

Evaluation and Learning Partnership on Financing Forest Related Enterprises

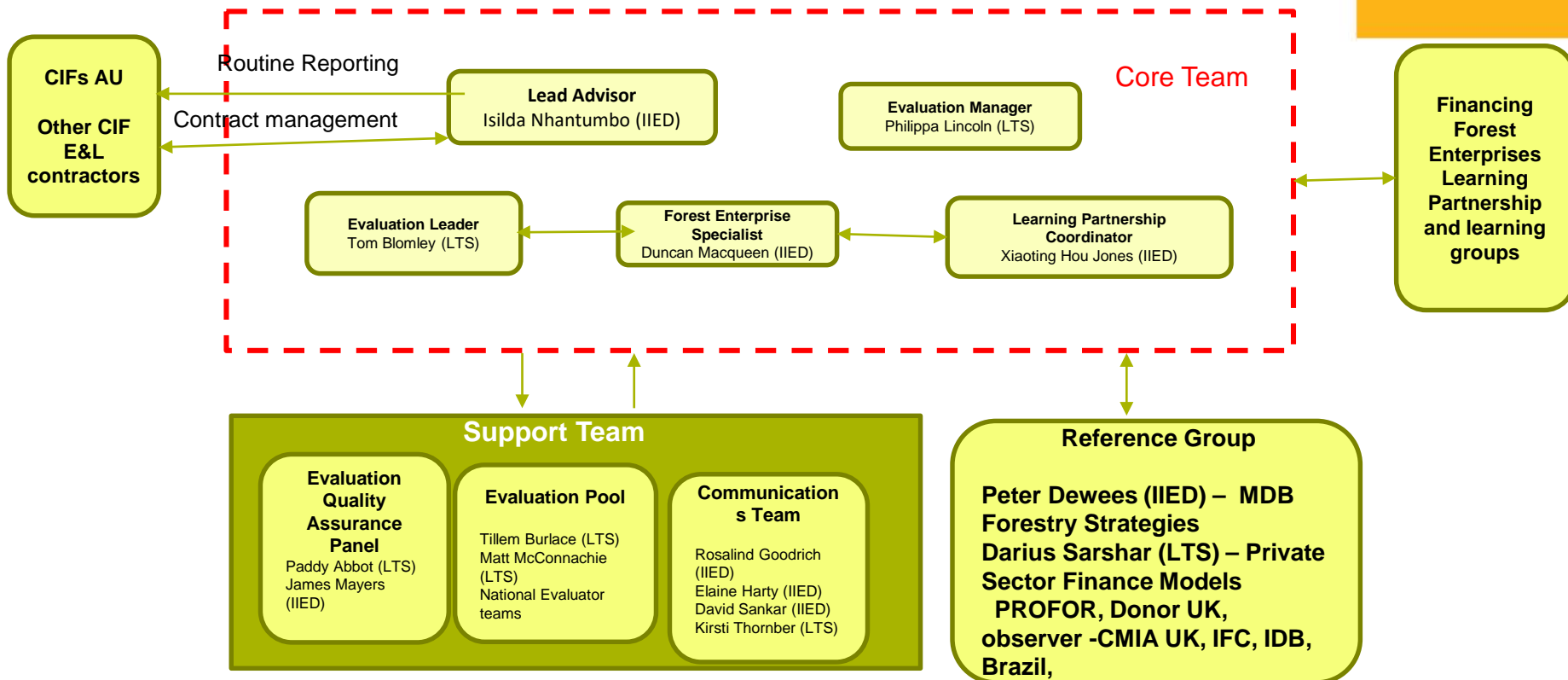
The consortium

IIED is a policy and action research organization with 46 years of experience promoting sustainable development and linking local priorities to global challenges

Forest Team – governance (learning groups/platforms);
climate change including channelling finance to SMEs;
viable, sustainable and inclusive enterprises

LTS International Limited (LTS) is a consultancy and project management firm that supports sustainable development worldwide. LTS has operated for over 43 years in the arenas of forests, ecosystems, climate change, and governance. Leading on the evaluation.

