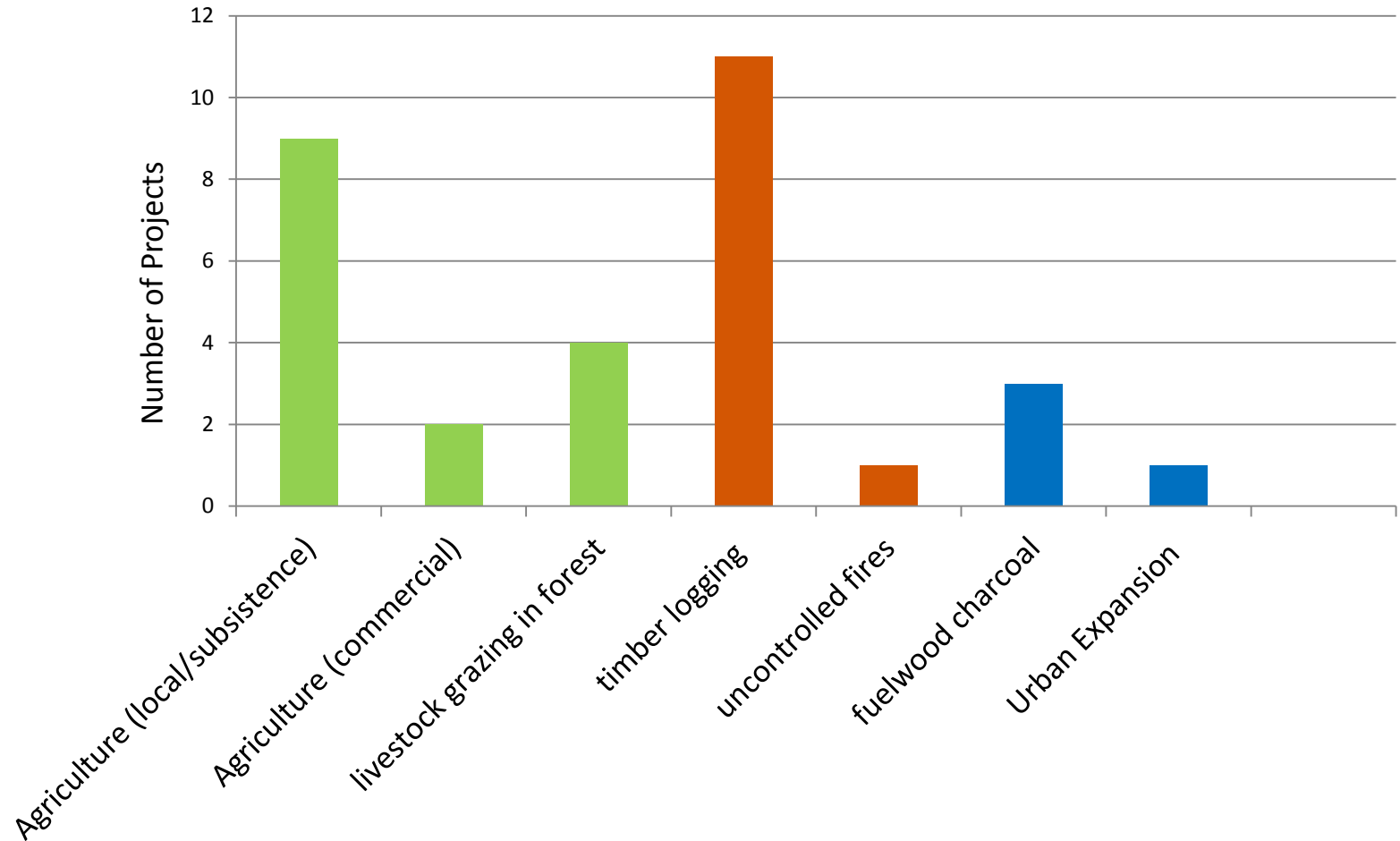
- Innovative private sector investments:
 - Mexico: REDD+ credit line (IDB)
 - Lao PDR: Out-grower scheme (IFC)
- FIP Private Sector window to stimulate more interest (open call)

FIP Results Monitoring and Reporting

- Currently: 37 indicators (“pick- and choose” approach) – needs simplification
- Working group (contributors, pilots, MDBs) to suggest 3-5 core indicators to be measured at the level of the investment plan

