

April 28, 2017

**[Approval by mail] Request for Extension - Investment Plan for Ecuador (FIP)
Approval Notification**

Dear FIP Sub-Committee members:

We are writing regarding the request from the Government of Ecuador to extend the two-year period for submitting their Investment Plan to the FIP Sub-Committee for endorsement.

The time period provided for submission of comments and any objection to the decision has now expired. No objections were received. We are, therefore, pleased to inform you that the following decision is approved:

The FIP Sub-Committee reviewed the request from Ecuador to extend the two-year period for submitting their Investment Plan to the FIP Sub-Committee for endorsement.

The Sub-Committee notes the circumstances in the Ecuador highlighted in the request, including the proposals for action, and approves the extension, up to the FIP Sub-Committee meeting in December 2017, for submitting the Investment Plan to the Sub-Committee for endorsement.

Sincerely,

Mafalda Duarte

Program Manager

Climate Investment Funds

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FOREST INVESTMENT PROGRAM (FIP)

Investment Plan Preparation

Ecuador

First joint mission

Quito, April 18-19 2017

Aide Memoire

I. Introduction

1. The first joint mission for the Forest Investment Plan (FIP) of the Climate Investment Funds (CIF) took place in the city of Quito, Ecuador, from April 18th – 19th. Participants to the mission included representatives from the Inter-American Development Bank Group (IDBG), the World Bank Group (WBG) as follows: IDB: Gloria Visconti (Mission Leader and Climate Change Lead Specialist, Cristina Villalba (Operations Specialist at the Representation in Ecuador), Pamela Ferro (Climate Change Consultant), Paloma Marcos (Gender and Climate Change Consultant), Marisol Inurritegui (Natural Resources Specialist) and Christian Parra Meneses (Climate Change Consultant-IIC). WBG: Gabriela Encalada (Environmental Specialist).
2. The GoE has appointed the MAE as the technical focal point for the FIP. Accordingly, the organization of this mission was led and coordinated by representatives of this entity: María Victoria Chiriboga (Undersecretary of Climate Change), Fabián Moncayo (National Director for Climate Change Mitigation), Daysy Cárdenas (Directorate for Climate Change Mitigation), Santiago García (National Forestry Director), Fernando Prieto (FIP focal point - Undersecretary of Natural Heritage), Danilo Arévalo (Directorate for Forestry), Juan Fernando Terán (Coordinator for International Management).
3. Prior to this mission, a Scoping Mission for the FIP Investment Plan (IP) was held between the 27th and 29th September 2016 in Quito.
4. The members of the mission would like to thank the team of the MAE for the organization of the mission and for their hospitality during their visit to Quito.

II. Background

5. In May 2015 Ecuador was selected by the FIP Sub Committee to become a pilot country under the FIP Program following the recommendations of an independent panel of experts who selected the proposal submitted by the Government of Ecuador through an expression of interest. In December 2015 the FIP Sub Committee approved the allocation of USD 250,000 for the elaboration of the IP. These resources will support the consultation and participation processes for the design of the IP and its articulation with the National Climate Change Strategy in the framework of the REDD+ National Plan.
6. **FIP general objectives:** Supporting developing countries efforts to reduce emissions from deforestation and forest degradation and promoting sustainable forest management and enhancement of forest carbon stocks (REDD+), including:

- Promoting forest mitigation efforts, including protecting forest ecosystem services
 - Providing support outside of the forest sector to reduce pressure on forests
 - Helping countries strengthen institutional capacity, forest governance, and forest-related knowledge
 - Mainstreaming climate resilience considerations and contributing to biodiversity conservation, protecting the rights of indigenous peoples and local communities, and poverty reduction through rural livelihoods enhancement.
7. The FIP addresses the underlying drivers of deforestation and forest degradation, as well as the barriers identified by upstream REDD+ programs such as those of the Forest Carbon Partnership Facility (FCPF), the Global Environmental Facility (GEF), UN Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN-REDD Programme).

III. Mission Objectives

8. Discussion and feedback on the content of the first partial draft of the IP (sections 1-5).
9. Preliminary discussion on the direct and indirect drivers of deforestation included in the partial draft IP and its implications for the identification and prioritization of projects to be potentially financed by the FIP.
10. Presentation of the REDD + Implementation Plans developed in collaboration with national institutions and relevant actors (including local actors). Information session on the status of the IP design to the REDD + Working Group (Mesa de Trabajo REDD+).
11. Discussion and definition of criteria for REDD + under the IP.
12. Presentation and discussion of the role of preparatory funds for the IP development
13. Definition of a specific timetable to finalize the IP, including deadlines for the determination of specific projects to be financed by the FIP.
14. Establishing the link between UNFCCC safeguards and the interpretation of the Ecuadorian and World Bank safeguards.
15. Setting a date for the second joint mission.