The Team and governance



Outline

1. Background – the team, objective of the assignment, general approach, refining the scope
2. Evaluation and learning framework
3. Evaluation methodology for effective learning
4. Plan of Activities
5. Discussion points
6. Feedback areas

1. Background

Objective of the assignment

*to help increase the **viability and scale** of investments in sustainable forest-related enterprises by **harvesting lessons** from different types and models of financing tested in the **FIP as well as non-CIF investments**, and **applying learning** to ongoing and planned forest investments*

FIP objectives

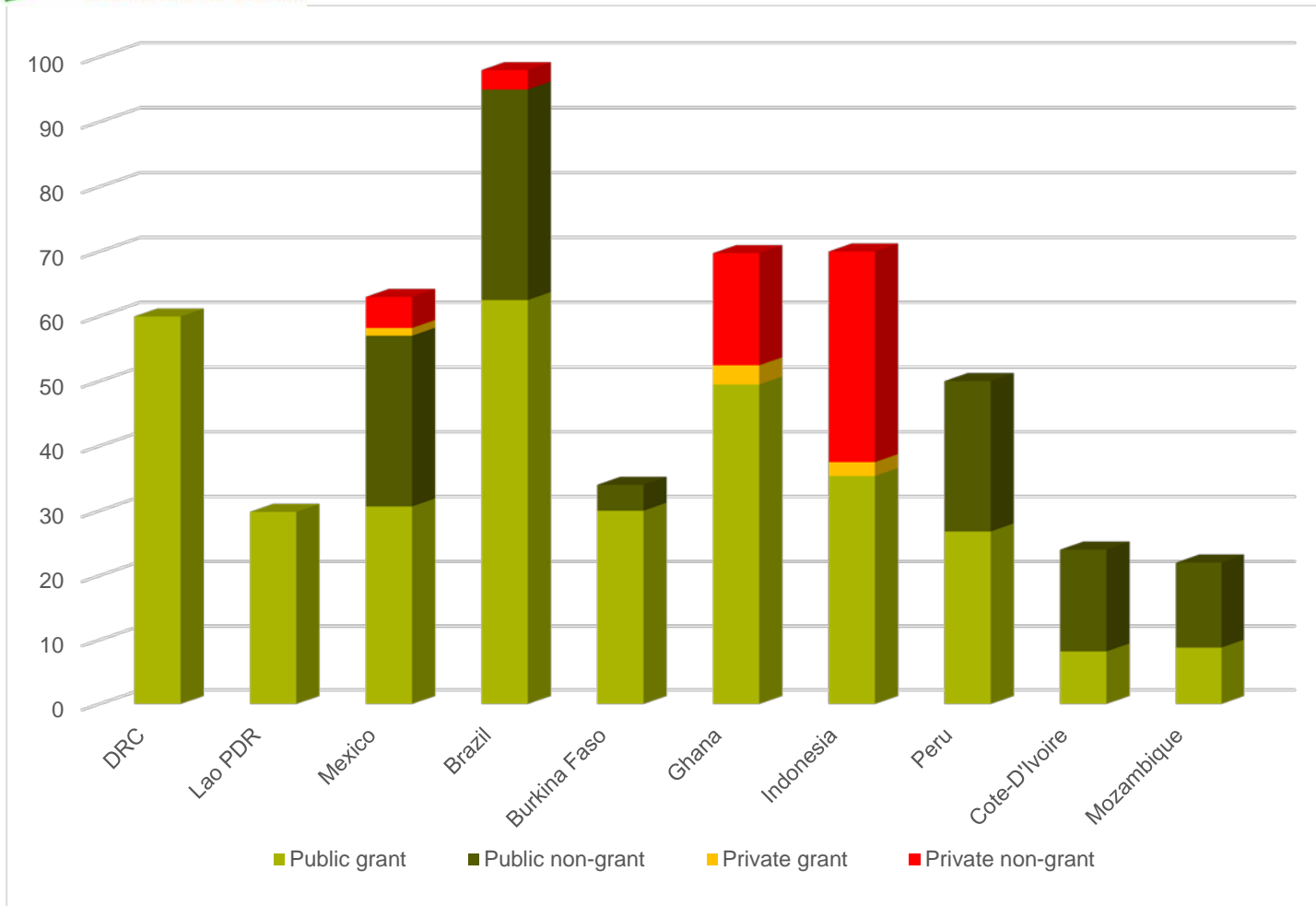
- (a) **transformational change** in developing countries **policies and practices**;
- (b) piloting of **replicable models** to generate learning on the link between investment and emission reduction, sustainable forest management (SFM) and enhanced carbon stocks;
- (c) **leveraging additional resources** to attain effective and sustained REDD+;
- (d) providing **experience and feedback** in the context of UNFCCC deliberations on REDD

