

Forest Carbon Partnership Facility

Mid Term Evaluation 2008-2010

Interim Results

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Evaluation Mandate

Evaluation objectives

An examination of :

- The **relevance** of the FCPF 2008-2010;
- The **effectiveness** and the **efficiency** of its implementation;
- Recommendations for improvement.

Evaluation analysis

OECD DAC Criteria and Initial Cluster as in ToRs	Key Evaluation Questions
Relevance	
Cluster One	Has the FCPF added value to the REDD-plus processes undertaken by REDD Country Participants and other donors?
Cluster Two	What is the relevance of the FCPF within the context of the REDD-plus developments at the global and national levels?
Effectiveness	
Cluster Two	Is the FCPF on track to meet its objectives?
Cluster Four	How effective has the FCPF governance structure been?
	Have the activities of the FCPF Readiness Mechanism played a catalytic effect on its country participants?
Cluster One	What are the key lessons, intended and unintended outcomes for REDD-plus readiness in REDD Country Participants?
Efficiency	
Cluster Four	To what extent has the FCPF been efficient in achieving desired results?
Cluster Three	Is the FCPF cooperating with other processes?

Evaluation Phases

➤ ***Phase 1 : Inception***

(Establishment of methodological tools: evaluation matrix and questions)

➤ ***Phase 2 : Data collection phase***

(documentary review, online survey, telephone interviews and field missions)

➤ ***Phase 3: Data Analysis and Report Writing***

(data triangulation, synthesis and analysis; interim findings and draft report preparation)

Phase 2: Data Collection- On line survey

- Launched on December 30th 2010 ; officially closed at the end of day on February 1st, 2011.
- Sent to all relevant FCPF stakeholders including: Observers, Donors, PC members as well as stakeholders from all Participant Countries
 - Survey Reminder : January 11th
 - Survey extended until January 24th
 - Personal email invitations

Phase 2: Data Collection- On line survey(2)

- **Original recipient list: 236 contact emails**
- **After filtering for duplicate emails, multiple emails to the same individual, bounced emails the list was reduced to: 165**
- **From a total of 165 :**
 - Total Started Survey: 63 (38%).
 - Completed the Survey: 42 (66.7%).

Phase 2: Data Collection- Field missions

1. **DR Congo** (January 24th – February 2nd) Alain Lafontaine, Tom Blomley
 - 77 stakeholders met; and 40 individuals in Focus Groups
2. **Mexico** (February 20th – March 3rd) Alain Lafontaine
 - 43 stakeholders met; and 14 individuals in Focus Groups
3. **Nepal** (March 2nd – March 10th) Tom Blomley
 - 57 stakeholders met

In all three countries – consultations were held at national, provincial and local levels

Country Case study sampling tool

Country	Region	Status of Readiness Proposal	Involvement with other Global REDD Initiatives		
			UN-REDD	FIP Pilot Country	REDD+ Partnership
Mexico	LAC	Assessment	O	Y	P
Congo, Democratic Republic of	Africa	Final submitted	M	Y	P
Nepal	Asia	Final submitted			P

O=Observer country, M=Member country, Y=Yes, P=Partner country

Total number of Stakeholders Consulted

(Total as of March 9th, 2011; this total excludes the Nepal mission)



Phase 3: Data Analysis

- Data collected on each of the evaluation matrix indicators is analysed
- Data coming from all sources triangulated through analysis to ensure a high level of confidence in findings:
 - Literature review, survey, interviews, and field visits

Phase 3: Data Analysis

Data Triangulation using the Evaluation Matrix as the primary tool:

Key Evaluation Questions and Evaluation Sub-questions	Indicators	Data from Interviews/Field Missions/ Survey data/Documentation
Relevance		
Cluster One: Has the FCPF added value to the REDD-plus processes undertaken by REDD Country Participants?		
In what way has the FCPF added value to the REDD-plus processes undertaken by REDD Country Participants?	<ul style="list-style-type: none"> ▪ Perception of FCPF added value from stakeholders 	
	<ul style="list-style-type: none"> ▪ Perception of the Readiness process from stakeholders 	
	<ul style="list-style-type: none"> ▪ Extent to which the FCPF governing system is perceived as accountable and transparent 	
	<ul style="list-style-type: none"> ▪ Level of responsiveness of the Participants Committee to guidance of key international conventions and the needs of REDD Country Participants 	

Preliminary Findings

Please keep in mind that these findings are Interim and have yet to be finalized.