IV. Activities and agreements

16. The joint mission reviewed sections 1-5 of the draft Investment Plan and agreed to:
 - Finish describing the direct and indirect causes of deforestation.
 - Update section 3 on legislation including the recently registered Environmental Organic Code and the future National Development Plan, among others.
 - Update section 5 on ongoing initiatives and projects including IDB, WB and Amazon Productive Transformation Agenda projects, among others.
 - The Undersecretariat for Climate Change will facilitate a study on future dynamics of deforestation.

17. The main direct and indirect causes of deforestation and degradation were discussed according to the analytical work developed in the preparation of the REDD + Action Plan.
18. During the informative session on the status of the IP design, questions and comments were received from the REDD+ Working Group and other relevant actors including indigenous peoples, the private sector, NGOs, cooperation agencies, civil society and the public sector. Likewise, the REDD + Implementation Plans that at this moment do not have funding to be implemented were presented:
 - Traceability and certification of forest products (3 plans)
 - Conservation, reforestation, and bio-enterprises (3 plans)
 - Indigenous peoples and nationalities (1 plan)
 - Sustainable palm (2 plans)
 - Traceability and certification of agricultural products (3 plans)
 - Good practices in agroforestry systems (3 plans)
19. The criteria to prioritize actions for the IP (which should include FIP criteria and be aligned with the REDD + Action Plan) were defined.
20. To determine the IP investment lines, the Government of Ecuador will carry out an internal exercise to select the lines of intervention included in the REDD+ Action Plan. This will determine the funding gaps by analyzing the activities already funded by the GCF, GEF and other initiatives of international cooperation and national financing. This selection will be sent to the MDBs to look up to the feasibility of converting these lines of intervention into projects.
21. For the prioritization of the lines of intervention, the Government will consider the types of available resources under the FIP, identifying the activities that can be profitable and financially sustainable from a private and public investment perspective.
22. It was agreed that preparatory funds/resources for the elaboration of the IP of the FIP will not be requested by the MAE to avoid further delays in the IP and funding will be sought through ongoing IDB, WB and MAE projects and programs.
23. The specific timetable for finalizing the Investment Plan is attached under the 'next steps' section.
24. The UNFCCC safeguards, the interpretation of the Ecuadorian safeguards for REDD + and those of the World Bank were presented to gain a better understanding of the processes that are being carried out at the level of funders/donors and the National Government.
25. The proposed date for the Second Joint Mission is August 15th-16th 2017.

V. Next Steps

The following timetable was agreed:

Activities/Section / Investment Plan Annex	Date	Task	Responsible
1 st Joint Mission	April 18 th -19 th	Revision of first sections (1-5) of IP and next steps	MAE, WB, IDB
Investments prioritization	May 8 th	MAE to send prioritized investments to the MDBs	MAE
Video conference	May 15 th	Discussion about the prioritized investments	MAE, WB, IDB
Adjustment of investments	May 22 nd	Adjustment of prioritized investments	MAE, consultant
Subcommittee meeting	First week of June	MAE attends the FIP Subcommittee meeting	MAE
Video conference	Mid-June	Revision of the IP. Selection of the external reviewer	MAE, WB, IDB
Sections 6 - 9 and Annexes 1-4	July 4 th , 2017	First complete draft of the investment plan	MAE, IDB, WB
Video Conference	Week of July 10-14 th	Discussing final topics of the IP first draft	MAE, WB, IDB
First draft IP presentation	15 th -20 th of July	National and regional workshops	MAE
Second draft of the IP	July 30 th , 2017	Adding observations from national/regional workshops	MAE, WB, IDB
Second Joint Mission	15-16 th August 2017	Last revision and final decisions on the investment plan (third version)	IDB coordinates with MAE and WB
Third draft IP (consultation)	First week of September	National workshop	MAE
Third draft IP	September 15 th – 30 th	Publishing the IP on the MAE webpage	MAE
Third draft IP and Annex 5	September 15 th - 30 th	Third party revision	WB, IDB, MAE (CIF AU hiring consultant)
IP fourth and final version	October 1 st -10 th	Including observations from the third-party revision and consultation on the web	MAE
IP Final version	October 10 th -25 th	English translation of the IP	IDB hires a translator
Revision of the English version	October 26 th -27 th	MAE reviews the English version of the IP	MAE
Investment plan (English version)	October 30 th , 2017	MAE sends the IP to CIF AU	MAE, IDB

