

Forest Investment Program

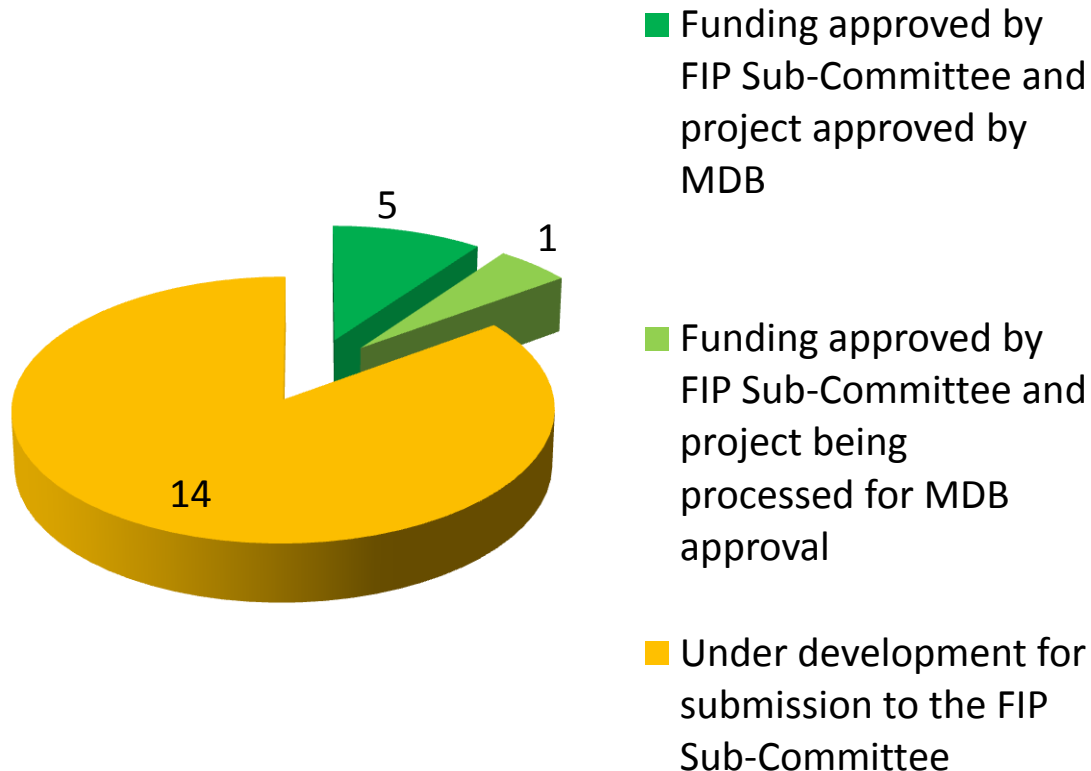
Pilot Countries Meeting – September 24, 2013

Update on FIP Operations

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CIF Administrative Unit



State of Program



- ✓ 7 out of 8 investment plans endorsed (Peru scheduled for October 2013)
- ✓ solid and active pipeline
- ✓ submission of projects and programs slightly delayed compared to original schedule

FIP Portfolio

Overview of FIP Portfolio

| | Indicative Allocation in Endorsed IPs (7) | Approved FIP Funding | MDB Approved | Disbursed | Comments |
|---------------------------------|---|----------------------|--------------|-----------|---|
| USD million | 370 | 104.8 | 76.63 | 1.13 | without Peru |
| Number of projects and programs | 20 | 6 | 5 | 1 | 4 projects submitted for FIP funding approval after August 2013 |

(As of August 30, 2013)

FY13 - Projected and Actuals for FIP Funding Approvals (USD million) FY 14 – Expected FIP Funding Requests (USD million)


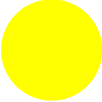

| | Initial Target (May, 2012) | Revised Target (March, 2013) | Actual Approvals FY13 | Expected for FY14 | Actual Approvals FY14 |
|----------------------|----------------------------|------------------------------|-----------------------|-------------------|-----------------------|
| Funding USD millions | 170.8 | 59.56 | 38.01 | 265.14 | 21.50 |
| % | 100 | 35 | 22.3 | 100 | 8 |

3(As of August 30, 2013)