FIP supported investments

TYPE 1. Institutional capacity, forest governance and information

TYPE 2. Forest mitigation measures, including forest ecosystem services

Type 3. Measures outside the forest sector necessary to reduce the pressure on forests



Overarching questions

- Understanding **tested investment models** across public and private sectors
 - lessons on **effectiveness** of FIP and non-FIP across scales and contexts
 - **Innovative** financing models
 - **Transformative** models
 - **Transferrable** lessons
- **Risks and barriers** to private sector investment in forest enterprise
- **Enabling environment/conditions** for SMEs and large scale private sector
- **Early results/outcomes** of investment

Approach

- Developmental evaluation
- Learner focused co-evaluation
- Inclusive learning platforms operational in the long term
 - MDBs, Governments
 - Private sector – tap into the growing network on committed companies and SMEs to sustainable and climate resilient investments
- Joint analysis of findings to strengthen commitment to learning and subsequent action

Approach

- Meta-analysis
 - Document driven → Interviews with key informants (Investment officers, FIP focal points)
- Country case studies
 - 2-4 country evaluation
 - Advanced project implementation
 - New joiners
 - Non-FIP countries
- FIP and Non-FIP projects
- Online learning exchange

Refining Scope

- Programme v project level;
- ID focal - financial / business models, investment types (enabling to asset);
- By sector / activity type

2. Evaluation and learning framework

Objective of the LF

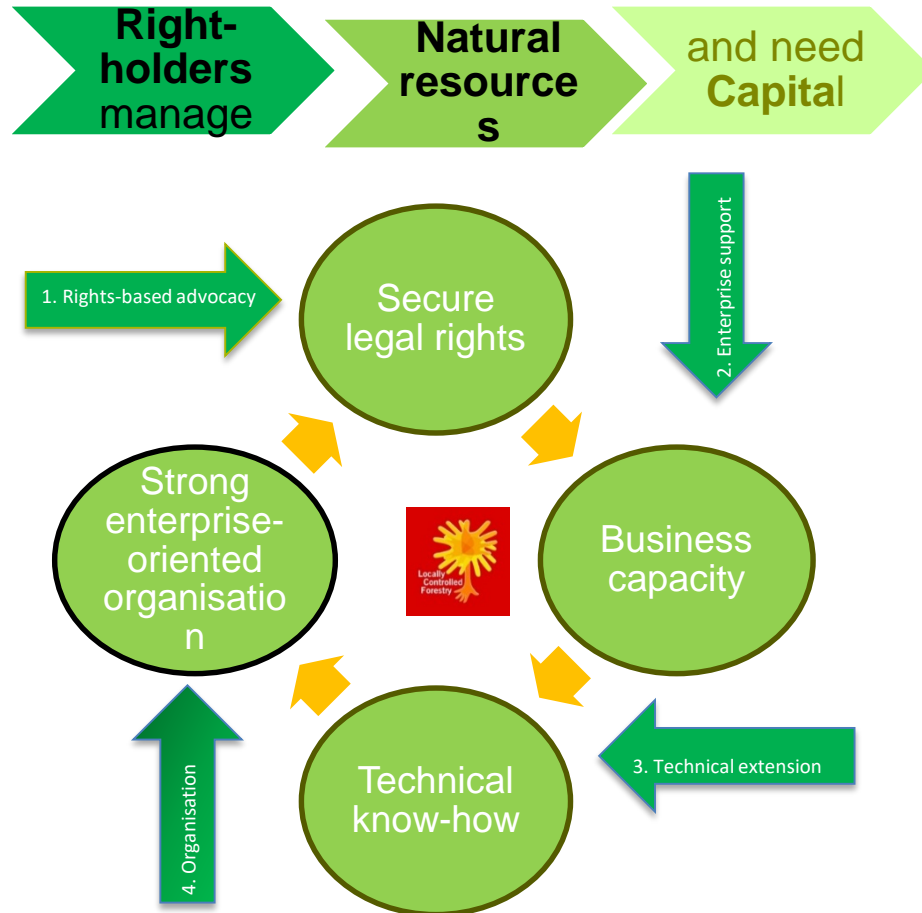
“to provide a structure through which to assess ongoing investment mechanisms and models, develop learning on factors that enable or impede successful outcomes, and identify gaps in the evidence or analytical scope that need to be filled”