Quito, April 19th, 2017

María Victoria Chiriboga
Undersecretary of Climate Change
Ministry of the Environment

Francisco Prieto
Under-secretariat of Natural Heritage
Ministry of the Environment

Juan Fernando Terán
International Management Coordinator
Ministry of the Environment

Gloria Visconti
Climate Change Lead Specialist
Inter-American Development Group

Gabriela Encalada Romero
Environmental Specialist
World Bank



PROGRAMA DE INVERSION FORESTAL (FIP)

Preparación del Plan de Inversión
Ecuador

**Primera misión conjunta
(First joint mission)**

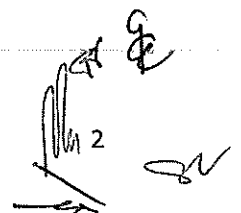
Quito, 18-19 de abril de 2017

Ayuda memoria


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1. Introducción

1. La primera misión conjunta para el Programa de Inversión Forestal (PIF) de los Fondos de Inversión Climática (CIF) tuvo lugar en la ciudad de Quito el 18 y 19 de abril de 2017. La misión fue conformada por representantes del Grupo Banco Interamericano de Desarrollo (BID) y del Grupo Banco Mundial (BM). Por parte del BID participaron los siguientes especialistas: Gloria Visconti (Líder de la misión, Especialista Líder de Cambio Climático), Cristina Villalba (Especialista de Operaciones de la Representación en Ecuador), Pamela Ferro (Consultora de Cambio Climático), Paloma Marcos (Consultora de Género y Cambio Climático), Marisol Inurritegui (Especialista de Recursos Naturales) y Christian Parra Meneses (Consultor de Cambio Climático-IIC). Por parte del BM participó Gabriela Encalada (Especialista Ambiental).
2. El Gobierno de Ecuador ha designado al MAE como punto focal técnico para el PIF por lo cual la organización de esta misión ha sido liderada y coordinada en conjunto con los representantes de esta institución: María Victoria Chiriboga (Subsecretaria de Cambio Climático), Fabián Moncayo (Director Nacional de Mitigación del Cambio Climático), Daysy Cárdenas (Técnica Dirección Nacional de Mitigación del Cambio Climático), Santiago García (Director Nacional Forestal), Fernando Prieto (Punto focal técnico PIF Subsecretaría de Patrimonio Natural), Danilo Arévalo (Técnico Dirección Nacional Forestal), Juan Fernando Terán (Coordinador de Gestión Internacional).
3. Previamente a esta misión se realizó una Misión Exploratoria para el PI del PIF entre el 27 y el 29 de septiembre de 2016 en Quito.
4. Los miembros de la misión agradecen al equipo del MAE por la organización de la misión y las atenciones brindadas durante la misma.

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II. Antecedentes

5. En mayo 2015 Ecuador fue elegido por el Sub Comité FIP para ser parte de los países piloto bajo el Programa FIP de acuerdo a las recomendaciones realizadas por un panel de expertos independientes que seleccionó la propuesta sometida por Ecuador a través de su expresión de Interés –EOI-. En diciembre 2015 el Sub Comité FIP aprobó también la asignación de USD 250,000 para la elaboración del PI de Ecuador. Este financiamiento apoyará en los procesos de consulta y participación y diseño del PI FIP y su articulación con la Estrategia Nacional de Cambio Climático y en el marco del Plan de Acción REDD+.
6. **Objetivos generales del FIP:** Proveer apoyo a los países en desarrollo en sus esfuerzos para reducir las emisiones por deforestación y degradación de los bosques y promover la gestión sostenible de los bosques y el aumento de las reservas forestales de carbono (REDD +), en particular:
 - Promover los esfuerzos de mitigación forestal, incluyendo la protección de los servicios de los ecosistemas forestales;
 - Proporcionar apoyo fuera del sector forestal para reducir la presión sobre los bosques;
 - Ayudar a los países a fortalecer la capacidad institucional, la gobernanza forestal, y los conocimientos relacionados con los bosques;
 - Incorporar consideraciones de resiliencia al cambio climático y contribuir a la conservación de la biodiversidad, la protección de los derechos de los pueblos y nacionalidades indígenas y comunidades locales, y la reducción de la pobreza a través del mejoramiento de los medios de vida rurales.
7. El FIP aborda las causas subyacentes de la deforestación y degradación de los bosques, así como a las barreras identificadas en los programas REDD+, el GEF, el Programa de colaboración de las Naciones Unidas sobre Reducción de Emisiones por Deforestación y Degradación Forestal en los Países en Desarrollo (Programa ONU-REDD).

