

CLIMATE INVESTMENT FUNDS

FIP/SC.12/3/Rev.1

June 12, 2014

Meeting of the FIP Sub-Committee

Montego Bay, Jamaica

June 28, 2014

Agenda Item 3

FIP SEMI-ANNUAL OPERATIONAL REPORT

PROPOSED DECISION

The FIP Sub-Committee reviewed document, FIP/SC.12/3/Rev.1, *FIP Semi-Annual Operational Report*, and welcomes the progress that has been made in advancing the work of the FIP in the pilot countries.

The Sub-Committee requests the CIF Administrative Unit, in collaboration with the MDBs, to prepare for review and approval at its next meeting, a paper providing guidance on the link between FIP investment funding and REDD+ performance-based mechanisms.

I. INTRODUCTION

1. This document provides an update on the status of the Forest Investment Program (FIP), the portfolio of FIP-funded projects and programs under endorsed investment plans, and related activities. *The report covers the period from September 1, 2013 to March 31, 2014.*

II. STATUS OF PROGRAM

Status on investment plan endorsement, updates and revisions

2. Investment plans for the eight FIP pilot countries have been endorsed, concluding the programming phase for the current FIP pilot countries. The pilot countries, in collaboration with the relevant MDBs, are now preparing and implementing projects and programs to address REDD+ priorities described in the investment plans.

3. As of March 31, 2014, FIP funding for a total of 11 projects and programs has been approved by the FIP Sub-Committee totalling USD 197.4 million (USD 169.26 million in grants and USD 28.14 million in near-zero interest credits). These resources are expected to leverage a total of USD 741.42 million in co-financing (ratio of 1: 3.8).

4. Two FIP projects (Lao PDR and Mexico) are currently under implementation and disbursing FIP resources.

III. UPDATES SINCE LAST REPORT

5. During the reporting period, the Sub-Committee reviewed and approved FIP funding for the following four projects:

- a) *Brazil: Forest Information to Support Public and Private Sectors in Managing Initiatives Focused on Conservation and Valorization of Forest Resources, (IDB);*
- b) *Burkina Faso: Decentralized Forest and Woodland Management, (IBRD);*
- c) *Burkina Faso: Gazetted Forests Participatory Management Project for REDD+, (AfDB);*
- d) *Ghana: Engaging Local Communities on REDD+/Enhancing Carbon Stocks, (AfDB); and*
- e) *Democratic Republic of the Congo (DRC): Improved Forestry Landscape Management, (IBRD).*

6. During this reporting period, all projects listed above were also approved by the respective MDBs, with the exception of *DRC: Improved Forestry Landscape project (IBRD)* that is expected to be approved by the IBRD Board in June 2014. In addition, the project *DRC:*

Integrated REDD+ Project in the Mbuji Mayi/Kananga and Kisangani Basins, (AfDB) was approved by the AfDB Board.

7. The actual cumulative disbursement of FIP resources has increased from USD 4.5 million at the end of June 2013 to USD 8.5 million at the end of December 2013¹.

IV. FIP PORTFOLIO OVERVIEW AND ANALYSIS

Portfolio overview by milestones

8. Table 1 provides an overview of the FIP portfolio in terms of approvals throughout the CIF project cycle. The portfolio contains a total of 38 projects and programs:

- a) 24 projects and programs agreed in the endorsed investment plans;
- b) 9 DGM projects; and
- c) 5 projects supported under the FIP private sector set-aside.

Table 1: Overview of FIP Portfolio

	Endorsed IPs (8)	Endorsed DGM concepts	Endorsed FIP PSS² concepts	Approved FIP Funding³	MDB Approved	Disbursing (Dec 31, 2013)⁴
USD million	420	50	35.3	197.4	155.48	8.5
Number of projects and programs	24	9	5	11	10	2

9. Approximately 47% of FIP funding for projects and programs in endorsed investment plans has been approved by the FIP Sub-Committee. 79% of these projects and programs have also received MDB approval, suggesting a robust pipeline and approval process since the endorsement of the investment plans.

Tracking project delivery

10. Of the 24 projects and programs under endorsed investment plans in the FIP portfolio:

- a) 11 projects and programs have approved FIP funding; 10 of those projects and programs have also received final project approval by the respective MDB; and

¹ *CIF Disbursement Report* (December 2013)

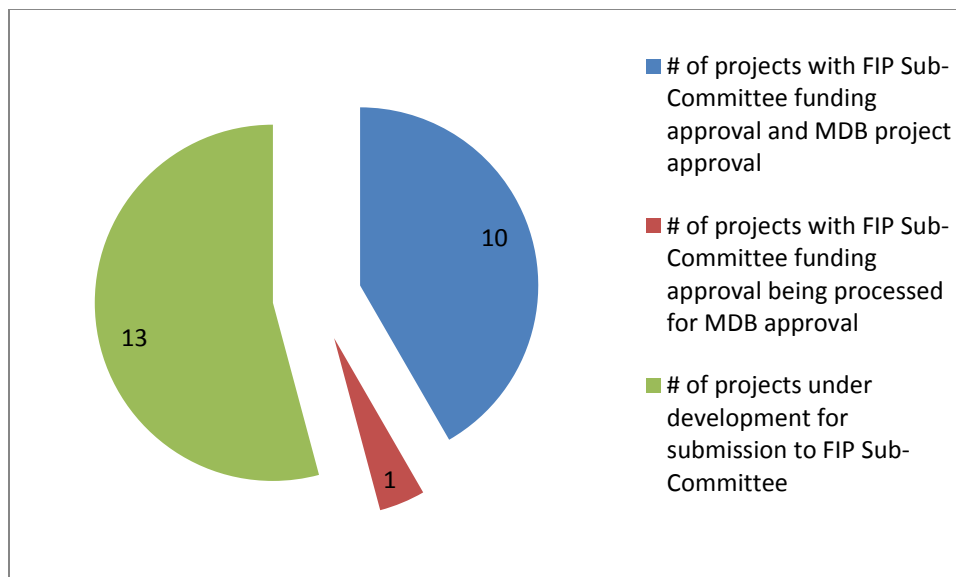
² FIP PSS – FIP Private Sector Set-Aside

³ The figure includes preparatory grants for the development of investment projects and programs.

⁴ Project-level disbursement figures are available for public sector projects only and include project preparation grants.

- b) 13 projects and programs are under preparation for submission to the FIP Sub-Committee for funding approval (see Figure 1).

Figure 1: FIP Project Approval Status (as of March 31, 2014)



11. Based on the most recent pipeline update, 9 projects and programs are expected to be submitted to the FIP Sub-Committee for review and funding approval during the upcoming reporting period⁵ and 4 projects are expected to receive final project approval by the respective MDBs.

12. 4 of the 5 projects which received FIP funding approval by the Sub-Committee during the current reporting period met the agreed benchmark for timely MDB approval (6 month or less after funding approval by the Sub-Committee; “green light”).

13. For the 13 projects and programs under endorsed investment plans which are still in preparation for FIP funding approval, the status of meeting the agreed benchmark is as follows:

Table 2: Status of Projects and Programs in Preparation for FIP Funding Approval

	Green Light - (18 months or less after IP endorsement)	Yellow Light – (18 - 24 months after IP endorsement)	Red Light – (24 months or more after IP endorsement)
Number of projects and programs	4	6	3
Percent of projects in preparation for FIP funding approval	31%	46%	23%
FIP resources (USD millions)	48.5	135.05	38.99

⁵April 1, 2014 – September 30, 2014

14. During the last meeting of the Sub-Committee in October 2013, it was reported that 50% of all projects and programs under preparation for FIP funding approval by the Sub-Committee had fallen behind schedule (e.g. “yellow light” or “red light”). This figure has now increased to 69%.

15. The IBRD-implemented, DRC project which was flagged in the last *FIP Semi-Annual Operational Report* as having exceeded the agreed benchmark for timely submission by more than 24 months (“red light”) finally received FIP funding approval by the FIP Sub-Committee in March 2014.

