

Approved at FIP SC meeting October 31, 2011

**Endorsement of FIP Investment Plan for Mexico and approval of FIP funding for project preparation (IDB and World Bank)**

The FIP Sub-Committee, having reviewed the *Investment Plan for Mexico*, (document FIP/SC.7/5/Rev.1),

a) endorses the Investment Plan as a basis for the further development of the projects foreseen in the plan and takes note of the requested funding of USD 60 million (USD 32.16 million in grant funding and USD 27.84 million in concessional funding). The Sub-Committee requests the Government of Mexico and the MDBs, in the further development of the proposed projects, to take into account comments submitted by Sub-Committee members by November 15, 2011.

b) reconfirms its decision on the allocation of resources, adopted at its meeting in November 2010, that a range of funding for the country should be used as a planning tool in the further development of project and program proposals to be submitted to the FIP Sub-Committee for FIP funding approval, recognizing that the minimum amount of the range is more likely and that the upper limit of the range will depend on availability of funding. The range of funding agreed for Mexico is USD 40-60 million in FIP resources. The Sub-Committee also recognizes that the quality of the proposed activities will be a significant factor in the funding to be approved by the Sub-Committee when project and program proposals are submitted for approval of FIP funding.

c) takes note of the estimated budget for project preparation and supervision services for the projects referenced above and approves a first tranche of funding for MDB project preparation and supervision services as follows:

- i. USD 420,000 for the “*Mexico Forests and Climate Change Project*” (World Bank);
- ii. USD 250,000 for the project “*Creation of a dedicated financing line for low carbon strategies in forest landscapes*” (IDB); and
- iii. USD 193,000 for the project “*Strengthening the financial inclusion of ejidos and communities through technical assistance and capacity building for low carbon activities in forest landscapes*” (IDB).