

February 10, 2012

**Approval by mail: Project Preparation Grant for Mexico: Strengthening the financial inclusion of ejidos and communities through technical assistance and capacity building for low carbon activities in forest landscapes**

Dear FIP Sub-Committee members,

Please find attached a request for a Project Preparation Grant to support the preparation of the project, *Strengthening the financial inclusion of ejidos and communities through technical assistance and capacity building for low carbon activities in forest landscapes*. This proposal, which has been submitted by the Government of Mexico and the Inter-American Development Bank, is requesting USD 115,000 in FIP funding for project preparation.

The Trust Fund Committee is requested to approve the following decision:

**The FIP Sub-Committee approves USD 115,000 in FIP funding to contribute to the preparation of the project, *Strengthening the financial inclusion of ejidos and communities through technical assistance and capacity building for low carbon activities in forest landscapes*, as part of the Forest Investment Program for Mexico.**

For your information the following table summarizes the allocation of FIP resources for the endorsed Investment Plan for Mexico. The Trustee has confirmed that there are sufficient resources available for commitment of the resources requested for this project preparation grant.

<b>Mexico Investment Plan - FIP</b>	<b>USD million</b>
Endorsed Investment Plan (approved October 2011)	60.00
Grants	32.2
Credits	27.8
Project approved	
Mexico Forests and Climate Change Project	<u>42.00</u>
Grants	25.7
Credits	16.3
Project Preparation Grant submitted for approval	
Strengthening the financial inclusion of ejidos and communities through technical assistance and capacity building for low carbon activities in forest landscapes	0.115
<b>Total allocation remaining if above project is approved</b>	<b>17.885</b>

figures as of February 8, 2012

If we do not receive an objection to this proposed decision by close of business on February 24, 2012, the decision will be approved.

Sincerely,

Patricia Bliss-Guest  
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