RELEVANCE-Key Findings (1)

Cluster 1: Has the FCPF added value to the REDD-plus processes undertaken by REDD Country Participants and other donors?

At a global level, FCPF's added value and relevance to global REDD-plus processes are:

- **Pioneering the development of a common framework for REDD-readiness**
- **A process of continually raising standards in the relatively new concept of REDD-plus**
- **Creating a venue for the exchange of lessons learned and experiences**
- **Leveraging additional donor funding for REDD-plus**

RELEVANCE-Key Findings (2)

Cluster 2: What is the relevance of the FCPF within the context of the REDD-plus developments at the global and national levels?

At a national level, FCPF's added value and relevance to in-country processes is:

- **The provision of practical tools and guidance** for moving forward with REDD-plus planning
- **Cross-sectoral and cross-institutional engagement**
- Building **in-country awareness** and understanding of REDD
- Fresh **impetus for addressing pervasive governance challenges**
- Bringing together **valuable sources of information on forest sector**

EFFECTIVENESS-Key Findings (1)

Cluster 2: Is the FCPF on track to meet its objectives?

- Demonstrated leadership:
 - Since its inception in 2008, FCPF has demonstrated leadership and ability for:
 - evolving thinking on REDD plus,
 - development of common guidance and templates.
 - raising in-country awareness, understanding, capacity and skills around REDD-plus issues..

- Response to global interest:
 - FCPF has responded to an increased interest in the area of REDD-plus Readiness and augmented the total number of Country Participants by 17 (almost doubling its initial target)

EFFECTIVENESS-Key Findings (2)

Cluster 4: How effective has the FCPF governance structure been? Have the activities of the FCPF Readiness Mechanism played a catalytic effect on its country participants?

- South South learning:
 - South-South learning is increasingly the medium through which in-country experiences are disseminated between participating countries

- Consideration of past lessons learnt:
 - Concerns have been raised in some countries regarding the degree to which FCPF-supported processes are taking account of lessons already learned in the forest sector, and linking into existing or planned initiatives and structures relevant to REDD-plus.

EFFECTIVENESS-Key Findings (3)

- The governance structure and processes of the FCPF are seen as highly effective by members and observers alike.
- Establishing systems for performance based payments:
 - Despite this good progress made to date, it is too early to comment on whether the objectives of establishing large scale systems of performance-based payments are realistic given the in-country capacity, timeframe and resources made available under the programme.
- Defining REDD plus Readiness:
 - Differences of opinion exist regarding the definitions of REDD-readiness and the point at which countries are “ready”. Increasingly in country experience points to a more gradual and evolving approach shaped by pilots, in which readiness proceeds alongside the testing of payment systems (either fund-based or voluntary)

EFFECTIVENESS-Key Findings (4)

Cluster One: What are the key lessons, intended and unintended outcomes for REDD-plus readiness in REDD Country Participants?

FCPF has created positive catalytic effects through:

- Generating political interest:
 - Creating and increasing political momentum as well as creating incentives within governments to tackle deforestation and deforestation drivers;

- Establishing approach for readiness:
 - The establishment of a shared step-by-step process and structure through which to approach Readiness

EFFECTIVENESS-Key Findings (5)

- Promoting stakeholder engagement:
 - The engagement of governments in **consultative processes with stakeholders** that would otherwise not necessarily have been consulted;

- The use of the R-PP template:
 - As an accepted norm for national readiness planning.

 - Facilitating greater donor co-ordination at the country level

Examples of Catalytic Effects

In DRC:

- Government ministries view the R-PP as a **strategic plan, or a statement of intent**
- Civil society observers and partners, however, felt that the process had been rushed, externally driven and that many key aspects had been glossed over

In Mexico:

- The R-PP has **fed in the development of the “Vision”** document, which is seen as more comprehensive and the result of a more consultative process

In Nepal:

- There is broad satisfaction with the R-PP process and level of outreach and consultation. R-PP is expected to **contribute to the National Forest Strategy**, currently under development

Other Unintended Effects

1. **New momentum, energy and fresh incentives to address long-standing problems:** land, forest and natural resource tenure conflicts, and governance constraints, all cross-sectoral in nature.
2. **The creation of a political space for interaction** between the state and non-state actors for discussion around issues of forest policy.
3. Not only stemming from FCPF alone, but also from global momentum of REDD-plus:
 - **The creation of very high expectations**, both in terms of the speed at which the necessary political and institutional reforms can be realized but also in terms of the scale and timing of performance based payments.
 - **Inter-ministerial conflict over decisions relating to the institutional home** of REDD-co-ordination.