Portfolio Trends

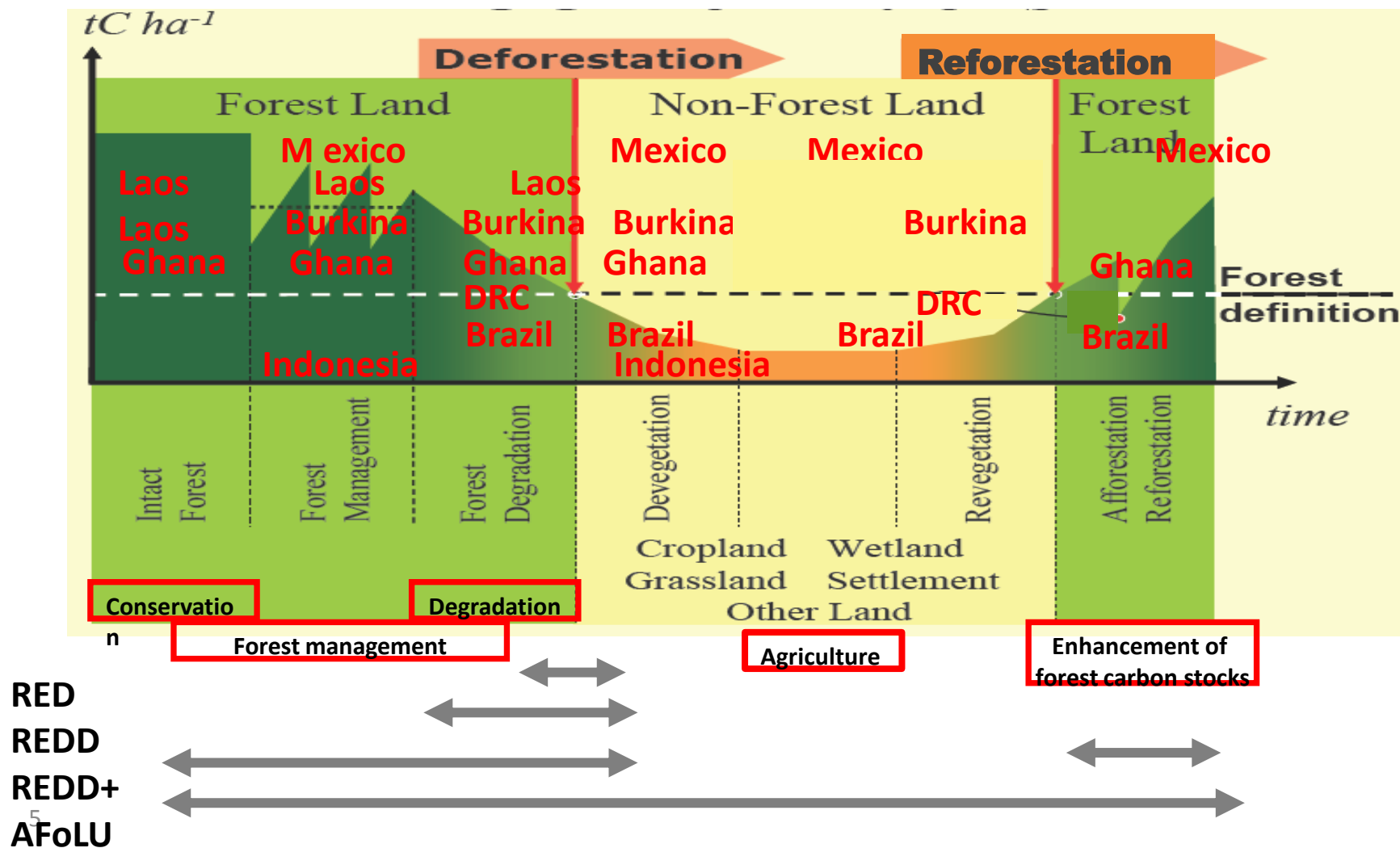
Pipeline Management - Traffic Lights

Milestone: Sub-Committee Approval of FIP Funding

-  9 projects and programs
- 
 - Brazil - Sustainable Production in Areas Converted to Agricultural Use (IBRD);
 - Brazil - Forest Information to Support Public and Private Sectors in Managing in Initiatives Focused on Conservation and the Valorization of Forest Resources (IDB);
 - Brazil - Implementation of Early Warning Systems for Preventing Forest Fires and a system for Monitoring the Vegetation Cover (IBRD);
 - Lao PDR - Protecting Forests for Sustainable Ecosystem Services (ADB)
-  DRC Forest Investment Program (IBRD)