16. As per last estimates by the MDBs, additional 3 projects are likely to exceed the agreed benchmark by 24 months or more:

- a) *Lao PDR: Protecting Forests for Sustainable Ecosystem Services, (ADB);*
- b) *Brazil: Implementation of Early Warning System for Preventing Forest Fires and a System for monitoring the Vegetation Cover, (IBRD); and*
- c) *Indonesia: Community-Focused Investments to Address Deforestation and Forest Degradation (CFI-ADD+), (ADB).*

17. Reasons for the delays include finalizing project implementation arrangements at both national and provincial levels, uncertainties and delays in counterpart staff and budget allocations, prolonged stakeholder consultations, changes in FIP focal points, national elections and delays in consultant recruitment.

Projected Funding Approvals –Outlook for Remainder of FY 14 and FY 15

18. Table 3 presents FIP funding requests for FY 14 (projected and delivered as of March 31, 2014) and expectations for FIP funding approval in FY 15. In FY 14, so far 43% of FIP funding projected for approval in this fiscal year has materialized and additional 21.5% is expected for FIP funding approval by the Sub-Committee before the end of the fiscal year. This would represent a slippage of 35%, which compared to FY 13 (78% slippage rate), would be a significant improvement.

**Table 3: FY14 - Projected and Actuals for FIP Funding Approvals to Date (USD million)
FY 15 – Expected FIP Funding Requests (USD million)**

	Initial Target (July, 2013)	Actual Approvals to Date FY14 against initial target	Expected for FY 14 Remainder	Expected for FY15
Funding USD millions	265.14	114.1	56.94	165.6
%	100	43	21.5	-

19. For the remainder of FY 14, 3 projects and programs are scheduled for FIP funding approval by the Sub-Committee. These projects are expected to request USD 56.94 million in FIP funding of which USD 24.46 million (43%) will be grants and USD 32.48 million (57%) will be near-zero interest credits.

20. The projections above, however, do not include

- a) the 5 project concepts endorsed under the FIP private sector set-aside; and
- b) the projects implementing the *Dedicated Grant Mechanism for Indigenous Peoples and Local Communities*⁶

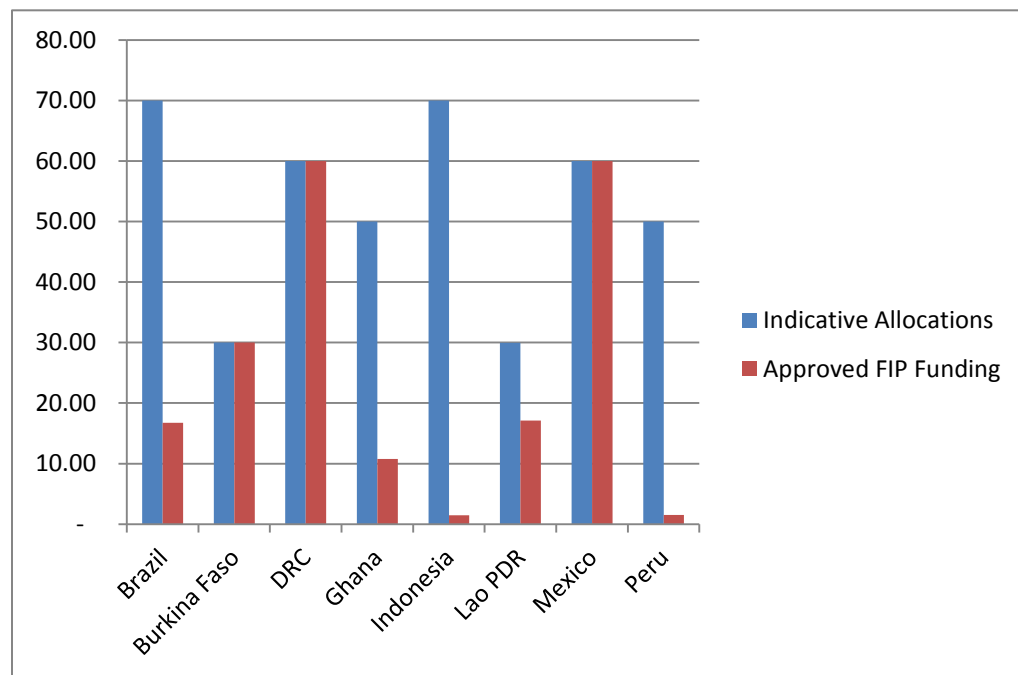
because the MDBs could not provide a date for the expected FIP funding approval at the time due to the nature of the projects.

Portfolio Overview – Breakdown Analysis

Approvals by FIP Pilot Country

21. Figure 2 provides information on the indicative allocation of FIP funding by pilot country at the time of FIP investment plan endorsement and the total FIP funding which has been approved at the end of the reporting period.

Figure 2: Indicative Allocation of FIP Funding and Approvals by FIP Pilot (USD Millions)



⁶ See updates for these two streams under Section 5 Strategic Analysis and Update on Progress in Thematic Areas and Other Subjects.

22. Four countries, Burkina Faso, DRC, Mexico and Lao PDR, are well advanced in terms of FIP funding approval by the Sub-Committee, with the first three countries having received FIP funding approval for the full indicative allocation at time of endorsement. Both Mexico and Burkina Faso have received not only FIP funding approval for all their projects but also MDB approval.

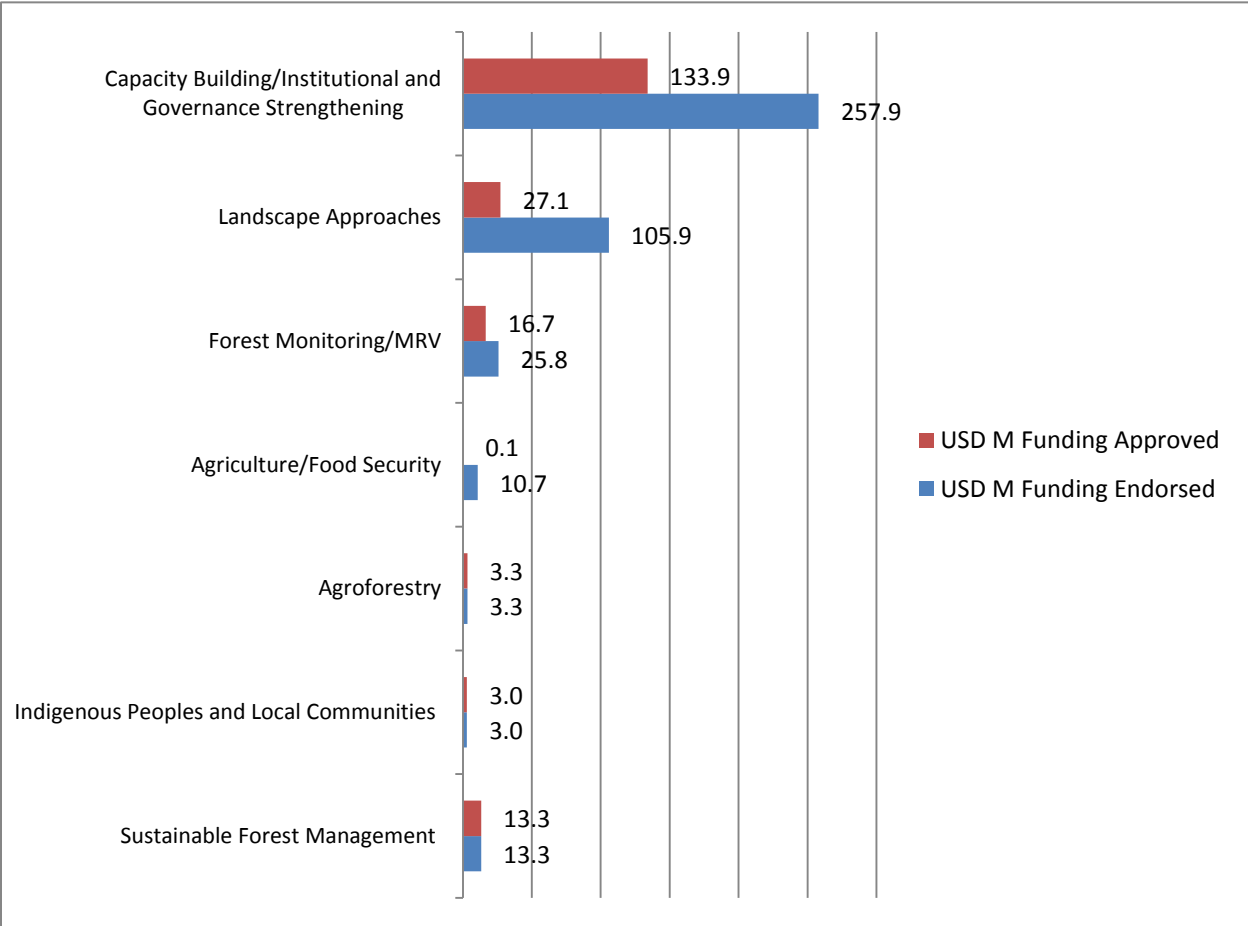
23. It is expected that during the upcoming reporting period, FIP funding approvals will increase by USD 130.29 million or 78% of total funding endorsed under investment plans.