Enhanced flexibility and openness to 'learning by doing' (1)

1. Pilot to Global

- Expansion from target of 20 REDD plus countries to the current level of 37

2. Multiple delivery partners

- Identifying delivery channels outside the WB; such as African and Asian Development Banks and core partners to UN-REDD (United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP) and Food and Agriculture Organisation (FAO))

Enhanced flexibility and openness to 'learning by doing' (2)

3. Changes to the R-PP template

- Initially, the R-PP was largely a technical document, template has been expanded to encompass broader concerns relating to governance, risk mitigation and co-benefits.
- Many of these concerns were raised by civil society at the global level.
- Development of common template for REDD-plus readiness between FCPF and UN-REDD has been an important and commendable development.

Are FCPF goals realistic given capacity and time available? (1)

Summarized FCPF Objectives:

- a) To assist Eligible REDD Countries in their efforts to achieve Emission Reductions from deforestation and/or forest degradation (financial and technical assistance in building their capacity);
- b) To pilot a performance-based payment system for Emission Reductions generated from REDD activities;
- c) Within the approach to REDD, to test ways to sustain or enhance livelihoods of local communities and to conserve biodiversity; and
- d) To disseminate broadly the knowledge gained in the development of the Facility and implementation of Readiness Preparation Proposals and Emission Reductions Programs.

Are FCPF goals realistic given capacity and time available? (2)

Very ambitious goals given the timeline, the existing capacities in place in most countries and the complex inter-sectoral dimensions of REDD-plus.

At outset, capacity to address REDD-plus issues in many of the participating countries was close to zero.

FCPF has been able to:

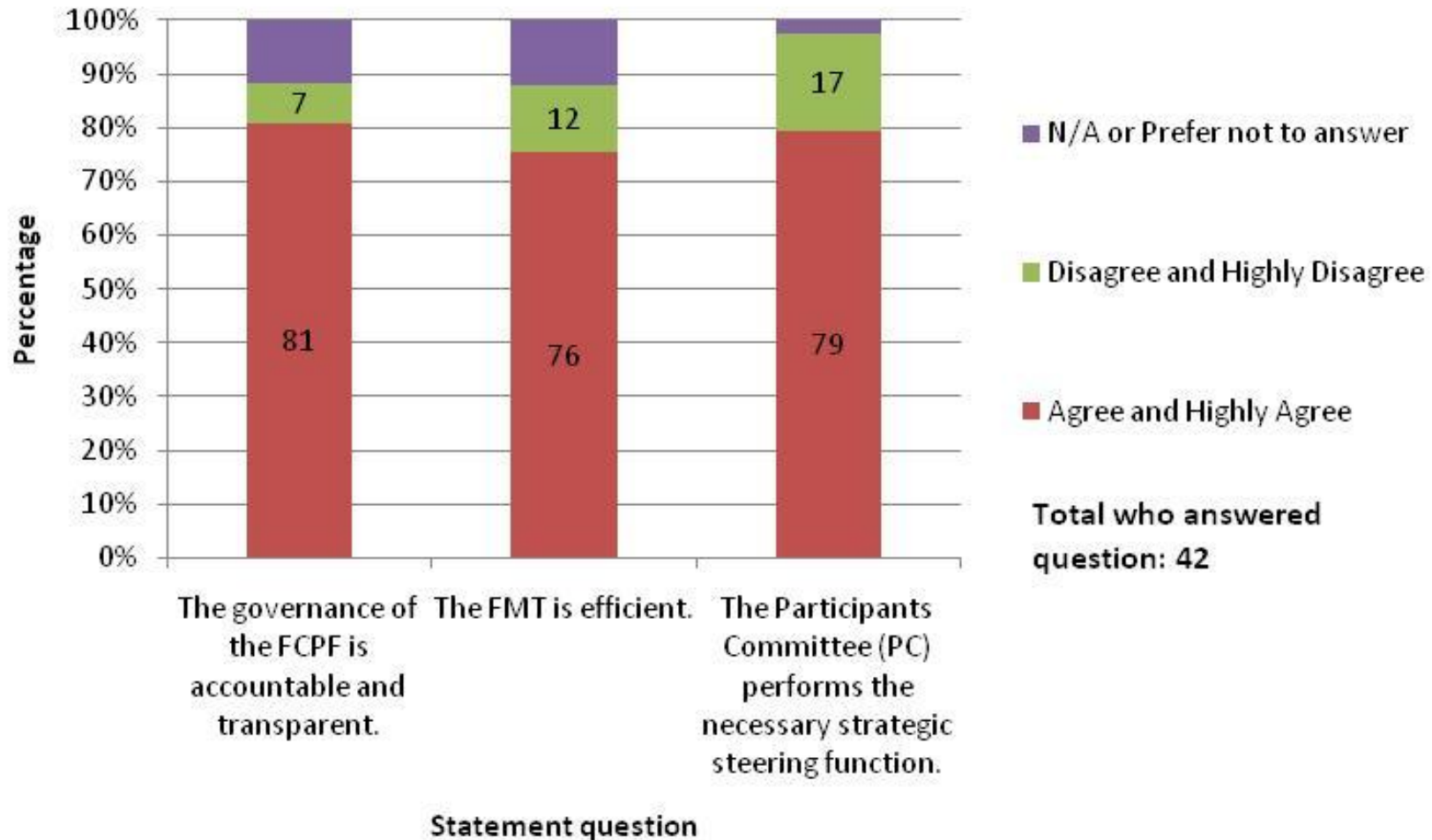
- Raise in-country awareness
- Increase understanding of REDD-plus issues
- ‘raise-the-bar’ at the global level in terms of standards for REDD-plus