Investing in locally controlled forestry

- Capacity
- Producers
- Cooperatives
- Associations
- Federations

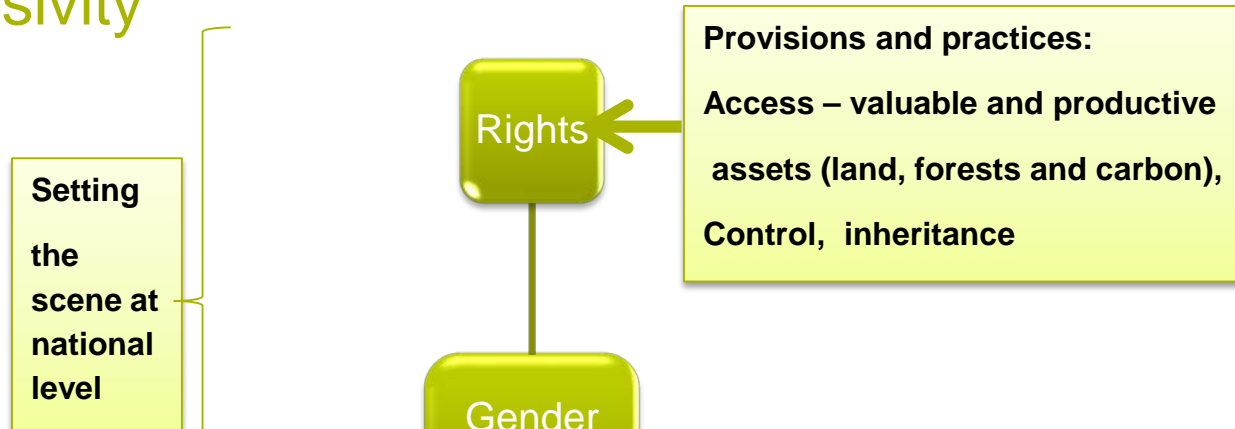
Learning and exchange

Risk assessment and mitigation measures

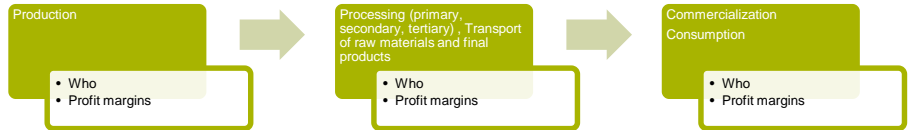


Finance and investment for sustainable transformation of forest landscapes, people's livelihoods, economies and climate impacts