24. If projections hold true, the current schedule indicates that additional two countries, Brazil and Lao PDR, will both have received FIP funding approval for all projects and programs under their investment plan within the next reporting period.

Approvals by Sectoral Focus

25. Figure 3 provides information on the use of FIP resources, endorsed and approved, by sectoral focus.

Figure 3: Indicative Allocation of FIP Funding and Approvals by Sectoral Focus

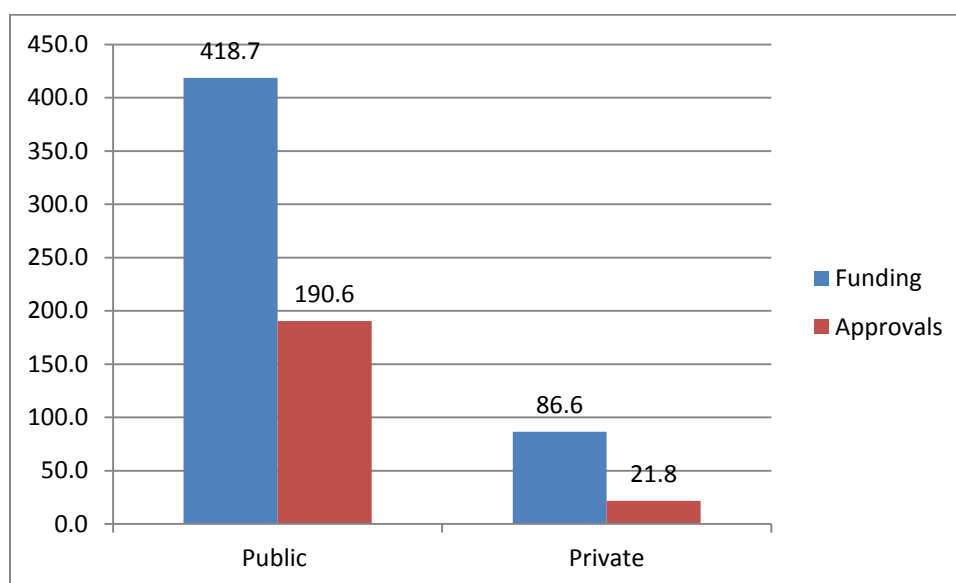


26. Figure 2 shows that a notably larger proportion of investments are made to build capacity, reform institutions and strengthen governance mechanisms – enhancing the enabling environment for forest landscape management and conservation – compared to other thematic focus. The second largest investment area focuses on wider forest landscape management involving multiple economic sectors. Wider forest landscape management investments have the potential to increase the delivery of multiple benefits across mitigation, adaptation, biodiversity and livelihood goals. Within the landscape approach, investments are often addressing REDD+ challenges associated with agriculture and agroforestry. Once FIP projects and programs promoting the landscape approach are well into implementation, a study might provide useful insights if the approach is valid and yielding the expected multiple benefits it promotes.

Distribution of Public and Private Sector Operations

27. Looking at the FIP portfolio as a whole (24 projects under investment plans, 9 DGM projects and 5 private sector set-aside projects) a total of 9 projects are explicitly targeting the private sector. Figure 4 provides information on FIP funding approvals of public and private sector projects and programs in endorsed investment plans and the FIP private sector set-aside.

Figure 4: Indicative Allocation of FIP Funding and Approvals for Private and Public Sector Projects and Programs⁷



Co-financing Summary

28. Table 4 below summarizes the co-financing figures in the FIP disaggregated by source. A detailed breakdown of co-financing on a country and project/program basis can be found in annex 1. The ratio of total FIP funding to co-financing is 1:2.5 at the time of reporting⁸.

⁷ Total funding approvals is greater than the USD 197.4 previously cited because it includes for this purpose the private sector set-aside project, *Commercial Reforestation of Modified Lands in the Cerrado* (IFC), USD 15 million.

⁸ Co-financing figures are based on most updated information available at time of reporting (MDB and SC approved documents) and are subject to change across reporting period until all projects are MDB approved (see Annex 3).

Table 4: Indicative FIP Co-financing Breakdown by Source (USD million)

Funding		Breakdown by Source				
FIP	Indicative Co-financing	Government	Private Sector	MDBs	Bilateral Partners	Others
420	1064.31	379.19 (35.6%)	69.40 (6.5%)	447.67 (42.1%)	13.75 (1.3%)	154.30 (14.5%)

29. Main co-financing partners include the European Commission; Agence Francaise de Development (AFD); Global Environment Facility (GEF); JICA; Forest Carbon Partnership Facility (FCPF); KFW; and the Moore Foundation.

30. These co-financing figures confirm a strong support by countries and development partners to prioritize investments in REDD+. The strong leverage of MDB resources is consistent with one core objective of the CIF to build on existing MDB pipelines and operations.

Disbursements – Actuals and Projected

31. As of December 31, 2013, the cumulative disbursement for FIP projects and programs stands at USD 8.5 million. This represents an 89% increase from the cumulative disbursement of USD 4 million at the end of FY13 during the first half of FY14. However, the actual disbursements for the first half of FY14 (USD 4 million) is only 19% of that which was projected for FY14 (USD 21.2 million). This means that approximately 80% of the funding expected to be disbursed in this fiscal year was yet undisbursed at the mid-year point. It is noted that at end of FY13 only 27% of project disbursements was fulfilled, and that at mid-year FY14 with only 3 of 24 projects and programs disbursing, the disbursement rate remains lower than expected.

32. Reasons for the low disbursements are discussed further below.

V. STRATEGIC ANALYSIS AND UPDATE ON PROGRESS IN THEMATIC AREAS AND OTHER SUBJECTS

Strategic outlook: challenges, constraints, barriers and opportunities

33. This report highlights three strategic issues that are emerging from the FIP:

- a) the link between FIP investment funding and performance-based payment mechanisms;
- b) the need to better understand, and to improve, slow disbursement rates in the FIP; and

- c) the need for regular meetings at the country level to take stock on progress with the implementation of the FIP investment plans and identify actions to overcome challenges.

34. Each strategic issue is discussed below in more detail.

The link between FIP investment funding and performance-based payment mechanisms

35. In February 2014, IBRD on behalf of the Democratic Republic of the Congo (DRC) submitted the “*Improved Forested Landscape Management Project*”. The project pursued a potential link of the FIP-financed project with the FCPF Carbon Fund which provides a learning opportunity for the FIP and other REDD+ finance providers. The project builds on other REDD+ processes and programs such as the readiness processes supported by the FCPF Readiness Fund and the UN-REDD Programme. The Sub-Committee approved FIP funding for the project but requested more information on how the project may link with an Emission Reduction (ER) Program under the FCPF Carbon Fund. In particular, information was requested on whether activities that are funded by the FIP in other pilot countries may also potentially be included in results-based payments under the FCPF Carbon Fund. One contributor country flagged the need for further discussion in the FIP Sub-Committee about the implications of such link between FIP investments and performance-based payments.

36. At least three additional FIP pilot countries – Ghana, Mexico, and Peru – have also signalled the intention to participate in a performance-based payment scheme such as the FCPF *Carbon Fund*, using FIP upfront investments for activities resulting in GHG emission reductions.