Are FCPF goals realistic given capacity and time available? (3)

- FCPF has provided technical and financial assistance to build capacity at the country level (Objective a) and has actively disseminated knowledge gained to date (Objective d).
- FCPF has made limited progress towards achieving Objectives (b) and (c) within its first two years of operations.
- Too early to talk of progress in terms of piloting performance based systems and sustaining or enhancing livelihoods or conserving biodiversity.

Governance: Perceptions from Stakeholders

Perceptions of Governance



Effectiveness of the FCPF governance structure (1)

Achievements of governing system that have contributed to effectiveness of the FCPF thus far have been identified as:

- **Promotion and implementation of a learning-by-doing approach**
- **High level of participation:**
 - participation and maintaining principles of democracy are pivotal for such large partnership to succeed; PC and the PA, as forums for discussion and debate.
- **Good balance in membership:**
 - there is satisfaction regarding the balance that has been achieved in representation between REDD Country Participants and Donor participants.

Effectiveness of the FCPF governance structure (2)

➤ Decision making in PC meetings

- To date, reaching decisions based on consensus has been successful. This again helps to reinforce the partnership approach.
- Concerns have been voiced regarding how the meetings can at times become political and steer off course but this can also be viewed as part of the platform for exchange of opinions.

Responsiveness of the PC to guidance from UNFCCC and CBD

➤ UNFCCC

- Directly responding to impetus from Bali and now Cancun for more efforts regarding REDD-plus;
- Complementarity between the phased approach to REDD plus as described in the negotiations and in FCPF
 - Readiness process is itself comprised of milestones, including the development of the R-PP and the implementation of the readiness activities themselves and in synch with approach in broader negotiations

➤ CBD

- Cooperation could be enhanced

EFFICIENCY-Key Findings (1)

Cluster Four: To what extent has the FCPF been efficient in achieving desired results?

1. Within the past two years, FCPF **has successfully increased donor contributions** and used its budget to accomplish an impressive number of PC and PA meetings, R-PP reviews, undertake in country capacity building activities and coordinate with other initiatives;
2. The **technical expertise provided from the review process** has been **generally strong**;
3. In many cases the **Formulation Grant has not been sufficient to cover the cost of developing the R-PP** and Participant Countries have been obliged to leverage funds from other sources such as bilateral agencies. While this does provide benefits through generating complementary efforts, coupled with long wait times, it has reduced FCPF's overall level of efficiency.

EFFICIENCY-Key Findings (2)

Cluster Three: Is the FCPF cooperating with other processes?