III. Objetivos de la misión

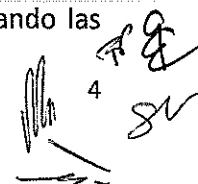
8. Discusión y retroalimentación sobre el contenido del primer borrador parcial del Plan de Inversión (secciones 1-5).
9. Discusión preliminar sobre las causas directas e indirectas de deforestación recogidas en el borrador parcial del Plan de Inversión y sus implicancias para la identificación y priorización de proyectos a ser financiados potencialmente por el FIP.
10. Presentación de los Planes de Implementación REDD+ desarrollados en colaboración con instituciones nacionales y actores relevantes (incluyendo actores locales). Sesión informativa sobre el estatus del diseño del PI a la Mesa de Trabajo REDD+.
11. Discusión y definición de los criterios para REDD+ bajo el PI.

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12. Presentación y discusión del rol de los recursos/fondos preparatorios para la elaboración del PI.
13. Definición de un cronograma específico para finalizar el Plan de Inversión, incluyendo plazos para la determinación de los proyectos concretos a ser financiados por el FIP.
14. Establecer el vínculo entre las salvaguardas de la CMNUCC y la interpretación de las salvaguardas ecuatorianas y las del Banco Mundial.
15. Definición de la fecha correspondiente a la segunda misión conjunta.

IV. Actividades y acuerdos alcanzados

16. La misión conjunta revisó las secciones 1-5 del borrador del Plan de Inversión y acordó:
 - Terminar de describir las causas directas e indirectas de deforestación
 - Actualizar la sección 3 sobre legislación incluyendo el Código Orgánico Ambiental registrado recientemente, el futuro Plan Nacional de Desarrollo, entre otros.
 - Actualizar la sección 5 sobre iniciativas y proyectos en marcha incluyendo los proyectos del BID, el BM y la Agenda de Transformación Productiva de la Amazonía, entre otros.
 - La Subsecretaría de Cambio Climático facilitará un estudio sobre dinámicas futuras de deforestación.
17. Se discutieron las principales causas directas e indirectas de deforestación y degradación según el trabajo de análisis desarrollado en la preparación del Plan de acción REDD+.
18. Durante la sesión informativa sobre el estatus del diseño del PI se recibieron preguntas y comentarios de la Mesa de Trabajo REDD+ y otros actores relevantes conformados por pueblos indígenas, sector privado, ONGs, agencias de cooperación, sociedad civil y sector público. Asimismo, se presentaron los Planes de Implementación REDD+ que en estos momentos no cuentan con financiación para ser puestos en marcha:
 - Trazabilidad y certificación de productos forestales (3 planes)
 - Conservación, reforestación y bioemprendimientos (3 planes)
 - Pueblos y nacionalidades indígenas (1 plan)
 - Palma sostenible (2 planes)
 - Trazabilidad y certificación de productos agropecuarios (3 planes)
 - Buenas prácticas en sistemas agroforestales. (3 planes)
19. Se definieron los criterios a ser tomados en cuenta para priorizar las acciones para el PI, que deben incluir los criterios del FIP y alinearse con lo establecido en el Plan de Acción de REDD+.
20. Para determinar las líneas de inversión del PI, el Gobierno de Ecuador va a realizar un ejercicio interno para seleccionar las líneas de intervención incluidas dentro del Plan de Acción REDD+. Para esto se determinarán los vacíos de financiamiento analizando las

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actividades ya financiadas por parte del GCF,GEF y otras iniciativas de cooperación internacional y financiamiento nacional. Esta selección será enviada a los MDBs para que se pueda averiguar la factibilidad de convertir estas líneas de intervención en proyectos.