37. The FIP is often referred to as the link between REDD+ readiness and performance-based payments, the phases 1 and 3 of the internationally recognized 3-phased approach to REDD+. However, even though FIP’s objectives overlap with the three phases of REDD+, practical experience shows that providing investments sequentially as suggested by the phased approach to REDD+ does not match the reality in countries. FIP investments are supportive of REDD+ but should be justified on their own merits as a contribution to scaling up actions addressing the drivers of deforestation and forest degradation, manage forests sustainably and enhance forest carbon stocks. The sustainability of FIP results can be but should not necessarily depend on performance-based payments.

38. Early experience from Democratic Republic of Congo shows that upfront FIP investments can be critical to enable poor and low capacity beneficiaries gaining access to performance-based payments.

39. Linking FIP investments to performance-based payment mechanisms raises several key concerns and questions: (a) to what extent the sustainability of FIP results should depend on future carbon payments that may or may not materialize; (b) the challenge of ascribing GHG emission reductions achieved with FIP finance to be included in payments for performance through other REDD+ programs – the issue of “double funding”; and (c) contributor concerns around financing the same results in the FIP that would be reported in a performance-based mechanism as their results – the issue of double results reporting.

40. Given these concerns and the expressed intention of other FIP pilot countries to link FIP investments with performance-based programs for REDD+, particularly the FCPF's Carbon Fund, the FIP Sub-Committee may need to agree on clear guidance on how this link can be addressed in a transparent and acceptable way.

Slow disbursement rates in the FIP

41. Disbursements in the FIP have been increasing during the reporting period but remain low and far below projections. The latest *CIF Disbursement Report*⁹ shows that at mid-year FY14, just about 2% of FIP resources has been disbursed, indicating that to meet current disbursement targets, the FIP would have to disburse 98% of its funds in the next 6 years.

42. Based on latest projections, FIP disbursements during the first half of FY14 have fulfilled approximately 19% of the annual projection for FY14, while cumulative FIP disbursements to date stand at approximately 22% fulfilment of the projected level for the end of FY14.

43. There is a strong link between the actual status of the FIP pipeline and the lower than expected disbursement rate. Projects and programs were not developed as quickly as anticipated, which has a cascading impact on the disbursement rate. Out of the 24 projects in the FIP pipeline 10 have received FIP funding approval (less than 50%). Out of those 10, 5 have received MDB approval. Hence disbursements expectations need to be adjusted to reflect the status of the FIP pipeline.

44. Reasons for the slower pace of developing projects and programs include the complexity of the FIP projects due to the multi-sectoral focus, engagement and, in some cases, direct involvement, of different actors such as indigenous people and local communities, limited government capacities, lack of experience of local financial institutions in sustainable forestry investments and unexpected difficulties in moving activities forward (e.g. temporary shift in priorities; need for redefining activities).

45. Many FIP projects have a strong capacity building and governance focus. MDB experience with such type of projects in general shows a longer mobilization, planning and coordination phase than more traditional investment projects, followed by a steeper disbursement curve in the following years. In this regard similarities with readiness processes under FCPF and UN-REDD exist. Hence, slow disbursement rates for these projects are not unusual.

Monitoring Progress with the Implementation of FIP Investment Plans

46. The FIP promotes a programmatic and partnership-based approach to FIP resources planning and implementation. Country ownership is central to this approach and the country focal point leads the coordination of the process. During the preparation of the FIP investment plans, stakeholder consultation meetings were held to discuss priority areas of investments and how various stakeholder groups can be involved in the preparation and implementation process of the FIP investments. Once the FIP investment plan has been endorsed, projects and programs

⁹ December 31, 2013

are being prepared and implemented. Most plans have specific provisions for learning, information, knowledge sharing and monitoring and reporting.

47. To maintain the programmatic approach in the FIP pilot countries throughout the implementation of the investment plan through projects and programs, stakeholder meetings should be held on an annual or biennial basis to reflect on the progress with the implementation of the investment plan. FIP resources have been allocated under one or several projects to finance these targeted activities, and resources have been made available to the MDBs through the CIF Administrative Budget to enable the MDBs to assist the governments in organizing these meetings.

48. Discussion topics for the meeting could include a status of the investment plan implementation progress by the country focal point; updates from the MDBs on the status of projects and programs under the endorsed investment plan; show-casing successes from project and programs; discussion of challenges, lessons learned and identification and application of corrective measures; the validation of progress on implementation of the investment plan using the agreed FIP core indicators/reporting themes; and experiences made with the monitoring and reporting process at the level of the FIP investment plan.

49. Participants could include, as appropriate, the FIP country focal point and team; relevant government agencies; MDBs; project/program stakeholder representatives and other interested stakeholders, including civil society, local communities, indigenous peoples groups and private sector representatives; and development partners.

50. The meetings could be held in conjunctions with meetings relevant to the FIP country program such as national REDD+ steering committee or inter-agency meetings. If a stand-alone FIP stakeholder meeting or event is planned, it could usefully be organized to contribute to the preparation of the annual program results reports to CIF Administrative Unit in order to validate the progress results with the wider FIP stakeholder community in the country.

51. So far, two FIP pilot countries, Mexico and Indonesia, have organized a stakeholder meeting reviewing the progress with the implementation of their investment plans.

52. In Mexico, the meeting discussed the progress of the four projects supported under the FIP investment plan, the status of the Dedicated Grant Mechanism for Indigenous Peoples and Local Communities (DGM) in Mexico and the additional project being prepared under the private sector set-aside. The process for selecting core indicators for the monitoring and reporting of the investment plan implementation was also presented during the meeting. In addition, visits to four *ejidos* – communal land – were conducted and offered the opportunity to *ejidos*' community members and stakeholders to exchange updates on the progress of the projects, including challenges and opportunities. Meeting participants included the FIP focal point, the National Forestry Commission (CONAFOR), IDB, IBRD, the financial institutions acting executing agencies, Financiera Rural, Findeca and the NGO, Fondo Mexicano para la Conservación de la Naturaleza. Municipal representatives, team members of the French Alliance for Development, The Nature Conservancy and the National Biodiversity Commission were also part of the discussions.

53. Since the endorsement of the Indonesia's Investment Plan in November 2012, MDBs have participated in and contributed to a number of stakeholder consultations and outreach events organized by the Government of Indonesia on the status of the investment plan and on the preparation of projects and programs supported by the investment plans¹⁰.

(https://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/FIP_SC.11_CRP.1_Indonesia.pdf).

54. Meetings to discuss progress with the implementation of the investment plans in the other FIP pilot countries are planned.

FIP Monitoring and Reporting

55. During its meeting in October 2013, the FIP Sub-Committee approved the policy on *Results Monitoring and Reporting in the FIP*, as a basis for the annual reporting on progress with the implementation of FIP investment plans. The Sub-Committee requested the CIF Administrative Unit, in collaboration with the MDBs, to provide further guidance on the reporting requirement for each category of reporting, a common format for reporting, and a calendar for submissions of annual reports.

56. In March 2014, the CIF Administrative Unit finalized a first draft of a *FIP Monitoring and Reporting Tool Kit* which provides detailed guidance on the reporting requirement for each category and a common format for reporting. The draft was shared with three independent reviewers for comment and feedback, revised and circulated to MDBs and pilot countries for their comments and inputs.

57. On May 14 and 15, 2014, the CIF Administrative Unit hosted a consultative workshop for the FIP pilot countries in Washington, DC to discuss the draft toolkit and common format for reporting. Representatives from Brazil, DRC, Ghana, Indonesia, Mexico and Peru attended the workshop. Three expert peer reviewers who had provided extensive comments on an earlier version of the draft toolkit and the MDBs also joined the workshop to provide additional views and comments to the discussion.

58. The meeting concluded with modification to the draft toolkit to reflect the various country circumstances, including technical and human resources capacities for monitoring and reporting. The discussions were constructive and solution-oriented. The toolkit will be revised taking into account all comments made throughout the workshop. The new version will be shared with the FIP pilot countries representatives for a final no-objection approval.