4. There has been a **global effort to increase complementarities and reduce overlap** of FCPF with similar REDD-plus initiatives, such as UN-REDD, although the **success achieved in this aspect is not evident in all countries** and there is **scope for further synergy**;
5. One area which is evident is regarding the engagement of stakeholders and in particular Indigenous Peoples, where **FCPF has strived to increase participation and consultations in country**;
6. Apart from a few notable cases (i.e.. The FCPF has earmarked funding through IP capacity building programme), **FCPF has not provided earmarked funding in support of national civil society** . These costs have been met by other partners in some countries. (This was not in the FCPF objectives. FCPF works with client countries but has promoted civil society engagement);

EFFICIENCY-Key Findings (3)

7. **Private sector has the potential to play an important role** in REDD-plus processes in many countries. Their involvement in R-PP development to date has been limited;
8. **The rate and timeliness of disbursement appears to be the most challenging** aspect of the FCPF to date;
9. Since 2008, 16 Formulation grant agreements have been processed while **no Preparation Grants have been signed**;
10. It is clear that the **needs of REDD countries clearly exceed what the FCPF can provide**. One must keep in mind however that it was not intended to be the only source of financing;

EFFICIENCY- Additional findings

FMT has accomplished numerous tasks in a short time span:

- Facilitated the increase the number of country Participants, elect the first PC – the main decision-making body of the FCPF;
- Facilitated the selection of eligible REDD plus Countries by the PC, based on the preparation and review of their R-PINs;
- Convened 7 PC and 3 PA meetings, the most recent one in November 2010;
- Enhanced transparency and dissemination of information: initiated the FCPF website and upload many relevant documents adding to its transparency;
- Organized distant knowledge sharing sessions with REDD plus participant countries on preparation of R-PPs and thematic workshops;
- Facilitated reviews of 37 R-PINS and 13 R-PPs by TAP and PC;
- Finalized 13 Formulation Grant (\$200k) with 10 under disbursement.

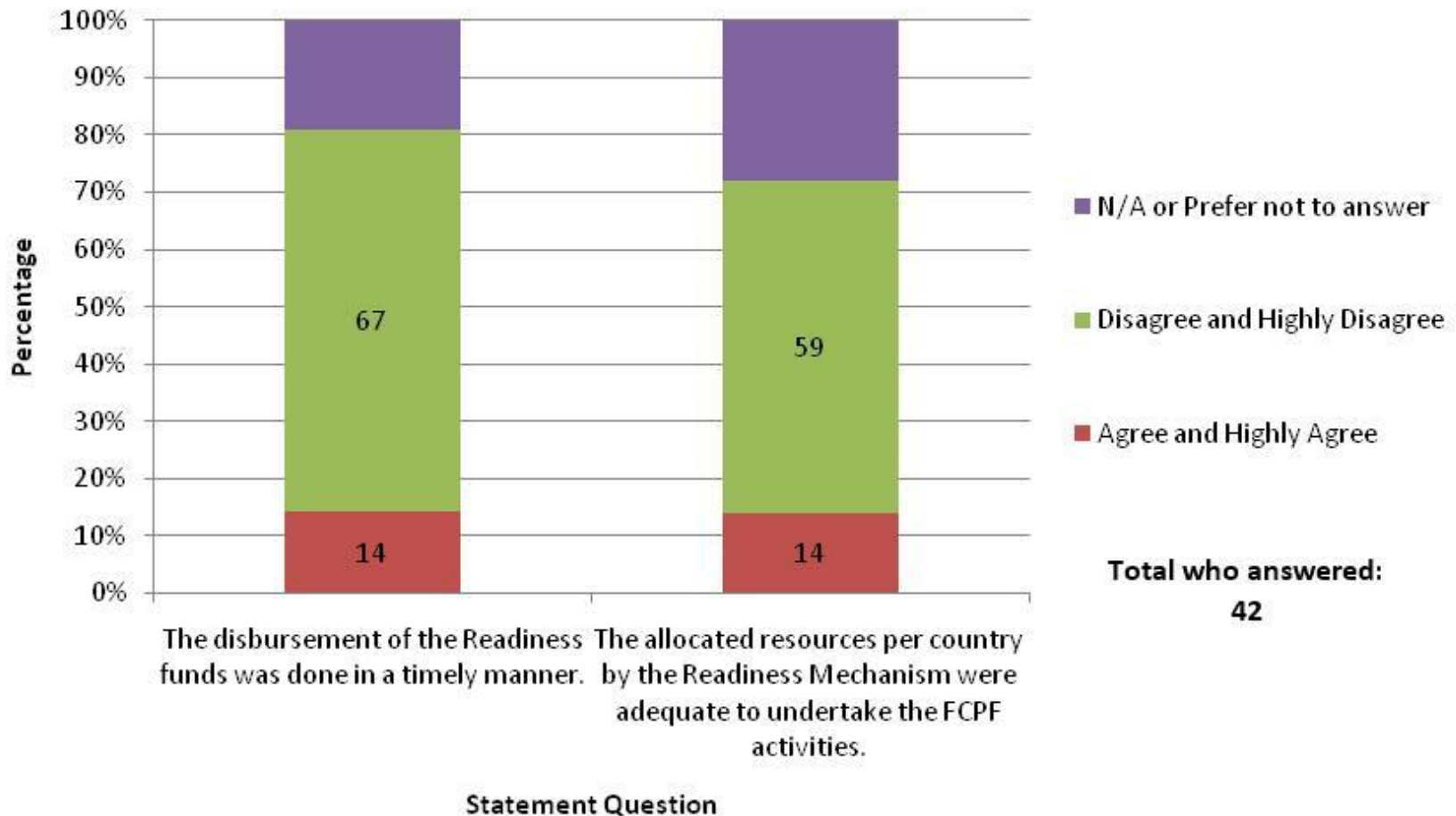
EFFICIENCY- Additional findings (2)

