



Forest Investment Program Pilot Countries Meetings

The **Forest Investment Program (FIP) Pilot Countries Meeting** held in Oaxaca, Mexico June 12-14, 2016 brought together over **100 participants from all of the 23 FIP pilot countries**. A mix of participants from government, private sector, civil society and indigenous peoples and local community groups together with colleagues from the MDBs, gathered to foster peer-to-peer learning among FIP pilot countries on practical issues related to the design and implementation of FIP investment plans and other forestry activities.

Host Mexico is one of the original FIP pilot countries and has several years' experience working on its investment plan and developing and implementing FIP projects. Oaxaca also offered an **opportunity to learn from Mexico's experience** implementing sustainable forest management practices and see FIP results on the ground.

The 2016 FIP Pilot Countries Meeting also marked a change in the organization of the event. With a much larger group of countries now involved and in different stages of preparing investment plans, developing project concepts and implementing projects on the ground, the approach of the meeting was **to foster exchange of information, experience and views between participants** through discussion in plenary and small group settings.



FIP Efforts around the World

Countries from every continent are now engaged in the FIP, representing a wide range of forest types and situations—from countries with remaining high forest cover dealing with high rates of forest loss to countries with low forest cover or low rates of deforestation.

Each FIP country has its own specific circumstances. The detailed discussions illustrated that these can be even more nuanced as sub-national and local conditions make every situation almost unique. However the conversations also illustrated that there is a lot of commonality between the challenges the FIP pilot countries face and between the types of interventions they are deploying.

One universal note was the way the FIP investment plans and projects are bringing together different sectors – that may have widely differing views on forests and how they should be managed – and creating the space to enable multi-stakeholder approaches that allow a wide range of development and climate opportunities to be achieved.



Opportunity and Change for Global Forests

The need for countries to have coherent approaches to maintaining remaining forests, ensuring their sustainable management, and restoring already degraded forests is clear. The importance of forests was underlined in both the Paris Agreement and in the development of the Sustainable Development Goals.

Identifying how forests can play a positive role and contribute to low-carbon development and low-carbon economies is essential if forests are going to fulfil their potential in delivering local, national and global solutions. The FIP investment plans offer an important platform for convening dialogue that could help countries develop nationally appropriate solutions that identify synergies between initiatives.

Evolution of the FIP

The FIP portfolio is changing—the initial eight FIP pilot countries all have endorsed investment plans and 15 new FIP countries are at the earliest stages of investment plan development. This means the FIP has had to adapt to life as a much larger and much more diverse family of countries and the challenges they face. It also means a much more powerful group of actors within the forest and landscape sectors with very diverse constituencies and experience from which the group can draw, share and learn.

The FIP community now has the opportunity to become the living laboratory it was originally intended to be, with a dynamic and multi-directional exchange of information.

With the maturing of the original pilot countries whose projects are moving into implementation and the advent of new countries embarking on their investment planning processes, a recurring theme at the meeting was the unprecedented opportunity that the FIP now has to make use of the growing body of knowledge to address the drivers of deforestation and forest degradation.

Seizing that opportunity will be important both for countries, private sector actors, Indigenous Peoples and local communities and MDBs within the FIP family, as well as the wider forests community.



Opportunities for FIP Knowledge Management

The FIP's knowledge management efforts, which bring together the benefits of experience, new approaches, successes and challenges of putting forests at the heart of sustainable development, are even more critical now.

These efforts were seen to provide a link back to the importance of the FIP investment plans and the power of the programmatic approach to develop solutions in complex situations like forests with multi-sector, multi-actor and multi-issue challenges.

The FIP's comparative advantage in finding ways to stack and bundle interventions and support with governments, the MDBs, private sector players, indigenous groups and local communities and the FIP Dedicated Grant Mechanism (DGM) is seen as both a challenge and opportunity in the next years.

The private sector was also highlighted as important to the way the forest sector is anticipated to develop in the coming years, despite the slow progress the FIP private sector initiatives have had. The need for greater alignment between the FIP and the private sector ways of doing business, including greater flexibility and work to bridge the clear gaps in understanding between local and international financial intermediaries, was also discussed.

The role of the DGM in fostering lasting change in the way Indigenous Peoples and local communities are involved in decision making about forests was highlighted, including its support for capacity building among communities in developing and implementing sustainable approaches to forest management.

While the importance of the DGM being led by Indigenous Peoples and local communities was acknowledged, participants emphasized the need to ensure national FIP investment plan and DGM activities are mutually supportive and contribute to effecting transformational change in the forest sector.

Participants also discussed the evolving international financing architecture for forests, including aspirations for the Green Climate Fund and how the complementary roles and support from FIP and other sources such as the Global Environment Facility and bilateral partners, can be structured to further national priorities and build on and enhance one-another's efforts.