59. It was agreed that FIP pilot countries will, as a first step, develop a work plan for FIP monitoring and reporting which will capture detailed next steps, deadlines, roles and responsibilities and needs for technical and financial assistance. Countries are expected to report the first time on the reporting themes relevant for their FIP investment plan, identify baselines for relevant indicators for each theme and targets, if applicable. The submission deadline for these reports is August 15, 2014. All reports will be made available online. The CIF Administrative Unit will then develop a synthesis report for FIP Monitoring and Reporting in the

¹⁰ https://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/FIP_SC.11_CRP.1_Indonesia.pdf

eight pilot countries. This report will be reviewed and discussed during the November 2014 meeting of the FIP Sub-Committee. The first results report is expected to be shared with the FIP Sub-Committee in June 2015.

60. Prior to the FIP workshop, FIP country representatives were also invited to attend a workshop on *Forest Accounting* organized by the Wealth, Accounting and the Evaluation of Ecosystem Services (WAVES) team of the World Bank. This was a valuable learning experience and mutually beneficial exercise to FIP and WAVES in the context of forest monitoring.

Private Sector Engagement in the FIP

Private sector projects under endorsed Investment Plans

61. As of March 31, 2014, two of the four private sector projects and programs under the endorsed investment plans have received FIP funding approval (Mexico, IDB and Lao PDR, IFC). The preparation of the other two programs, both to be implemented by IFC (one in Indonesia and one in Ghana) has taken longer than initially anticipated. IFC has provided regular updates on the status of the programs. Regarding the Indonesia private sector program, IFC has started with the program design and continues to assess the full business potential, risks, and opportunities associated with the program. IFC is working to identify one or more forest enterprises that meet IFC safeguards and due diligence and FIP requirements. A consultation plan with relevant stakeholders is also being designed by IFC

62. Regarding the Ghana private sector program, IFC notes that its preparatory work is still on-going. As part of the program preparation phase outlined in the investment plan for Ghana, IFC has contracted a private consulting firm to carry out a market study which was completed in April 2014. This study assesses private sector's need for finance to support REDD+ projects in the context of FIP Ghana as well as potential investment and advisory services projects that could be supported and that meet FIP and IFC investment criteria and standards. Based on the findings on the study and business development, a program proposal will be developed and submitted for FIP funding approval by the FIP Sub-Committee. IFC will share the study with relevant FIP stakeholders.

FIP Private Sector Set-Aside

63. In November 2013, the FIP Sub-Committee considered the recommendations made by an independent expert group on project concepts received competitively under the FIP Private Sector Set-Aside. Five concepts were endorsed and the MDBs invited to develop the concepts for FIP funding approval. As of March 31, 2014, one of the five project concepts endorsed, has received FIP funding approval from the FIP Sub-Committee. This is the project *Brazil: Commercial Reforestation of Modified Lands in the Cerrado* (IFC) for USD 15 million. Three other projects, two implemented by IDB in Mexico and Brazil, and one by AfDB in Ghana have requested funding to start preparatory work and expect to submit the projects for FIP funding approval by the Sub-Committee within the upcoming report period.

64. During the discussion, The Sub-Committee agreed that three project concepts (Burkina Faso and two for DRC) could be resubmitted for further review and endorsement by mail.

65. By the end of this reporting period, none of these concepts have been resubmitted. The AfDB concept notes for projects in Burkina Faso and DRC need further revision and will be presented in the upcoming reporting period. Several contacts have been made with the sponsors to gather relevant information to review the concepts.

66. The IBRD concept for *DRC: Novacel Sud Kwamouth* is being revised to incorporate comments received from the Sub-Committee and is expected to be submitted in FY14 for Sub-Committee endorsement.

67. A review of the FIP private sector set-aside, the process and effectiveness to generate innovative ideas how the private sector can get engaged in REDD+ will be part of a larger review of the set-asides piloted in the three SCF targeted programs. The review will be discussed at the meeting of the FIP Sub-Committee in November 2014.

The Dedicated Grant Mechanism for Indigenous Peoples and Local Communities (DGM)

General Progress

68. During the reporting period, IBRD led the process for the finalization of the *DGM Framework Operational Guidelines* seeking inputs from the *Global DGM Transitional Committee of Indigenous Peoples and Local Communities and FIP Focal Points* ("Transitional Committee"). In September 2103, the guidelines were endorsed by the Co-Chairs of the Transitional Committee.

69. The guidelines provide the basic framework for the DGM program, on the structure as well as institutional roles and responsibilities of various DGM actors. There has been much progress since the finalization of the *DGM Framework Operational Guidelines*. As of March 31, 2014, IBRD has requested funding to initiate preparatory work in six countries: Brazil, Ghana, Burkina Faso, DRC, Indonesia and Peru. The preparation of the global component has advanced as well.

70. IBRD facilitated the selection of the global executing agency for the global component of the DGM through an international competitive selection process. The process was concluded in December 2013 with Conservation International, USA being selected for the task of global executing agency.

71. Conservation International has had preliminary discussions with the transitional committee co-chairs and developed a work plan, and it will organize a meeting of the transitional committee towards the end of 2014.

Country Progress

72. As of March 31, 2014 six pilot countries have initiated discussions and project preparation at the country level. The DGM in Brazil is the most advanced country and has completed the selection of the National Steering Committee members and, the preparation of the

project design after organizing four sub-regional meetings in the *Cerrado*. The process of selection of the national executing agency is ongoing and expected to be completed in June 2014. The Brazil DGM project will be presented at the upcoming FIP Sub-Committee meeting together with the global component for review and approval of FIP funding.

73. In DRC, meetings to select members of the national steering committee have been initiated and the process is likely to continue throughout September 2014. The full national steering committee is expected to be established in October 2014.

74. In Burkina Faso, civil society organizations and traditional authorities have also initiated discussions for the selection of national steering committee members.

75. National processes for setting up the DGM in Indonesia are ongoing. As agreed by key stakeholders at the national level in Indonesia, the National Forestry Council (DKN), advised by the transitional committee members from Indonesia, is facilitating the processes of preparing the DGM project. From March to June 2014, seven regional meetings with a specific focus on indigenous women and women representatives from local communities were held. A national meeting specifically for indigenous women and local communities will be organized during June 19-20, 2014. The selection process for the national executing agency will start soon after all national steering committee members are selected.

76. After a comprehensive and highly inclusive consultation and information dissemination process with indigenous communities in Mexico, the World Bank was selected to be the implementing MDB for the DGM in Mexico. The consultation and information dissemination process included 16 workshops and the participation of 384 indigenous peoples and members of local communities. A concept note and request for a project preparation grant are being prepared and will be submitted to the FIP Sub-Committee for endorsement of the concept and FIP funding approval of the preparation grant approval in early July. A first preparation mission, meeting of the national steering committee and the formal launch of the preparation of the DGM in Mexico will take place shortly after the Concept Note has been approved.

77. The preparation of the Peru DGM is progressing well. A first preparation mission took place in March 2014 and a second mission is scheduled for June 2014. The Peru DGM is being prepared jointly with the members of the national steering committee and 30 leaders from the Amazon. The selection of the national executing agency is in process. A technical team is working to define three key components that are aligned with the endorsed FIP investment plan for Peru. These components are: land tenure and titling of native communities in the Amazon, community forestry management and governance. A feature [story](#) on the World Bank Peru webpage highlights the early expectations of some leaders and emphasizes the importance of an open and transparent process.

78. At its upcoming meeting, the FIP Sub-Committee will be requested to review document FIP/SC.12/4, *FIP Funding Approval Request for the DGM Program: DGM Global Component and the DGM Brazil Program*, and

- a) endorse FIP funding in the amount of USD 50 million in FIP grant resources for the overall DGM program; and

- b) approve FIP grant funding in the amount of USD 11.5 million (USD 5 million for the DGM global component and USD 6.5 million for the DGM Brazil program).

Annex 1: FIP Portfolio by Country (as of March 31, 2014)

FIP Investment Plan: Brazil

Endorsement date:	May 4, 2012
Involved MDBs:	IBRD, IFC and IDB
Number of Projects:	4
FIP Funding:	
• Endorsed indicative allocation	USD 70 million
• Approved to date	USD 16.9 million
• Approval rate (FIP funding)	24 %
Expected Co-financing:	USD 65 million

Key: Milestone Threshold /Traffic Light System		
Green	yellow	red
IP Endorsement to SC Approval		
≤ 18 mos.	> 18 mos. but ≤ 24 mos.	> 24 mos.
SC Approval to MDB Approval		
≤ 6 mos.	> 6 mos. but ≤ 9 mos.	> 9 mos.

