

CLIMATE INVESTMENT FUNDS

June 28, 2017

Summary of the Co-Chairs
Meeting of the FIP Sub-Committee
Washington, D.C.
Friday, June 9, 2017

Co-Chairs

Ms. Berenice Hernández Toro, Mexico
Mr. Ben Green, United Kingdom

AGENDA ITEM 1. OPENING

1. The meeting of the FIP Sub-Committee was opened by the Sub-Committee Co-Chairs, Ms. Berenice Hernandez Toro from Mexico, representing the recipient countries and Mr. Ben Green from the United Kingdom, representing the contributor countries.

AGENDA ITEM 2. ADOPTION OF AGENDA

2. The FIP Sub-Committee adopted the provisional agenda document FIP/SC.18/1 with a reordering of the agenda items to address Agenda Item 8 Pipeline Management Policy immediately after Agenda Item 3 FIP semi-annual operational report.

AGENDA ITEM 3. FIP SEMI-ANNUAL OPERATIONAL REPORT

3. The FIP Sub-Committee, having reviewed the document, FIP/SC.18/3, FIP Semi-Annual Operational Report, welcomes the progress that has been made in advancing the work of the FIP in the pilot countries.

4. The Sub-Committee encourages the MDBs and the FIP pilot countries to take all possible measures to expedite the implementation of projects and the disbursement of funds.

5. The Sub-Committee welcomes the progress made by new FIP countries in securing funds from other entities for implementing their approved Investment Plans.

6. The Sub-Committee also welcomes the progress made in new FIP countries in undertaking steps to develop the investment plans and encourages countries and MDBs to submit the remaining investment plans in line with agreed deadlines.

AGENDA ITEM 4. PIPELINE MANAGEMENT POLICY

7. The FIP Sub-Committee, having reviewed the Document FIP/SC.18/8, Requests for Project and Program Extensions and Changes, agreed to provide an extension until the end of November 2017 for submission of the following projects:

- a. Strengthening Forestry Enterprises to Mitigate Carbon Emissions, Indonesia (IFC);
- b. Engaging the Private Sector in REDD+, Ghana (IBRD);
- c. Brazil Investment Plan Coordination Project, Brazil (IBRD); and
- d. Integrated Forest Landscape Management Project in Atalaya, Ucayali, Peru (IBRD).

8. The Sub-Committee agrees to provide one additional month from today (June 9, 2017) for submission of any request for extension for:

- a. Submission of Investments Plans of Guyana and Honduras; and
- b. Submission of Project DGM for Indigenous Peoples and Local Communities, Lao PDR.

9. The Sub-Committee recalls its decision related to the FIP Pipeline Management Policy (Jan 2017), as a means for effectively managing the pipeline under the FIP. The Sub-Committee notes that no applications for extension have been submitted for the following projects and programs:

- a. Integrated Forest Landscape Management Along the Main Route Between Tarapoto and Yurimaguas in the Regions of San Martin and Loreto, Peru (IDB);

- b. Integrated Landscape Management Along the Main Route Between Puerto Maldonado and Inapari and in the Amarakaeri Communal Reserve, Peru (IDB);
- c. Strengthening National Forest Governance and Innovation, Peru (IDB); and
- d. Guarantee Fund for financing low carbon forestry investments, Mexico (IDB).

10. The Sub Committee underlines that in case these projects and programs are not submitted for approval before September 30, 2017, these projects and programs will be dropped from the FIP pipeline.

AGENDA ITEM 5. REPORT ON FIP MONITORING AND REPORTING STOCKTACKING REVIEW

11. The FIP Sub-Committee, having reviewed the document, FIP/SC.18/4, Stocktaking Review of FIP Monitoring and Reporting System FY-17, welcomes this assessment of the effectiveness, relevance and sustainability of the FIP M&R system, in response to the FIP Sub-Committee decisions from June 2011 and December 2016.

12. The Sub-Committee, welcomes the progress that has been made in advancing the FIP monitoring and reporting framework and notes with appreciation the inclusive, participatory and consensus-based approach used during this review.

13. The Sub-Committee, recognizes the importance of an effective FIP results framework and welcomes the changes proposed to the FIP M&R toolkit. The Sub-Committee endorses the conclusions, approves the recommendations of the stocktaking review and requests CIF Administrative Unit, FIP pilot countries and MDBs to make the necessary adjustments to the FIP M&R following the new guidance.