The biggest challenge in terms of efficiency are fund disbursements:

- **Rate and timeliness of disbursement to Participant Countries:** No preparation grant agreements signed as yet though 13 R-PPs assessed by the PC.
- **Diverse reasons for delay:** At the level of World Bank and at the level of country. Countries are at different stages before the grant can be approved (i.e. negotiating additional financial resources, revision of the R-PP to address issues from the review, etc);
- Disbursements are expected to pick up once procedures for due diligence are finalized by the World Bank.

Funds Disbursement: Survey Responses

Satisfaction with Funds Disbursement



Fund Disbursements

- Slow approval process of grant agreements and disbursements due to:
 - Lack of clarity regarding safeguard approach applicable to REDD plus readiness and approval of internal procedures and processes;
 - Country specific issues and typically slow bureaucratic processes on the ground;

Challenges of REDD plus-readiness at the Global level and country level

- Challenge of meeting World Bank Safeguard procedures as well as other emerging international safeguards (e.g., FPIC), while ensuring a coherent national approach.
- On the one hand countries are striving to meet global standards yet on the other hand capacities are still limited

R-PP Review Process (1)

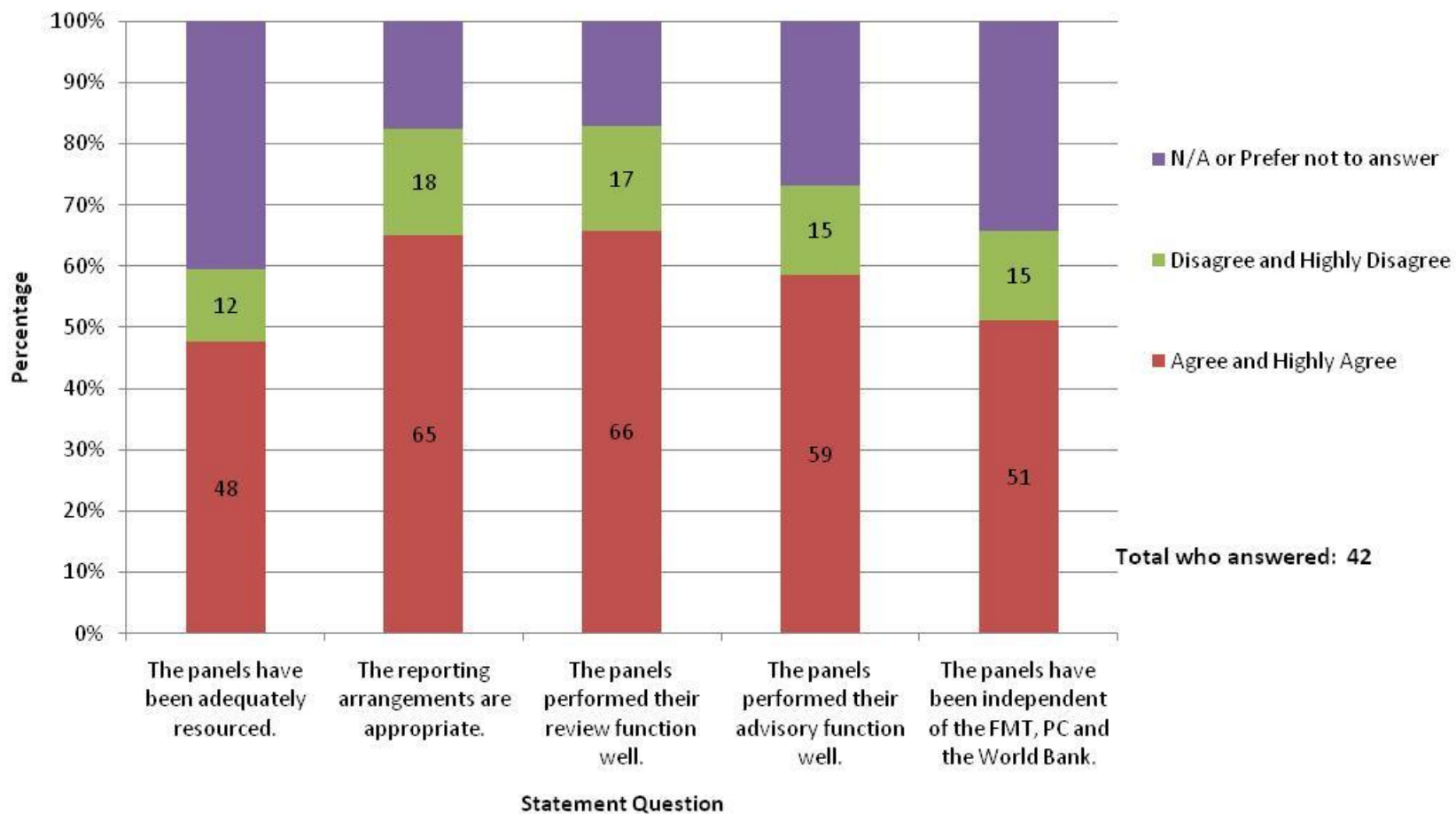
- Overall seen as the hallmark of the FCPF and positive impact has been noted through the improvement in the quality of R-PPs since the first round of submissions.
- PC reviews have allowed for south-south learning and exchanges.
- TAP reviews continue to identify common challenges for countries which will need to be addressed, especially when moving on to the next stage of Readiness.

R-PP Review process (2)

- Process has been labour-intensive and time demanding:
 - It has been estimated that with 6 to 9 TAP reviews per country, this is equivalent to 45 reviews per meeting. Response time for Participant Countries is often tight
 - In the case of DRC, they barely had three days between reception of TAP comments in mid-February and submission of the revised R-PP for consideration at PC5 meeting.