<u>Projects</u>	Environmental Regularization of Rural Lands(based upon the CAR)	Sustainable Production in Areas Converted to Agricultural Use(based upon the ABC plan)	Implementation of Early Warning System for Preventing Forest Fires and a System for monitoring the Vegetation Cover	Forest Information to Support Public and private Sectors in managing Initiatives Focused on Conservation and Valorization of Forest Resources
Project Data				
Funding	33.5	10.7	9.3	16.6
• Grant	1.00	10.72	9.25	16.55
• Credit	32.48	-	-	-
Co-Financing	17.50	25.00	6.50	8
• Government	-	-	-	8
• Private Sector	-	-	-	-
• MDB	-	-	-	-
• Others	17.50	25.00	6.50	-
Implementing Agency	IBRD	IBRD	IBRD	IDB
Investment Type	Public	Public	Public	Public
Milestones/ Traffic Light System				
• SC Funding Approval	May-14 (yellow)	Apr-14 (yellow)	Aug-14 (red)	Approved
• MDB Approval	Jul-14 (green)	Jun-14 (green)	TBD	Approved
Project Status/ Remarks	Slight delay in finalization of counterpart's proposal for Project institutional arrangements	Slight delay in obtaining endorsement from Brazil – being reviewed for SC approval	May be further delayed. Delays in defining the institutional arrangements with implications over some design issues of the Project	The project has been approved by IDB's Board and work is in progress for the first implementation steps in coordination with the Government.

<u>Brazil (projects continued)</u>	DGM for Indigenous Peoples and Local Communities	Macuaba Palm Oil in Silvicultural System (Set-Aside)	Commercial Reforestation of Modified Lands in Cerrado (Set-Aside)
Project Data			
Funding	6.5	3	15
• Grant	6.5	3	-
• Credit	-	-	15
Co-Financing		78	
• Government	-	25	-
• Private Sector	-	28	-
• MDB	-	25	-
• Others			
Implementing Agency	IBRD	IDB	IFC
Investment Type	Public	Private	Private
Milestones/ Traffic Light System			
• SC Funding Approval	Jun-14 (green)	Aug-14 (green)	Jan-14 (green)
• MDB Approval	Oct- 14 (green)	Nov-14 (green)	Aug-14 (yellow)
Project Status/ Remarks			

FIP Investment Plan: Burkina Faso

Endorsement date:	November 5, 2012
Involved MDBs:	AfDB and IBRD
Number of Projects:	2
FIP Funding:	
• Endorsed indicative allocation	USD 30 million
• Approved to date	USD 30 million
• Approval rate (FIP funding)	100%
Expected Co-financing:	USD147.8 million

Key: Milestone Threshold /Traffic Light System		
green	yellow	red
IP Endorsement to SC Approval		
<= 18 mos.	> 18 mos. but <= 24 mos.	> 24 mos.
SC Approval to MDB Approval		
<= 6 mos.	> 6 mos. but <= 9 mos.	> 9 mos.

<u>Projects</u>	Participatory Management of State Forests (PGPFD)	Decentralized Forest and Woodland Management (PGDDF)	DGM for Indigenous Peoples and Local Communities	Climate Change Mitigation and Poverty Reduction through the development of Cashew Sector (Set-Aside)
Project Data				
Funding	12.00	18.00	6.5	4
• Grant	12.00	18.00	6.5	-
• Credit	-	-	-	4
Co-Financing	23.40	124.4		
• Government	-	-		
• Private Sector	-	-		
• MDB	3.35	86.4		
• Bilaterals	14.00	28.0		
• Others	6.00	10.00		
Implementing Agency	AfDB	IBRD	IBRD	AfDB
Investment Type	Public	Public	Public	Private
Milestones/ Traffic Light System				
• SC Funding Approval	Approved	Approved	TBD	TBD
• MDB Approval	Approved	Approved	TBD	TBD
Project Status/ Remarks	The loan agreement has been signed. Work is ongoing to meet the 1st disbursement conditions. The launching of the project is planned for May 2014.			

FIP Investment Plan: Democratic Republic of Congo

Endorsement date:	June 30, 2011
Involved MDBs:	AfDB, IBRD and IFC
Number of Projects:	2
FIP Funding:	
• Endorsed indicative allocation	USD 60 million
• Approved to date	USD 60 million
• Approval rate (FIP funding)	100%
Expected Co-financing:	USD 0.6 million

Key: Milestone Threshold /Traffic Light System		
green	yellow	red
IP Endorsement to SC Approval		
<= 18 mos.	> 18 mos. but <= 24 mos.	> 24 mos.
SC Approval to MDB Approval		
<= 6 mos.	> 6 mos. but <= 9 mos.	> 9 mos.

<u>Projects</u>	Addressing Deforestation and Degradation in the Mbuji Mayi/Kananga/Kisangani Supply Area	DRC Forest Investment Program	DGM for Indigenous Peoples and Local Communities
Project Data			
Funding	22.30	37.7	6
• Grant	22.30	37.70	6
• Credit	-	-	-
Co-Financing	0.6		
• Government	-	-	
• Private Sector	-	-	
• MDB	-	-	
• Others	0.6	-	
Implementing Agency	AfDB	IBRD	
Investment Type	Public	Public	
Milestones/ Traffic Light System			
• SC Funding Approval	Approved	Approved	
• MDB Approval	Approved	May-14 (green)	TBD
Project Status/ Remarks	The protocols of agreement are being prepared.	.	

FIP Investment Plan: Ghana

Endorsement date:	November 5, 2012
Involved MDBs:	AfDB, IBRD and IFC
Number of Projects:	3
FIP Funding:	
• Endorsed indicative allocation	USD 50 million
• Approved to date	USD 10.75 million
• Approval rate (FIP funding)	21.5%
Expected Co-financing:	USD 45.01 million

Key: Milestone Threshold /Traffic Light System		
green	yellow	red
IP Endorsement to SC Approval		
≤ 18 mos.	> 18 mos. but ≤ 24 mos.	> 24 mos.
SC Approval to MDB Approval		
≤ 6 mos.	> 6 mos. but ≤ 9 mos.	> 9 mos.

<u>Projects</u>	Engaging Local Communities in REDD+/Enhancing Carbon Stocks	Reducing Pressure on Natural Forests Through an Integrated Landscape Approach	Engaging the Private Sector in REDD+	DGM for Indigenous Peoples and Local Communities	PPP for Restoration of Degraded Reserves Through VCS and FSC certified plantations
Project Data					
Funding	10.00	30.00	10.00	5.5	10.3
• Grant	10.00	30.00	3.00	5.5	-
• Credit	-	-	7.00	-	10.3
Co-Financing	4.01	15.00	26.00		
• Government	0.81	15.00	-		
• Private Sector	-	-	16.00		
• MDB	-	-	10.00		
• Bilaterals	3.2	-	-		
• Others	-	-	-		
Implementing Agency	AfDB	IBRD	IFC		
Investment Type	Public	Public	Private		
Milestones/ Traffic Light System					
• SC Funding Approval	Approved	Jul-14 (yellow)	Nov-14 (yellow)	TBD	TBD
• MDB Approval	Approved	TBD	Apr-15 (green)	TBD	TBD
Project Status/ Remarks	The ADF & FIP Protocols of Agreement have been submitted to the Gov. for their review and signature on Feb 2014. AfDB plans to launch the project on the 3rd week of May.		Preparatory work currently being developed. Market research finalized end of April.		

FIP Investment Plan: Indonesia

Endorsement date:	November 5, 2012
Involved MDBs:	ADB, IBRD and IFC
Number of Projects:	3
FIP Funding:	
• Endorsed indicative allocation	USD 70 million
• Approved to date	USD 1.3 million
• Approval rate (FIP funding)	2%
Expected Co-financing:	USD 105 million

Key: Milestone Threshold /Traffic Light System		
green	yellow	red
IP Endorsement to SC Approval		
≤ 18 mos.	> 18 mos. but ≤ 24 mos.	> 24 mos.
SC Approval to MDB Approval		
≤ 6 mos.	> 6 mos. but ≤ 9 mos.	> 9 mos.

