

**Sent by Hector Arce, Fondo Nacional de Financiamiento Forestal (FONAFIFO),
4/03/2009**

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<HArce@FONAFIFO.COM> To <cifadminunit@worldbank.org>
04/03/2009 02:23 PM cc Jorge Mario Rodríguez <JRodriguez@FONAFIFO.COM>,
Alexandra Sáenz Faerron <ASaenz@FONAFIFO.COM>
Subje RE: Summary of the Co-Chairs - 2nd Design Meeting on the
ct FIP - March 5-6, 2009

Dear Patricia:

Please find below my observation to the Draft Design Document for the Forest Investment Program, a Targeted Program under the Strategic Climate Fund.

I would like to introduce the following observation to the DRAFT DESIGN DOCUMENT FOR THE FOREST INVESTMENT PROGRAM.

III. FIP PRINCIPLES

12. The principles set out in the Governance Framework of the Strategic Climate Fund (SCF) apply to the FIP. In addition to the general SCF principles the following principles are important considerations for the FIP:

a) **Climate change mitigation potential.** FIP investments should lead to significant reductions in deforestation and forest degradation and promote policies and measures for improved, sustainable forest management that lead to emissions reductions and protection, conservation and enhancement of carbon reservoirs;

(Comments: in order to keep the same language from the Bali Action Plan)

b) **National ownership and national strategies.** FIP pilot programs should be country-led and –owned, should build on, enhance and strengthen existing nationally prioritized REDD plans, strategies and efforts, and should respect national sovereignty

(Comments: FIP pilot should be support on something more than national efforts)

III. FIP PRINCIPLES

a) **Inclusive processes and participation of all important stakeholders, including indigenous peoples and local communities both properly organized.** FIP-supported programs at the country level should be designed and implemented with the full and effective participation and involvement of – and with respect for the rights of – indigenous peoples and local communities, building on existing mechanisms for collaboration and consultation. Such participation requires transparency in all phases of the FIP process, from the development of FIP programs and strategies, to their implementation and evaluation. All stakeholders, including indigenous peoples and local communities, must have equal, full and timely access to information to their implementation and evaluation. All stakeholders, including

indigenous peoples and local communities, must have equal, full and timely access to information, including draft documents, prior to decision-making. FIP-financed activities should, moreover, be based upon effective collaboration between indigenous peoples and local communities, government ministries, private sector companies and financial institutions in planning and implementing programs. FIP should also seek to engage other major stakeholders, such as major groups identified by Agenda 21;

Comments: we do not have any objection to take off the brackets from this paragraph , but in our opinion it is necessary to introduce the concept that this indigenous people and communities must be properly organized and recognized.

V. CRITERIA FOR SELECTION OF PILOT PROGRAMS

d) Country distribution across regions and biomes, ensuring that pilot programs generate lessons on how to go to scale with respect to immediate action to curb high rates of deforestation and degradation, conservation of existing carbon stocks within pristine forests (high forest, low deforestation countries), enhancement of carbon stocks on degraded forest lands and building effective capacities for sustainable forest management.

(Comments: in order to keep the same language from the Bali Action Plan)

Functions of the FIP-SC

Related with this point, we would like to propose the following new function:

21. The FIP-SC will be responsible for:

1) Ensure that pilots are immersed in plans and development strategies of the countries involved.

Thanks for your attention,
regards

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