21. En el ejercicio de priorización de las líneas de intervención, el Gobierno va a considerar la tipología de recursos disponible por parte del FIP, marcando las actividades que puedan ser rentables y financieramente sostenibles desde una óptica de inversiones privadas y públicas.
22. Se acordó que los recursos/fondos preparatorios para la elaboración del PI del FIP no serán solicitados por parte del MAE para evitar mayores retrasos en el PI y se buscará financiamiento a través de proyectos o programas del BID, el BM y el MAE ya en marcha.
23. En la sección de próximos pasos se adjunta el cronograma específico para finalizar el Plan de Inversión.
24. Se presentaron las salvaguardas de la CMNUCC, la interpretación de las salvaguardas ecuatorianas para REDD+ y las del Banco Mundial para tener una mayor comprensión de los procesos que se están llevando a cabo a nivel de los financistas y del Gobierno Nacional.
25. La fecha propuesta para la Segunda Misión Conjunta es el 15 y 16 de agosto de 2017.

V. Próximos pasos

Se acordó el siguiente cronograma:

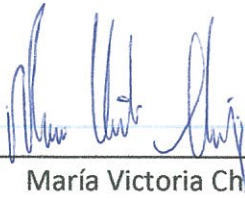
Actividad/Secciones/ Anexos del PI	Fecha	Tarea	Responsable
Primera Misión Conjunta	18-19 de abril	Revisión de las secciones 1 al 5 del PI y próximos pasos	MAE, WB, BID
Priorización de inversiones	8 de mayo	MAE envía a los MDBs las inversiones priorizadas	MAE
Video conferencia	15 de mayo	Discusión de las inversiones priorizadas	MAE, WB, BID
Ajuste de las inversiones	22 de mayo	Ajuste de las inversiones priorizadas	MAE, consultor
Reunión del Subcomité	Primera semana de junio	MAE asiste a la reunión del Subcomité del FIP	MAE
Video conferencia	Mediados de junio	Revisión del PI. Selección del revisor independiente	MAE, WB, BID
Secciones 6-9 y Anexos 1-4	4 de julio de 2017	Primer borrador completo del PI	MAE, BID, WB

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Video conferencia	Semana 10-14 de julio	Discusión de los temas finales de la primera versión final del borrador del PI	MAE, WB, BID
Presentación del Primer borrador del PI	15 -20 de julio	Talleres nacional y regionales	MAE
Segundo borrador del PI	30 de julio de 2017	Añadir los comentarios de los talleres	MAE, WB, BID
Segunda Misión Conjunta	15-16 de agosto de 2017	Última revisión y decisiones finales del plan de inversión (tercera versión)	BID coordina con MAE y BM
Tercer borrador del PI	Primera semana de septiembre	Taller Nacional	MAE
Tercer borrador del PI	15-30 de septiembre	Publicación del PI en la página web del MAE	MAE
Tercer borrador del PI y Anexo 5	15-30 de septiembre	Revisión consultor independiente	WB, BID, MAE (CIF AU contrata al consultor)
Cuarto borrador del PI y versión final	1-10 octubre	Incluir las observaciones del revisor independiente, de la consulta en la web y del taller nacional	MAE
Plan de Inversión Final	10-25 de octubre	Traducción al inglés del PI	BID contratará al traductor
Revisión de la versión en inglés	26 y 27 de octubre	Revisión de la traducción realizada al PI	MAE
Plan de Inversión (Versión en inglés)	30 de octubre de 2017	MAE envía el PI al CIF AU	MAE, BID

Quito, 19 de abril de 2017

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María Victoria Chiriboga
Subsecretaria de Cambio Climático
Ministerio del Ambiente



Francisco Prieto
Subsecretaría de Patrimonio Natural
Ministerio del Ambiente



Juan Fernando Terán
Coordinador de Gestión Internacional
Ministerio del Ambiente



Gloria Visconti
Especialista Líder de Cambio Climático
Grupo Banco Interamericano de Desarrollo



Gabriela Encalada Romero
Especialista Ambiental
Banco Mundial

April 19, 2017

**[Approval by mail] Request for Extension - Investment Plan for Ecuador (FIP)
UK Comments**

Dear Mafalda

Thank you for providing the information related to this request from Ecuador for a time extension to submit their Investment Plan in October 2017 with a view to seeking endorsement at the December 2017 sub-committee.