<u>Projects</u>	Promoting Sustainable Community-Based Natural Resource Management and Institutional Development	Strengthening Forest Enterprises to Mitigate Carbon Emissions	Community-Focused Investments to Address Deforestation and Forest Degradation (CFI-ADD+)	DGM for Indigenous Peoples and Local Communities
Project Data				
Funding	17.50	35.00	17.50	6.5
• Grant	17.50	2.50	17.50	6.5
• Credit	-	32.50	-	-
Co-Financing		99.0	6.00	
• Government	-	-	-	
• Private Sector	-	50.00	-	
• MDB	-	49.00	2.00	
• Others	-	-	4.00	
Implementing Agency	IBRD	IFC	ADB	
Investment Type	Public	Private	Public	
Milestones/ Traffic Light System				
• SC Funding Approval	Oct-14 (yellow)	Jul-14 (yellow)	Jan-15 (red)	TBD
• MDB Approval	TBD	Dec-14 (green)	Apr-15 (green)	TBD
Project Status/ Remarks		IFC has begun program design and the team continues to assess the full business potential, risks, and opportunities associated with the Program. Program design is based on identifying one or more forest enterprises that meet IFC and FIP safeguards and due diligence requirements, and designing of a consultation plan with relevant stakeholders. No enterprise have been engaged formally to date.	Consultations are continuing with stakeholders in project sites and in Jakarta. Originally proposed institutional arrangements had to be changed based on advice from the government. Signing of MOU for project preparation was delayed. Recruitment of project preparation consultants still in progress.	

FIP Investment Plan: Lao PDR

Endorsement date:	November 21, 2011
Involved MDBs:	ADB, IBRD and IFC
Number of Projects:	3
FIP Funding:	
• Endorsed indicative allocation	USD 30 million
• Approved to date	USD 17.13 million
• Approval rate (FIP funding)	57%
Expected Co-financing:	USD 121.15 million

Key: Milestone Threshold /Traffic Light System		
green	yellow	red
IP Endorsement to SC Approval		
<= 18 mos.	> 18 mos. but <= 24 mos.	> 24 mos.
SC Approval to MDB Approval		
<= 6 mos.	> 6 mos. but <= 9 mos.	> 9 mos.

Projects	Scaling-Up Participatory Sustainable forest Management (PSFM)	Smallholder Forestry Project (IFC)	Protecting Forests for Sustainable Ecosystem Services	DGM for Indigenous Peoples and Local Communities
Funding	13.33	3.33	13.34	4.5
• Grant	13.33	3.33	13.34	4.5
• Credit	-	-	-	-
Co-Financing	26.6	4.3	90.3	
• Government	7.6	-	-	
• Private Sector	-	3.4	-	
• MDB	19	0.2	-	
• Others	-	0.7	90.3	
Implementing Agency	IBRD	IFC	ADB	
Investment Type	Public	Private	Public	
Milestones/Traffic Light System				
• SC Funding Approval	Approved	approved	Jun-14 (red)	TBD
• MDB Approval	Approved	approved	Sep-14 (green)	TBD
Project Status/Remarks		Project under implementation	Fact finding mission postponed. ADB is revising the Feasibility Study prepared by the project preparatory consultants prior to fielding fact finding mission in April.	

FIP Investment Plan: Mexico

Endorsement date:	October 31, 2011
Involved MDBs:	IDB and IBRD
Number of Projects:	3
FIP Funding:	
• Endorsed indicative allocation	USD 60 million
• Approved to date	USD 60 million
• Approval rate (FIP funding)	100%
Expected Co-financing:	USD 686 million

Key: Milestone Threshold /Traffic Light System		
green	yellow	red
IP Endorsement to SC Approval		
<= 18 mos.	> 18 mos. but <= 24 mos.	> 24 mos.
SC Approval to MDB Approval		
<= 6 mos.	> 6 mos. but <= 9 mos.	> 9 mos.

<u>Projects</u>	Mexico Forests and Climate Change Project	Financing Low Carbon Strategies in Forest Landscapes.	Support for Forest Related Micro, Small, and Medium-sized Enterprises (MSMEs) in Ejido	DGM for Indigenous Peoples and Local Communities	Guarantee Fund for financing low carbon forestry investments
Project Data					
Funding	42.00	15	3	6.0	3
• Grant	25.66	5.00	1.2	6.0	-
• Credit	16.34	10.00	1.8	-	3
Co-Financing	683.0	-	3.0		
• Government	333.00	-	-		
• Private Sector	-	-	-		
• MDB	350.00	-	3.0		
• Others	-	-	-		
Implementing Agency	IBRD	IDB	IDB		
Investment Type	Public	Public	Private		
Milestones/ Traffic Light System					
• SC Funding Approval	Approved	Approved	Approved	TBD	Oct-14 (green)
• MDB Approval	Approved	Approved	Approved	TBD	Jan-15
Project Status/ Remarks	Project is disbursing	CONAFOR has organized in March a coordination meeting with the executing entities of the projects. Progress is in place for the execution of the project, with some delays experienced due to some changes at high managerial level at Financiera Rural. A programmatic FIP Mexico mission, organized by Conafor, will take place in May to follow up on the overall status of implementation of the IP.	The project is under execution, as planned. First tranche of the grant already disbursed, as well as the first tranche of the loan. The executing entities, Fondo Mexicano and Findeca are collaborating for the success of the project. A programmatic FIP Mexico mission, organized by Conafor, will take place in May to follow up on the overall status of implementation of the IP.		

FIP Investment Plan: Peru

Endorsement date:	October 30, 2013
Involved MDBs:	IBRD and IDB
Number of Projects:	4
FIP Funding:	
• Endorsed indicative allocation	USD 50 million
• Approved to date	USD 1.5 million
• Approval rate (FIP funding)	3 %
Expected Co-financing:	USD million

Key: Milestone Threshold /Traffic Light System		
green	yellow	red
IP Endorsement to SC Approval		
<= 18 mos.	> 18 mos. but <= 24 mos.	> 24 mos.
SC Approval to MDB Approval		
<= 6 mos.	> 6 mos. but <= 9 mos.	> 9 mos.

<u>Projects</u>	Integrated Land management in Atalaya, Ucayali Region	Integrated Forest Landscape Management Along the Main Route Between Tarapoto and Yurimaguas in the Regions of San Martin and Loreto	Integrated Landscape Management Along the Main Route Between Puerto Maldonado and Inapari and in the Amarakaeri Communal Reserve	Strengthening National Forest Governance and Innovation
Project Data				
Funding	12.6	12.57	12.37	12.46
• Grant	6.20	8.17	5.67	6.76
• Credit	6.40	4.40	6.70	5.70
Co-Financing	5.00	7.30	14.30	11
• Government	2.50	3.65	4.00	3
• Private Sector	-	-	-	-
• MDB	2.25	1	7.65	3
• Bi-laterals	0.25	2.65	2.65	5
• Others	-	-	-	-
Implementing Agency	IBRD	IDB	IDB	IDB
Investment Type	Public	Public	Public	Public
Milestones/ Traffic Light System				
• SC Funding Approval	Dec-14 (green)	Jan-15 (green)	Jan-15 (green)	Jan-15 (green)
• MDB Approval	May-15 (green)	May-15 (green)	May-15 (green)	May-15 (green)
Project Status/ Remarks		Preparatory work is undergoing. All public projects in Peru need to go through a national approval step (SNIP- Sistema	Preparatory work is undergoing. All public projects in Peru need to pass a national approval step (SNIP- Sistema Nacional De	Preparatory work is undergoing. All public projects in Peru need to pass a national approval step (SNIP- Sistema Nacional De Inversión Pública) before they can be