Analytical framework for gender and inclusivity

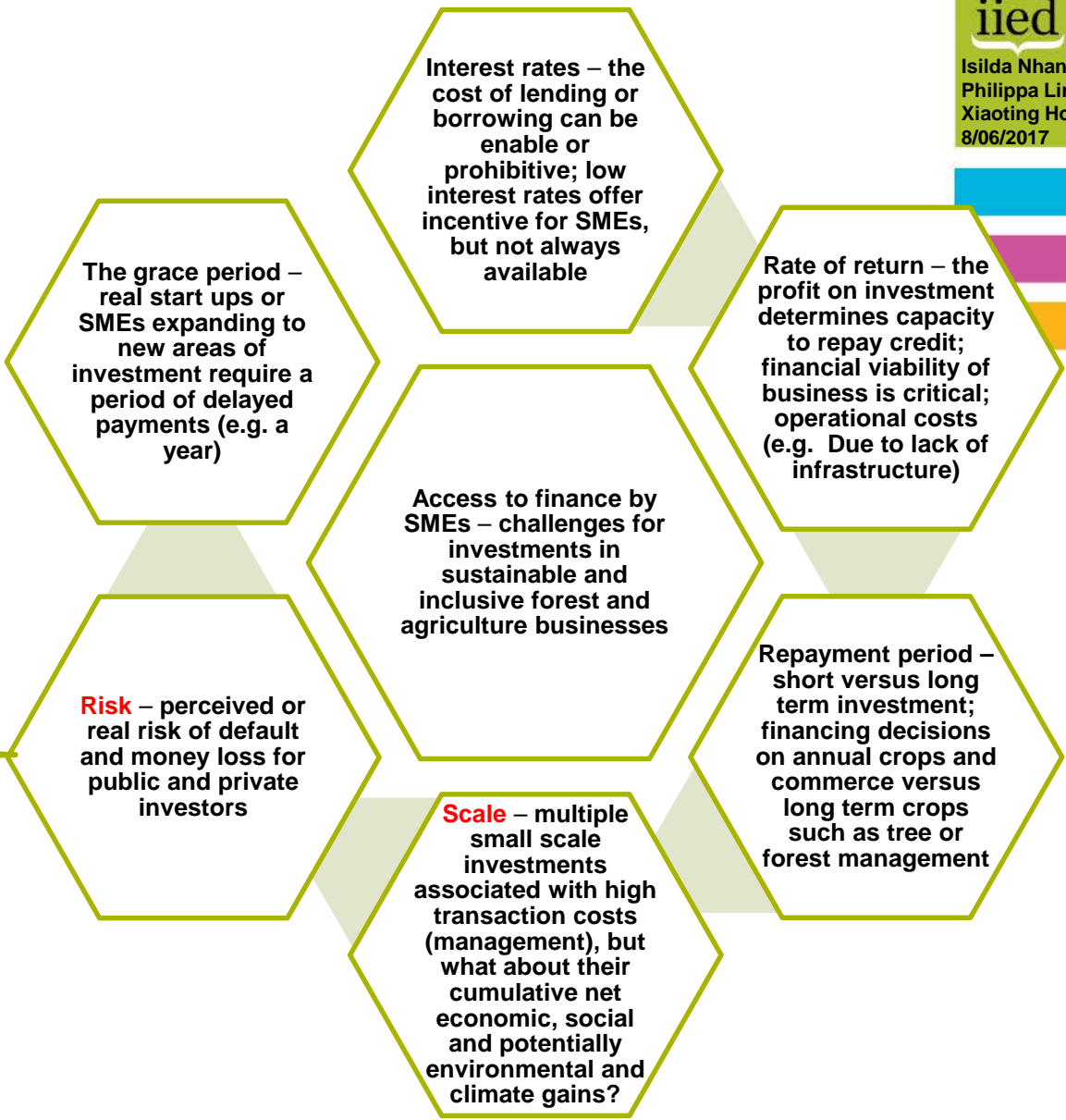


Representation in decision making process - **Influence**
Participation in sustainable enterprises