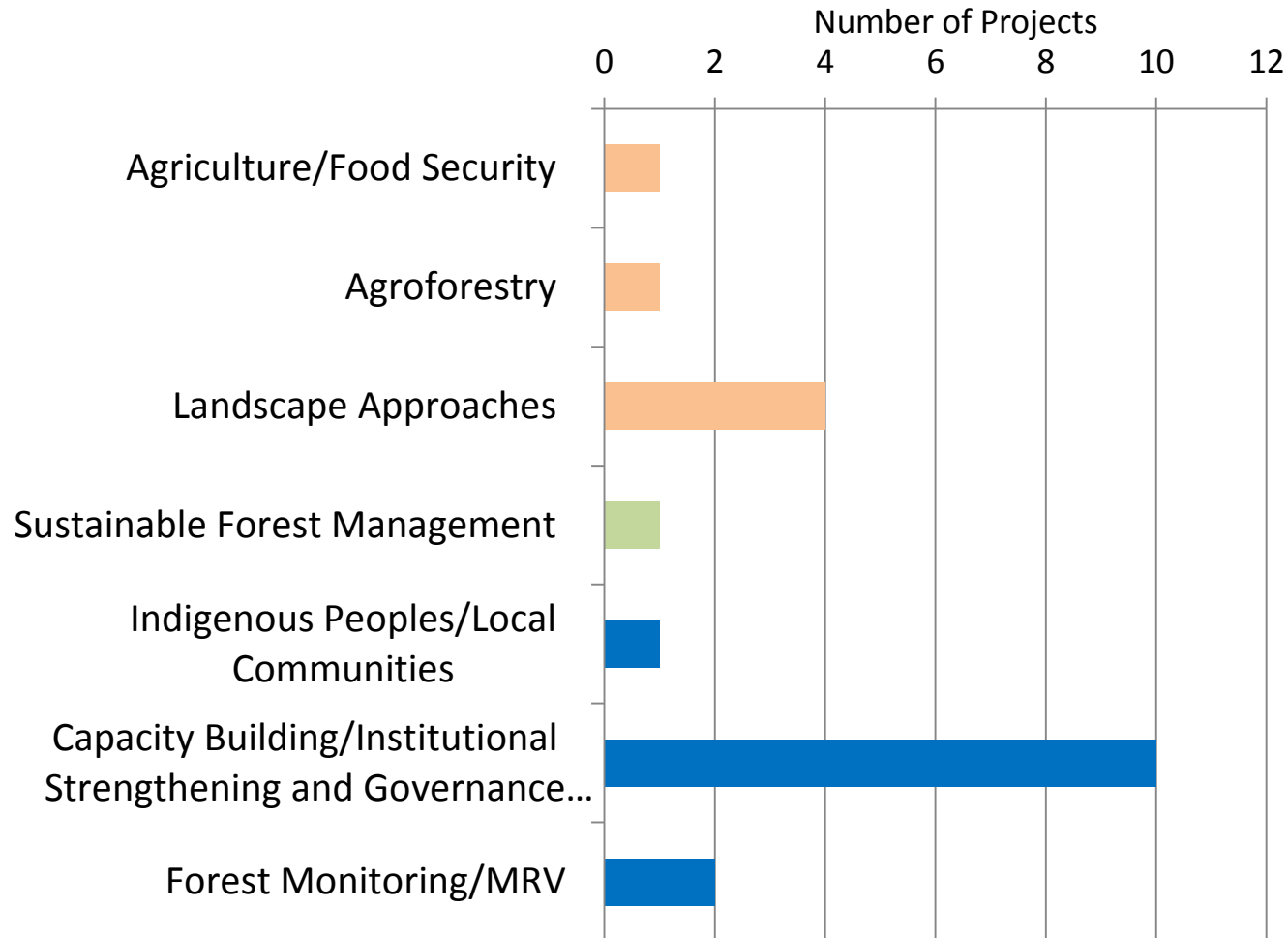
Portfolio Trends

Drivers of Deforestation and Forest Degradation



Portfolio Trends

Thematic Scope and Sector



Other Developments



Dedicated Grant Mechanism for Indigenous Peoples and Local Communities

- proposed Framework Operational Guidelines for the DGM being finalized
- advancements on global component, Burkina Faso, Brazil and Ghana
- Lead MDB for DGM in Mexico is still being discussed
- Global Executing Agency: Call for Expression of Interest (ongoing)

FIP Private Sector Set-Aside

The screenshot shows a webpage with a navigation bar at the top containing links: Home, About Us, Funds & Programs, Themes, Country Plans & Projects, Learning & Events, Documents, News, Measuring Results, and Stakeholders. Below the navigation bar is a breadcrumb trail: Home > Funds & Programs > Strategic Climate Fund > Forest Investment Program > FIP Private Sector Set-Aside. The main content area has a green background with the heading "Access to Competitive Funding" and the sub-heading "FOR INNOVATIVE PROGRAMS AND PROJECTS THAT ENGAGE THE PRIVATE SECTOR IN THE FIP". Below this is a paragraph of text: "Under the Forest Investment Program (FIP), over USD 50 million in concessional funds have been set aside to contribute to the financing of innovative programs and projects that engage the private sector in reducing emissions from deforestation and forest degradation and promote sustainable forest management. Proposals for utilizing these funds will be reviewed and selected on a competitive basis by the FIP Sub-Committee, taking into account the recommendations of an expert group. The first round of funding will be agreed in November 2013." This is followed by another paragraph: "Activities financed will need to be aligned with investment program of one of the eight countries engaged in the FIP: Brazil, Burkina Faso, DR of Congo, Ghana, Indonesia, Lao PDR, Mexico, and Peru." A third paragraph states: "Programs and projects will be implemented through one of the CIF partners: the African Development Bank, the Asian Development Bank, the Inter-American Development Bank and the World Bank Group, including the International Finance Cooperation." The final paragraph reads: "Proposals should advance the FIP objectives (see FIP design document) and be aligned with the objectives of a country's FIP investment plan (Brazil, Burkina Faso, DR of Congo, Ghana, Indonesia, Lao PDR, Mexico, and Peru)." To the right of the text is a "RESOURCES" section with three items: "Procedures for allocating FIP Resources on a Competitive Basis from a Set Aside" (with a document icon), "Timeline for accessing resources under FIP Set-Aside" (with a calendar icon), and "Downloading common format to be used to present project concepts for consideration" (with a download icon).

- ✓ Procedures
- ✓ Timeline
- ✓ Format to present concepts
- ✓ Nomination of experts
- ✓ Interest is high

Forest Investment Program



www.climateinvestmentfunds.org

Akutter@worldbank.org