We note that the extension request letter was sent to the CIF AU in December 2016 along with a detailed set of tasks for the coming year. We would be grateful for an update on progress towards the January – April milestones in the revised IP preparation schedule.

Many thanks

Gaia

Gaia Allison
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April 5, 2017

**[Approval by mail] Request for Extension - Investment Plan for Ecuador (FIP)
Proposed Decision**

Dear FIP Sub-Committee members:

You will recall in January 2017 the FIP Sub-Committee approved the document entitled, FIP/SC.17/5/Rev.1, *Pipeline Management policy (FIP)*, for effectively managing the pipeline under the Forest Investment Program.

The document notes that new pilot countries accepted into the FIP should submit their investment plans for endorsement within a 24-month (2-year) timeframe from the date of acceptance into the SCF, or as directed by the Sub-Committee. It further states that should any of the pilot countries be unable to submit their Investment Plan (IP) for endorsement within the two-year period, these countries may request an extension, to be presented to the Sub-Committee, who will then determine if an extension can be granted and if so, for what timeframe.

We are writing to notify you that Ecuador is requesting an extension to the two-year period for submitting their Investment Plan to the FIP Sub-Committee for endorsement.

Please find attached the request for an extension, a letter from the Ministry of Environment supporting the extension and a timetable of activities for your review and approval.

The FIP Sub-Committee is requested to approve the following decision:

The FIP Sub-Committee reviewed the request from Ecuador to extend the two-year period for submitting their Investment Plan to the FIP Sub-Committee for endorsement.

The Sub-Committee notes the circumstances in the Ecuador highlighted in the request, including the proposals for action, and approves the extension, up to the FIP Sub-Committee meeting in December 2017, for submitting the Investment Plan to the Sub-Committee for endorsement.

If we do not receive an objection to the proposed decision by close of business on April 19, 2017, the decision will be approved.

Sincerely,

Mafalda Duarte

Program Manager
Climate Investment Funds

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Tentative Schedule for Preparing the Investment Plan of Ecuador
Forest Investment Program

Section / Investment Plan Annex	Date	Task	Responsible
Section 1-5	January - February 2017	Preparing the text	Inter-American Development Bank (IADB), World Bank (WB) and Ministry of Environment (MOE)
Section 6 and Annex 1-4	March 2017	Text including concept notes drafts for investment (Annex 1).	IADB, WB, MOE
Technical mission	End March		
Sections 1-6 and Annex 1-4	Last week of March 2017	Sub national workshops for sharing progress in designing the investment plan	MOE, WB, IADB
Sections 7 - 9	April - May 2017	Text	MOE, IADB, WB
Sections 1-9/Annex 1-4	End May	First complete draft of the investment plan	MOE, IADB, WB
First jointly mission (banks and MOE)	Third week May	Discussing final topics in order to bring a final version of the investment plan	MOE, WB, IADB
Final version of investment plan (second version)	May 2017 (best before May 24th)	National workshop	MAE

Final version of investment plan (third version)	June 2017	Adding observations from national workshop	MOE, WB, IADB
Final version of investment plan (fourth version)	June 2017	First revision of the investment plan (final version)	MOE, IADB, WB
Second jointly mission	July 2017	Last revision of the investment plan (final version)	BID coordina con MAE y BM
Investment plan (fifth version)	August 2017	Publishing the IP on the MOE webpage	MOE
Investment plan (fifth version)	Last week August 2017	Third party revision	WB, IADB, MOE (hiring consultant)
Investment plan (fifth version) and Annex 5	August – September 2017	Including observations from the third party revision	MOE
Investment plan (English version)	End of September 2017	Translating the investment plan	IADB hires a translator
Investment plan (English version)	October	MOE send the investment plan to CIF AU	MOE, IADB