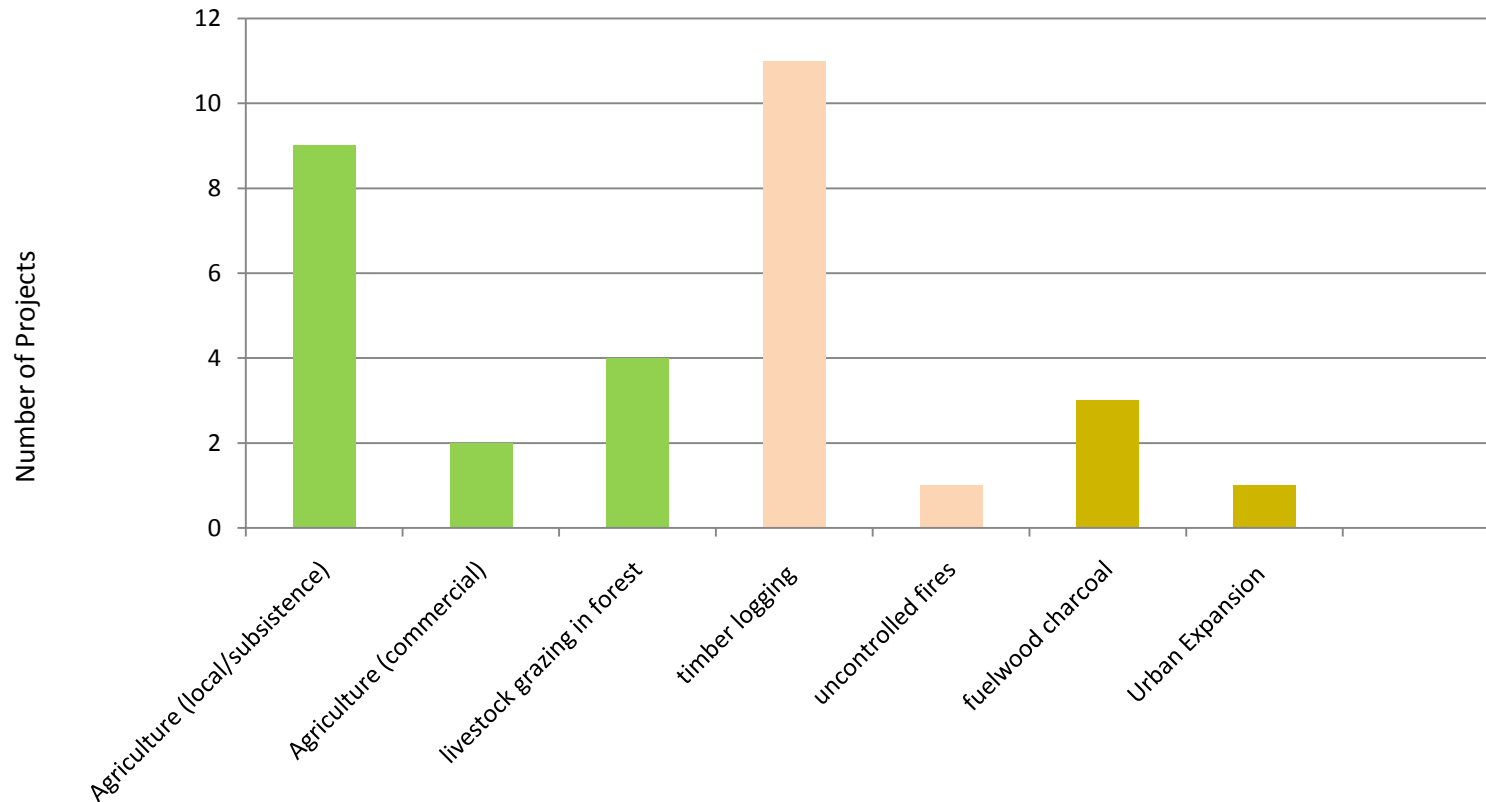
FIP Investment Focus

Mapping FIP Investments across the REDD+ Continuum



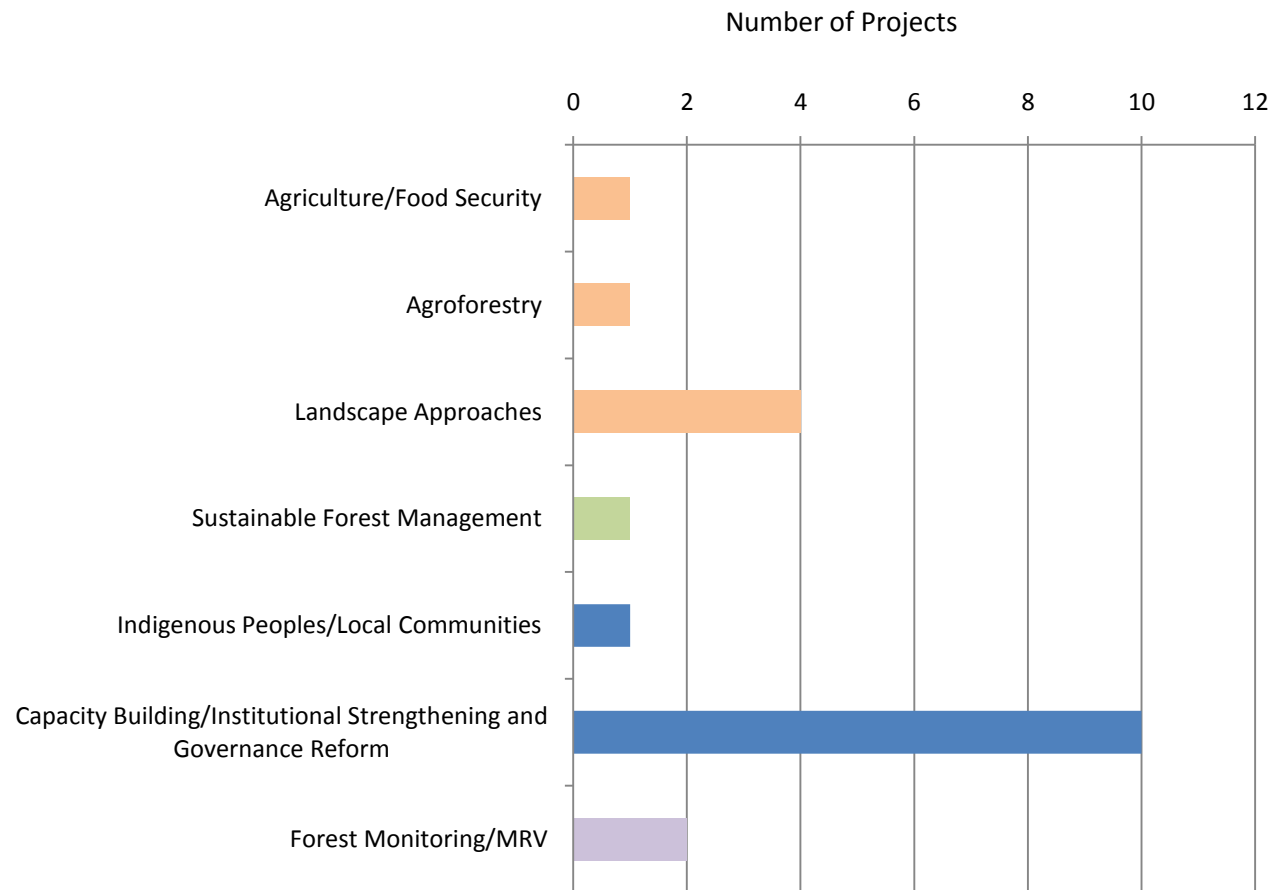
Portfolio Trends

Drivers of Deforestation



Portfolio Trends

Thematic Scope and Sector



Emerging Strategic Issues

1. Quality of Project Submissions for FIP Funding Approval

FIP Sub-Committee provided comments on 5 out of 6 projects requesting further clarifications and/or a resubmission.

2. Deliver Rate of Projects for FIP Funding Approval

Delivery rate for projects for FIP funding was 22.3%
(Target: USD 170.8 million – Actual Delivery: USD 38.01 million)
- Project preparation takes more time than anticipated

3. Disbursements

Disbursement is still low but is expected to substantially pick up in FY 14
(December 2012: USD 1.3 million – June 2013: USD 4.5 million)
- Slightly lower than projections

Emerging Strategic Issues

4. Link between Readiness and Implementation in FIP Pilot Countries

During its meeting in May 2013, the FIP Sub-Committee requested the CIF Administrative Unit, in collaboration with the MDB Committee, **“to prepare as a FY14 CIF knowledge product, for submission at the 2014 Partnership Forum or earlier, an in-depth study of the process, experience and lessons learned in developing FIP investment plans and projects (“programming process”), and in particular to include a few case studies exploring further the linkages between REDD+ readiness approaches and the FIP investment plans”.**

- Study is now under way;
- Draft: December 2014; final report: January 2014
- CIF Administrative Unit has recruited Climate Focus B.V.
 - Lead: Charlie Parker, Executive Director
- Capturing of lessons learned and experiences from various stakeholder groups in the FIP pilot countries

Other FIP Activities



FIP Private Sector Set-Aside

- Call closed on August 15, 2013
- USD 56 million in credits available
- 11 proposals received: Burkina Faso, Brazil, Ghana, Mexico, regional proposal (Africa)
- Expert Group met September 17-19, 2013
- FIP Sub-Committee will discuss the recommendations on October 30, 2013

FIP Monitoring and Evaluation Agenda

- To be discussed later

Progress Updates

Dedicated Grant Mechanism for Indigenous Peoples and Local Communities

- Framework Operational Guidelines for the DGM finalized
- advancements on global component, Burkina Faso, Brazil and Ghana
- World Bank is the implementing MDB for the DGM
- Expected submission date for global component and two country components:
 - End of 2014



Forest Investment Program



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