- There have been concerns regarding inconsistency in the review and level of critique.
- Other concerns include inclusion of international consultants in the review process who do not necessarily understand the country context.

Survey Results: Satisfaction with Review Process

Satisfaction with Review Process



LESSONS LEARNED (1)

- 1. Being realistic about what REDD plus can and cannot deliver;**
- 2. Changing perceptions of what it means to be “ready” for REDD plus;**
- 3. Striking a balance between adherence to safeguards and the need for flexibility and piloting;**
- 4. Effective governance structures at global levels;**
- 5. Creating incentives and means for a progressive improvement of knowledge, capacity, governance, plans and standards at national level;**

LESSONS LEARNED (2)

- 6. The importance of learning from the past and forging alliances with other sectors;**
- 7. Anchoring and embedding REDD-plus via a cross-sectoral approach amongst various ministries;**
- 8. Balancing high level political support with the management of expectations;**
- 9. Sufficient time must be allocated to consultations if feedback is to be meaningful;**
- 10. FCPF can trigger national processes on REDD plus but must also accept that it may set in motion national processes that may require flexibility in resource allocation for activities to be supported in the preparation stage.**

LESSONS LEARNED (3)

11. What is the definition of “REDD-readiness”

Is it an end-state in itself or a gradual evolution towards this final goal?

- Only now countries are beginning to understand the scale of work involved in REDD plus-readiness. It may be totally unrealistic to talk of reaching REDD plus readiness within two to three years;
- Readiness is more than about having national level mechanisms in place for payment for environmental services;
- Capacity for implementation of REDD-plus must be developed at all levels (national, state and local) and institutional set ups clarified at all these levels. This takes resources and time. This is probably one of the greatest challenges of the preparation process!