Request for an Extension of IP/SPCR Approval Date			
1. Country Name	Ecuador		
2. Source of Funding	<input checked="" type="checkbox"/> FIP	<input type="checkbox"/> PPCR	<input type="checkbox"/> SREP
3. Lead MDB	IDB	4. Name of Lead MDB Focal Point:	Gloria Visconti gloriav@iadb.org
5. Partner MDBs	World Bank		
6. Country Focal Point	<p>María Victoria Chiriboga, Subsecretaria de Cambio Climático (maria.chiriboga@ambiente.gob.ec)</p> <p>Francisco Prieto Subsecretario de Patrimonio Nacional (francisco.prieto@ambiente.gob.ec)t</p> <p>Diana Martucci Coordinadora General de Planificación Ambiental (diana.martucci@ambiente.gob.ec)</p> <p>Punto focal técnico</p> <p>Cristina García Especialista de Mitigación del Cambio Climático (janneth.garcia@ambiente.gob.ec)</p> <p>Fernando Prieto Especialista en Normativa Forestal (rene.prieto@ambiente.gob.ec)</p>		
7. Date of Country Acceptance in the SCF Program	May 2015		
8. Date of IPPG Approval	Request for IPPG under development		
9. Date of Scoping Mission	27-29 September, 2016	10. Date of Joint Missions <i>First:</i> <i>Second:</i>	Proposed dates: First: April 2017 Second: July 2017
11. Date of IP/SPCR Approval	Original: June 2017		Proposed: October 2017
<p>Current Status of IP/SPCR Preparation <i>(describe in details activities and consultations conducted during the SPCR preparation process and other relevant information related to finalizing the IP/SPCR)</i></p> <p>From September 27th to 29th 2016, the first FIP Scoping Mission took place in Quito and important steps and a tentative schedule to develop the Investment Plan were defined. The mission was led by the Ministry of Environment (MAE) and had participation of the IDB, WB, and several stakeholders including the Ministry of Agriculture (MAGAP), Ministry of Finance (MINFIN) and representatives of institutions that are part of the REDD+ National Action Plan, sectoral (local) governments, indigenous peoples and</p>			

local communities, private sector, non-governmental and international donors linked to forestry issues in the country.

Members of the mission noted 6 potential areas prioritized in the REDD+ National Plan, discussed the means and opportunities to make a more efficient and ‘catalyst’ use of FIP funds and reached the following preliminary conclusions:

- Potential FIP interventions:
 - o Control and traceability
 - o Forest products and value chains
 - o Support to Socio Bosque Program
 - o Transition to sustainable production systems
- IDB will hire a consultant to support MAE in the preparation of the Investment Plan
- Letter to the FIP Sub-Committee communicating progress of the Investment Plan
- Accessing grant resources for the preparation of the Investment Plan

Next Steps to Justify Request for an Extension and Ensure Approval by the Proposed Target Date (describe all activities to be completed during the extension)

It is important to note that on April 16th, 2016 Ecuador was hit by one of the most devastating earthquakes in the last decades (7.8 magnitude) which prompted President Correa to declare a state of emergency. Several Government entities, including the MAE, were involved in attending the affected areas for rescue operations and support to the victims.

In this context, the planned first FIP Scoping Mission had to be cancelled. This caused changes in the original/overall FIP-Ecuador Timetable and the first Scoping Mission could not take place until September (as described above).

The Government of Ecuador reaffirms its will to continue with the FIP process in the country and is ready to start developing the Investment Plan required. However, given the exceptional circumstances that the country endured last year, it is formally requesting for an extension and new timetable to prepare the Investment Plan as described below:

Investment Plan preparation – FIP Ecuador

Section / Investment Plan Annex	Date	Task	Responsible
Section 1-5	January - February 2017	Preparing the text	Inter-American Development Bank (IADB), World Bank (WB) and Ministry of Environment (MAE)
Section 6 and Annex 1-4	March 20 th , 2017	Text including concept notes drafts for investment (Annex 1).	IADB, WB, MAE

Technical mission/2 nd joint mission	Week of April 17th		
Sections 1-6 and Annex 1-4	Last week of March 2017	Sub national workshops for sharing progress in designing the investment plan	MAE, WB, IADB
Sections 7 - 9	May 15 th , 2017	Text	MAE, IADB, WB
Sections 1-9/Annex 1-4	End of May	First complete draft of the investment plan	MAE, IADB, WB
First joint mission (banks and MAE)	End of May	Discussing final topics in order to bring a final version of the investment plan	MAE, WB, IADB
Final version of investment plan (second version)	Mid-May 2017 (best before May 24th)	National workshop	MAE
Final version of investment plan (third version)	June 15 th , 2017	Adding observations from national workshop	MAE, WB, IADB
Final version of investment plan (fourth version)	June 15 th – 30 th 2017	First revision of the investment plan (final version)	MAE, IADB, WB
Second joint mission	Mid- July 2017	Last revision of the investment plan (final version)	BID coordina con MAE y BM
Investment plan (fifth version)	August 10 th – 25 th 2017	Publishing the IP on the MOE webpage	MAE
Investment plan (sixth version) and Annex 5	Last week August 2017	Third party revision	WB, IADB, MAE (hiring consultant)
Investment plan (fifth version) and Annex 5	August 25 th – September 10 th 2017	Including observations from the third party revision	MAE
Investment plan (final version)	September 15 th – 30 th 2017	Translating the investment plan	IADB hires a translator
Investment plan (English version)	October 1 st , 2017	MAE send the investment plan to CIF AU	MAE, IADB