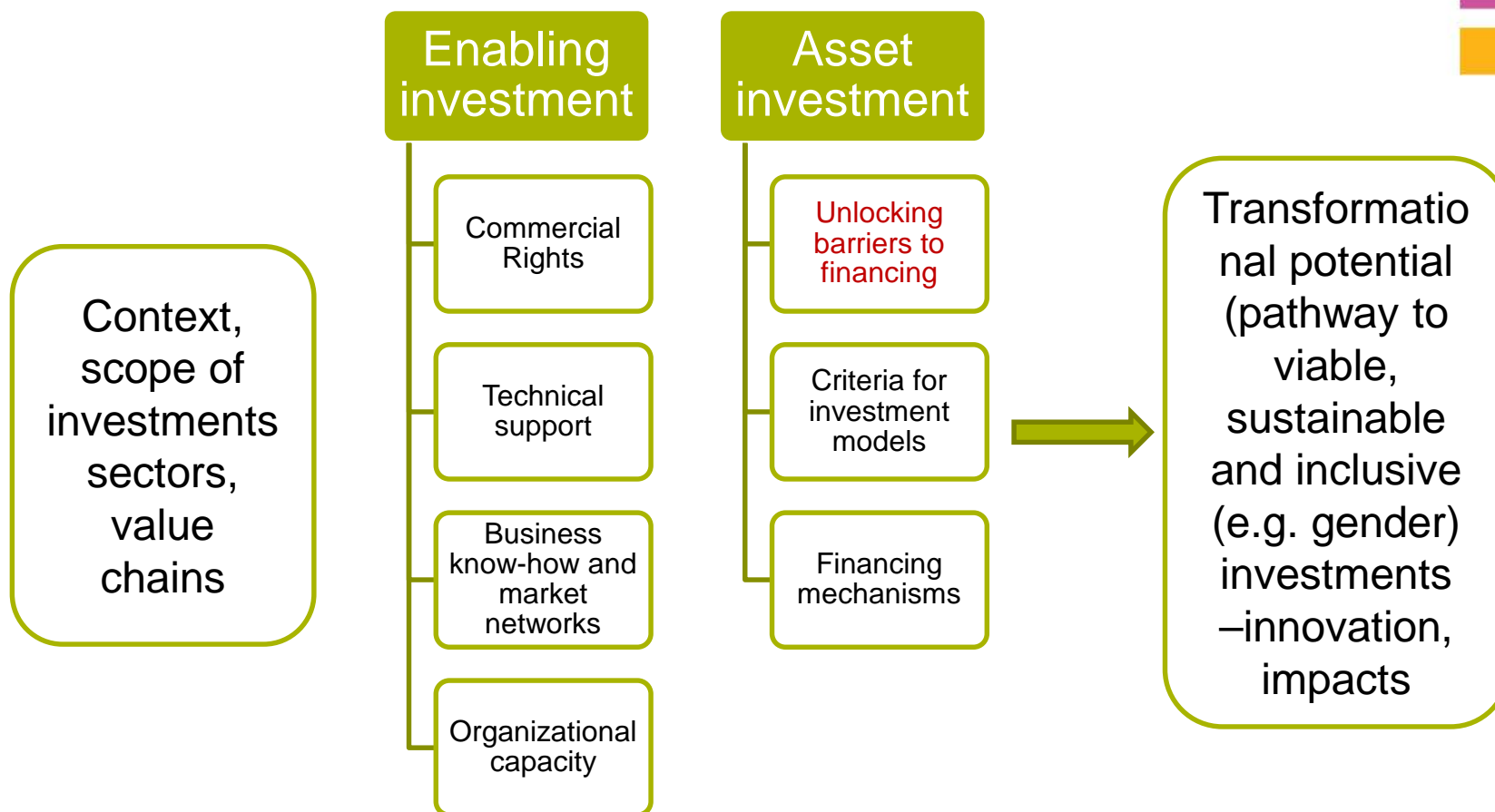


Barriers affecting SMEs' access to financial resources

- Legal registration
- Collateral or guarantees – preference for assets such as land, physical assets and equipment associated with liquidity
- Business management capacity – understanding of production potential, technology and markets; financial management systems by beneficiaries
- Natural disasters – floods, droughts, wind storms, fire



Evaluation and Learning framework



3. Evaluation methodology



Identification of Methodologies

Dual purpose: ID what works, for whom in what context; learning focused

Review of methodologies:

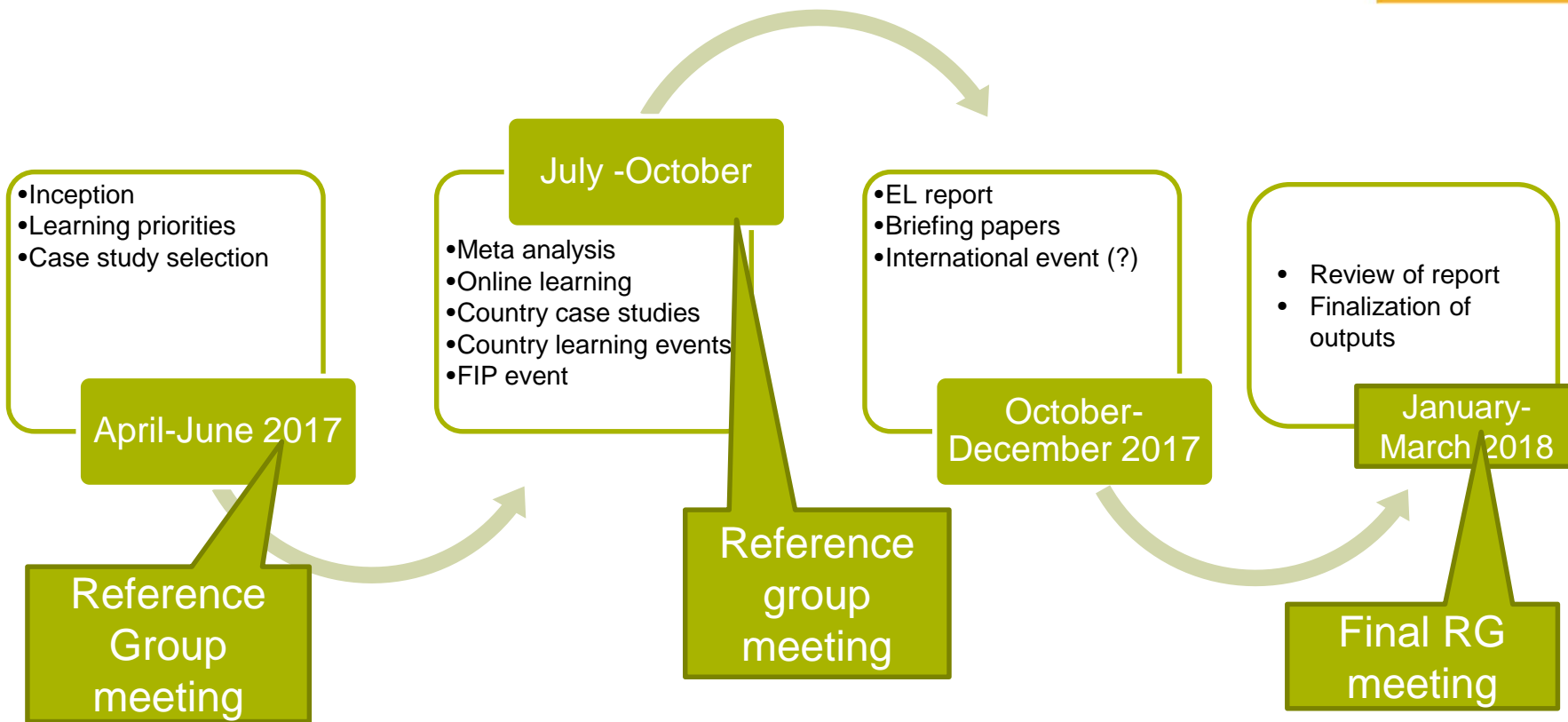
- 7 evaluation / meta analysis methodologies
- focus on realist approach, theory based methods
- Selection / dismissal of methodologies based on benefits and limitations
 - Focus of ToR (participation, learning, focal question themes)
 - Practicality and feasibility
- Identification of preferred approach



Preferred Methodological Approach

- **Realist Inspired Approach**
- Meta-analysis – will use **Portfolio Review** and with targeted **Literature reviews**.
- The country evaluations – **Review of Outcomes to Impacts (ROTI)** with added **elements of Appreciative Inquiry** (successes, best practices, alignment with learning approach), **Contribution Analysis** (causality, excluding rival explanations)
- Data collection will be through document review, stakeholder interviews and focus group discussions / workshops.
- Analysis - ROTI (analysis step); and Realist Inspired Synthesis

4. Plan of activities – April-March 2018



5. Discussion points

Meetings with stakeholders

Reference Group meeting

- Demand and supply for financing
 - Scope for innovation, flexibility?
 - Unique role of MDBs (Gap filling)
- Success stories
 - transferrable/replicable models - context
 - Capitalize on successful initiatives
- Private sector – across different scales
 - Private financing initiatives
 - Public-private
 - Interrogate the FIP projects – subtitle presence of Private Sector
- Gender – access to investment, enterprise
- Technical assistance – financial and business management

6. Feedback areas

- Country Case study (ies) – stories of success and more challenging experiences
- Selection of FIP and non-FIP projects
- Key stakeholders for the learning platforms

Thank you

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