14. The Sub-Committee requests the CIF AU to provide support to FIP countries in organizing the M&R annual workshops, including supporting the participation of women, private sector and indigenous people in these workshops.

AGENDA ITEM 6. FIP INVESTMENT PLAN FOR GUATEMALA

15. The FIP Sub-Committee, having reviewed document FIP/SC.18/5, FIP Investment Plan for Guatemala, endorses the investment plan as a basis for the further development of the projects and programs foreseen in the plan and takes note of the request for USD 24 million (USD 3.15 million in grant funding and USD 20.85 million in loan financing).

16. The FIP-Committee requests the Government of Guatemala, in the further development of the proposed projects and programs, to take into account comments made at the meeting and any additional written comments submitted by Sub-Committee members by July 1, 2017, and to respond in writing to questions raised during the meeting and in subsequent written comments.

17. The FIP Sub-Committee reaffirms that all allocation amounts are indicative for planning purposes and that approval of funding will be on the basis of high-quality investment plans and projects, subject to the availability of funds.

18. The FIP Sub-Committee:

- a. takes note of the estimated budget of USD 600,000 for MDB project preparation and supervision services for the project entitled "Sustainable Forest Management" (IDB), and approves USD 300,000 as a first tranche of funding for such services;

- b. takes note of the estimated budget of USD 800,000 for MDB project preparation and supervision services for the project entitled “Strengthening Governance and Livelihoods Diversification” (IBRD), and approves USD 200,000 as a first tranche of funding for such services;
- c. takes note of the estimated budget of USD 400,000 for MDB project preparation and supervision services for the project entitled “Access to Funding (public and private)” (IDB), and approves USD 200,000 as a first tranche of funding for such services.

AGENDA ITEM 7. FIP INVESTMENT PLAN FOR CAMBODIA

19. The FIP Sub-Committee, having reviewed the Document FIP/SC.18/6, FIP Investment Plan for Cambodia, endorses the Investment Plan. The Sub-Committee encourages the Government of Cambodia to place adequate attention on environmental and social safeguards in further developing programs and projects.

20. The Sub-Committee recognizes the extent to which the pledges by the contributing member countries to the FIP have been allocated, in line with its decision in May 2015. The Sub-Committee recalls its decision from the May 2015 meeting that should any of the six new pilot countries not be able to submit their investment plans for endorsement within the agreed time period, the Sub-Committee agrees that such countries will be replaced by one or more of the additional nine countries, based on their ranking recommended by the expert group.

21. The Sub-Committee also notes that should resources become available following the implementation of the FIP pipeline management policy, these resources could be provided to the FIP new countries for implementation of their investment plans and the Sub-Committee will take a decision on allocation of these resources once they become available.

22. The Sub-Committee encourages the Government of Cambodia and the MDBs to actively seek resources from other bilateral or multilateral sources to fund the investment plan.

AGENDA ITEM 8. FIP INVESTMENT PLAN FOR UGANDA

23. The FIP Sub-Committee, having reviewed the Document FIP/SC.18/7, FIP Investment Plan for Uganda, endorses the investment plan.

24. The Sub-Committee recognizes the extent to which the pledges by the contributing member countries to the FIP have been allocated, in line with its decision in May 2015. The Sub-Committee recalls its decision from the May 2015 meeting that should any of the six new pilot countries not be able to submit their investment plans for endorsement within the agreed time period, the Sub-Committee agrees that such countries will be replaced by one or more of the additional nine countries, based on their ranking recommended by the expert group.

25. The Sub-Committee also notes that should resources become available following the implementation of the FIP pipeline management policy, these resources could be provided to the FIP new countries for implementation of their investment plans and the Sub-Committee will take a decision on allocation of these resources once they become available.

26. The Sub-Committee encourages the Government of Uganda and the MDBs to actively seek resources from other bilateral or multilateral sources to fund the investment plan.

AGENDA ITEM 9. OTHER BUSINESS

27. No other items were raised by the Sub-Committee members

AGENDA ITEM 10. CLOSING

28. The meeting was closed at 5:00 pm on Friday, June 9, 2017.