Oficio Nro. MAE-D-2016-0541

Quito, D.M., 14 de diciembre de 2016

Asunto: Ecuador's Investment Plan for Forest Investment Program (FIP)

Señora
Mafalda Duarte
Manager, Climate Investment Funds
WORLD BANK
Washington

Dear Mrs. Duarte:

The conservation of forests in Ecuador constitutes a national policy that is captured in different policies and programs such as REDD+ National Action Plan and Socio Bosque. Since 2000, net deforestation has decreased in almost 49%, the Socio Bosque program has around 188.000 beneficiaries and the project "Priming financial and Land-Use Planning Instruments to Reduce Emissions from Deforestation" is the first one in the forestry sector and with a REDD+ focus, to have been approved for financial resources by the Green Climate Fund. These will be used to continue developing actions oriented to forest conservation and management.

With the aim of strengthening the progress that Ecuador has achieved, the Ministry of Environment carries out several actions oriented to bringing strategic partners closer and developing different mechanisms to leverage financial resources. Such is the case that, from September 27th to 29th 2016, the first Exploratory Mission of the Forest Investment Program took place in Quito and important steps and a tentative schedule to develop the Investment Plan for forest conservation were defined.

It is worth noting that in the first semester of this year an earthquake hit the Coastal region of Ecuador causing serious damage, and that the Ministry of Environment was directly engaged in a prompt response to address the victim's different necessities. Additionally, other important milestones such as launching the REDD+ National Action Plan last November and presenting the Biennial Update Report to UNFCCC has provoked a delay in the original schedule of the Exploratory Mission and defining the roadmap for the FIP process.

Nevertheless, the Ministry wants to reaffirm the willingness of Ecuador in undertaking forest conservation and sustainable management initiatives and policies. In this context, finalizing the arrangements for the support of the Inter-American Development Bank through the credit line defined in the Forest Investment Program will be a strong step towards the accomplishment of forest management goals.

For this reason, we ask IADB to approve an extended schedule until October 2017, which



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Quito, D.M., 14 de diciembre de 2016

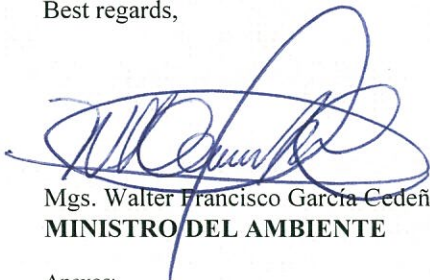
will permit Ecuador to prepare an adequate investment plan for forest protection and sustainable management.

Attached to this letter, you can find the proposal of the schedule for preparing the investment plan and the summary of the Exploratory Mission, where the main agreements can be summarized as follows:

- To hire a specialist consultant for developing the Investment Plan.
- To take advantage of donation funds to the Investment Plan preparation.
- To send to the Sub-committee the proposed schedule and progress taken for the Investment Plan.

We reiterate our interest to have the Ministry and IADB continue working together, developing and supporting the social and economic mechanisms for forest protection and sustainable production.

Best regards,



Mgs. Walter Francisco García Cedeño
MINISTRO DEL AMBIENTE

Anexos:

- schedule_fip_ecuador.pdf
- summary_of_the_exploratory_mission_ecuador.pdf

Copia:

Señor
Ian Gray
**Senior Program Coordinator, Forest Investment Program
WORLD BANK**

Señora
Inés Angulo
**Forest Specialist, Forest Investment Program
WORLD BANK**

Señora Licenciada
Maria Victoria Chiriboga Nielsen
Subsecretaria de Cambio Climático

Señor Licenciado
Francisco José Prieto Albuja
Subsecretario de Patrimonio Natural



Oficio Nro. MAE-D-2016-0541

Quito, D.M., 14 de diciembre de 2016

Señorita
Diana Priscila Martucci Larrea
Coordinadora General de Planificación Ambiental

cv/ff/mc/fcf