RECOMMENDATIONS (1)

In terms of governance:

- Streamline R-PP review process to ensure that TAP review comments are timely and that adequate time is left to country teams to address TAP comments and own the final product.
- Ensure translation in key meetings and that materials developed by FCPF are available in all main languages to facilitate participation of all PC members, lessons learning and in-take of global experience in national processes.
- Look at the option for further decentralizing FMT staff to other regions beyond Africa to help foster further coordination on the ground and smoother implementation.

RECOMMENDATIONS (2)

In terms of preparation and strategy development process:

- Consider provision of dedicated funds available to national civil society actors (where other sources of funding do not exist) to support a more deliberate process of civil society and IP engagement. Funding support should be made available through global mechanism rather than through country grants channeled to government, to avoid risks of conflict of interest.
- Strengthen participation of key sectoral ministries in national R-PP planning processes and in particular their involvement in identifying, negotiating and resolving conflicting land uses (where they are shown to contribute to deforestation or forest degradation).
- Strengthen participation of “non-sectoral” ministries such as Ministries of Finance, Rural Development and Local Government.

RECOMMENDATIONS (3)

- Strengthen efforts to learn from previous experiences, successes and failures in participating countries from sustainable forest management initiatives and programmes as well as efforts to link more directly to complementary, on-going multi-lateral and bilateral initiatives with the potential to address deforestation drivers.
- Identify best practices through a cross-country review of lessons learned around the issue of conducting effective, representative and productive multi-stakeholder processes (i.e. R-PP development).
- In view of capacity challenges found in many Participant Countries and the need to advance the REDD plus agenda, focus capacity building efforts around the early building blocks of the readiness process & piloting in selected areas to allow learning and scaling up.
- Enhance clarity and guidance to Participant Countries regarding the SESA approach

RECOMMENDATIONS (4)

In terms of efficiency:

- Ensure during the operationalization phase of the Carbon Fund, that it builds on the lessons of the FCPF readiness phase, in particular in terms of ensuring that due diligence requirements do not impede Emission Reduction transaction, beyond legitimate requirements.
- Continue to focus on experimentation around pilots.
- Scale up support for regional measures designed to foster South-South exchange and learning.

RECOMMENDATIONS (5)

- Move away from “flat rate” disbursements of Preparation and Readiness Grants, to a system that provides differentially sized grants based on national country context.
- Provide flexibility with respect to specific budget allocations under the Readiness grant given the rapidly evolving REDD plus financing landscape in countries where the R-PP has now long been approved.

RECOMMENDATIONS (6)

- Develop clearer plans regarding the expansion of the FCPF to new countries seeking support and criteria for their inclusion. This may involve tightening of criteria found in the FCPF Charter to avoid investing in sub-optimal countries.
- Make sure to pursue vigorous efforts to streamline and speed up the disbursement of both formulation and preparation grants.
- Continue to foster greater coordination with bilateral and multilateral partners at the country level, as a means to raise efficiency and reduce the risks associated with funding gaps, particularly in cases where delayed disbursement of funding support by the FCPF occurs due to unexpected reasons.

RECOMMENDATIONS (7)

In terms of coordination and complementarity:

- Continue to strengthen coordination with UN-REDD, to take advantage of mutual strengths and limitation in delivery mechanisms.
- Jointly resolve any differences with UN-REDD on specific issues for effective REDD plus delivery including advice to participating countries on application of safeguards and FPIC.
- Consider, in close coordination with other REDD-related funding mechanisms, measures to strengthen participation of responsible private sector players in REDD-plus processes (such as timber operators interested in identifying alternative revenue streams and project developers).

RECOMMENDATIONS (8)

In view of the Carbon Fund operationalization:

- Beyond R-PP development, with a view to operationalizing the Carbon Fund, engage as early as possible a reflection at the PA-level on a minimum readiness conditions (“triggers”) required to access the Carbon Fund.
- As part of this reflection, also engage with countries on options for governance and institutional set up to ensure transparency and agreed approaches to benefit sharing.
- Pursue development and operationalization of a full-fledged monitoring and evaluation system for the readiness process, as a way to ensure adequate feedback loops in decision making and improvement of the Facility effectiveness, beyond the formulation phase.

Next Steps

1. Feedback

Comments received from this presentation will be analyzed and feed into the draft report.

2. The Draft Report completion

The report will include the findings from all Country Case Studies is expected to be completed by end of April 2011.

3. Final Report submission

The scheduling for the receipt of comments on draft report and the steps for completion of the Final Draft will be decided at PC8.

Thank you for your attention!