		Nacional De Inversión Pública) before they can be pretend to FIP SubCommittee and IDB Board. SNIP process can be quite honoreous, given the detailed information that need to be provided.	Inversión Pública) before they can be pretend to FIP SubCommittee and IDB Board. SNIP process can be quite honoreous, given the detailed information that need to be provided.	pretend to FIP SubCommittee and IDB Board. SNIP process can be quite honoreous, given the detailed information that need to be provided.
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<u>Peru (projects continued)</u>	DGM for Indigenous Peoples and Local Communities
Funding	5.50
• Grant	5.50
• Credit	-
Co-Financing	
• Government	-
• Private Sector	-
• MDB	-
• Others	
Implementing Agency	IBRD
Investment Type	Public
Milestones/ Traffic Light System	
• SC Funding Approval	Feb-15 (green)
• MDB Approval	TBD
Project Status/ Remarks	

**Annex 2: Calendar of Scheduled Submissions of Projects and Programs for FIP Funding Approval
(FY 14 and FY 15)**

Country	PROJECT TITLE	MDB	Public/ Private	Grant	Concessional Loan	SC Approval Date	MDB Board Approval
Brazil	Sustainable Production in Areas Converted to Agricultural Use(based upon the ABC plan)	IBRD	Public	10.62	-	Apr-14	Jun-14
Brazil	Environmental Regularization of Rural Lands(based upon the CAR)	IBRD	Public	1.00	32.48	May-14	Jul-14
Lao PDR	Protecting Forests for Sustainable Ecosystem Services	ADB	Public	12.84	-	Jun-14	Sep-14
Ghana	Reducing Pressure on Natural Forests Through an Integrated Landscape Approach	IBRD	Public	29.50	-	Jul-14	TBD
Indonesia	Strengthening Forest Enterprises to Mitigate Carbon Emissions	IFC	Private	2.20	32.50	Jul-14	Dec-14
Brazil	DGM for Indigenous Peoples and Local Communities	IBRD	Public	6.50	-	Jul-14	Oct-14
Global Component	DGM for Indigenous Peoples and Local Communities	IBRD	Public	4.72	-	Jul-14	Oct-14
Brazil	Implementation of Early Warning System for Preventing Forest Fires and a System for monitoring the Vegetation Cover	IBRD	Public	9.15	-	Aug-14	TBD
Brazil	Macauba Palm Oil in Silvicultural System	IDB	Private	3.00		Aug-14	Nov-14
Indonesia	Promoting Sustainable Community-Based Natural Resource Management and Institutional Development	IBRD	Public	17.00	-	Oct-14	TBD
Mexico	Guarantee Fund for financing low carbon forestry investments	IDB	Private		3.00	Oct-14	Jan-15

FY14

FY15

Indonesia	DGM for Indigenous Peoples and Local Communities	IBRD	Public	6.33	-	Nov-14	TBD
Ghana	Engaging the Private Sector in REDD+	IFC	Private	2.75	7.00	Nov-14	Apr-15
Peru	Integrated Land management in Atalaya, Ucayali Region	IBRD	Public	5.80	6.40	Dec-14	May-15
Indonesia	Community-Focused Investments to Address Deforestation and Forest Degradation(CFI-ADD+)	ADB	Public	17.00	-	Jan-15	Apr-15
Peru	Integrated Forest Landscape Management Along the Main Route Between Tarapoto and Yurimaguas in the Regions of San Martin and Loreto	IDB	Public	7.80	4.40	Jan-15	May-15
Peru	Integrated Landscape Management Along the Main Route Between Puerto Maldonado and Inapari and in the Amaraeri Communal Reserve	IDB	Public	5.30	6.70	Jan-15	May-15
Peru	Strengthening National Forest Governance and Innovation	IDB	Public	6.40	5.70	Jan-15	May-15
Peru	DGM for Indigenous Peoples and Local Communities	IBRD	Public	5.50	-	Feb-15	TBD
Burkina Faso	Climate change mitigation and poverty reduction through the development of the cashew sector in Burkina Faso	AfDB	Private		4.00	TBD	
Ghana	Public-Private Partnership for restoration of degraded forest reserve through VCS and FSC certified plantations	AfDB	Private		10.30	TBD	
Burkina Faso	DGM for Indigenous Peoples and Local Communities	IBRD	Public	4.50	-	TBD	

TBDS

DRC	DGM for Indigenous Peoples and Local Communities	IBRD	Public	6.00	-	TBD
Ghana	DGM for Indigenous Peoples and Local Communities	IBRD	Public	5.50	-	TBD
Lao PDR	DGM for Indigenous Peoples and Local Communities	IBRD	Public	4.50	-	TBD
Mexico	DGM for Indigenous Peoples and Local Communities	IBRD	Public	6.00	-	TBD
TOTAL				179.91	112.48	

Annex 3: Change in Co-financing for FIP Projects from Endorsement to MDB Approval

Country	Project title	MDB	Total FIP Funding	Initial Estimate (at time of IP endorsement)	Estimate at time of FIP funding approval	Estimate in MDB Approved Document	Current Reported Estimate (based on latest estimate)	Change (+/-) difference between current and initial estimates
DRC	DRC Improved Forested Landscape Management	IBRD	37.7	-	-	-	-	-
DRC	Integrated REDD+ Project in the Mbuji Mayi/Kananga and Kisangani Basins	AFDB	22.3	12.7	0.60	(11.50)	0.6	-12.1
Lao PDR	Protecting Forests for Sustainable Ecosystem Services	ADB	13.34	90.29	-	-	90.29	0
Lao PDR	Smallholder Forestry Project(Technical Assistance-MDB Approval Not Required)	IFC	3.3	-	4.30	4.30	4.3	4.3
Lao PDR	Scaling-Up Participatory Sustainable forest Management(PSFM)	IBRD	13.33	15	16.00	26.56	26.56	11.56
Mexico	Mexico Forests and Climate Change Project	IBRD	42	587	587.00	683.00	683	96
Mexico	Financing Low Carbon Strategies in Forest Landscapes.	IDB	15	-	-	-	-	0
Mexico	Support for Forest Related Micro, Small, and Medium-sized Enterprises (MSMEs) in Ejido	IDB	3	-	4.02	4.02	4.02372	4.02
Brazil	Environmental Regularization of Rural Lands(based upon the CAR)	IBRD	33.48	17.5	-	-	17.5	0
Brazil	Sustainable Production in Areas Converted to Agricultural Use(based upon the ABC plan)	IBRD	10.72	25	-	-	25	0
Brazil	Forest Information to Support Public and private Sectors in managing Initiatives	IDB	16.55	8	8.00	8.00	8	0

	Focused on Conservation and Valorization of Forest Resources							
Brazil	Implementation of Early Warning System for Preventing Forest Fires and a System for monitoring the Vegetation Cover	IBRD	9.25	6.5	-	-	6.5	0
Burkina Faso	Decentralized Forest and Woodland Management(PGDDF)	IBRD	18	124.35	11.83	9.76	9.76	-114.59
Burkina Faso	Gazetted Forests Participatory Management Project for REDD+ (PGFC/REDD+)	AFDB	12	23.35	1.20	1.17	1.17	-22.18
Ghana	Reducing Pressure on Natural Forests Through an Integrated Landscape Approach	IBRD	30	15	-	-	15	0
Ghana	Engaging Local Communities in REDD+/Enhancing Carbon Stocks	AFDB	10	5	5.55	4.01	4.012	-0.988
Ghana	Engaging the Private Sector in REDD+	IFC	10	26	-	-	26	0
Indonesia	Community-Focused Investments to Address Deforestation and Forest Degradation(CFI-ADD+)	ADB	17.5	6	-	-	6	0
Indonesia	Promoting Sustainable Community-Based Natural Resource Management and Institutional Development	IBRD	17.5	0	-	-	0	0
Indonesia	Strengthening Forest Enterprises to Mitigate Carbon Emissions	IFC	35	99	-	-	99	0

Peru	Integrated Forest Landscape Management Along the Main Route Between Tarapoto and Yurimaguas in the Regions of San Martin and Loreto	IDB	12.57	7.3	-	-	7.3	0
Peru	Integrated Land management in Atalaya, Ucayali Region	IBRD	12.6	5	-	-	5	0
Peru	Integrated Landscape Management Along the Main Route Between Puerto Maldonado and Inapari and in the Amarakaeri Communal Reserve	IDB	12.37	14.3	-	-	14.3	0
Peru	Strengthening National Forest Governance and Innovation	IDB	12.46	11	-	-	11	0
Totals			420	1098.3	638.5	729.3	1064.3	-34