2015

FIP RESULTS REPORT

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GLOSSARY

ADB	Asian Development Bank
AFD	French Development Agency (Agence Française de Développpement)
AfDB	African Development Bank
APDT	Public Agents for Territorial Development (Agentes Públicos de Desarrollo Territorial)
CFE	Community Forest Enterprises
CIF	Climate Investment Funds
CREMA	Community Resource Management Area
CTF	Clean Technology Fund
DGM	Dedicated Grant Mechanism
DRC	Democratic Republic of Congo
ENFALP	Enhancing the natural forests and agro-forestry landscapes project
ER	Emissions reductions
FREL	Forest Reference Level
FCPF	Forest Carbon Partnership Facility
FSSWG	Forestry Sub-Sector Working Group
GHG	Greenhouse Gas
GIZ	German agency for international cooperation (Gesellschaft für Internationale Zusammenarbeit)
IBRD	International Bank for Reconstruction and Development
IDB	Inter-American Development Bank
IFC	International Finance Corporation
IP	Investment Plan
JICA	Japanese International Cooperation Agency
KFW	Reconstruction Credit Institute (Kreditanstalt für Wiederaufbau)
MAPR	Method Accelerated by Participative Research
M&R	Monitoring and Reporting
MRV	Monitoring, Reporting and Verification
SREP	Scaling-up Renewable Energy in low income countries Program
PFA	Production Forest Areas
PPCR	Pilot Program for Climate Resilience
PSFM	Participatory Sustainable Forest Management
PSSA	Private Sector Set-Aside
PAD	Project Appraisal Document
REDD	Reducing Emissions from Deforestation and Forest Degradation
REL	Reference Emission Level
SCF	Strategic Climate Fund
MDBs	Multilateral development banks

EXECUTIVE SUMMARY

The objective of the 2015 Forest Investment Program (FIP) Results Report is to provide an overview of the progress that has been made by FIP pilot countries (Brazil, Burkina Faso, Democratic Republic of Congo, Ghana, Indonesia, Lao PDR, Mexico and Peru) with advancing the FIP results agenda. This report provides a status update on the results achieved by the FIP for the 2015 reporting period, which encompasses the date of each investment plan's endorsement until December 31, 2014. It also compares the results achieved by pilot countries as of that time with the expected results outlined in pilot countries' investment plans. Challenges encountered during the 2015 reporting round and next steps to further enhance FIP results reporting are also outlined.

2015 marks the first year for FIP results reporting. The implementation of FIP projects is still at an early stage. As of the end of 2014, FIP project activities had only started in Lao PDR and Mexico, which explains why only these two countries reported achieved results.

It is recognized that there are multiple challenges associated with data during this first round of reporting. These include gaps in reported data and challenges already identified around aggregation and comparability given differing methodologies used in each country. Indicators and units used differ from country to country and values are often not appropriate for aggregation (e.g. using hectares of land instead of tCO2e for GHG emission reduction targets; using number of enterprises or communities instead of number of people for livelihood co-benefits). Methods for establishing GHG emission baselines and targets are also not standardized, making aggregation and comparability of results challenging (e.g. countries used different number of years -30, 25 and 15- as timeframes for calculations of the projects lifetime target, or target 2).

Scope of 2015 Results Report. This report covers the 12 projects approved by MDBs as of the reporting period[1].

Expected targets. The following table summarizes the greenhouse gas (GHG) emission reduction targets and baselines. Each country calculated the baseline and targets following their own methodology. Whenever possible, targets were built on the national system for reference emission levels and Monitoring Reporting and Verification (MRV). Relying on country-specific methodologies has advantages, and it allows for country annual results tracking, provided that the same methodology is used. However the differences mean that accurate cross-country aggregation or comparison is not possible.

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[1] Indonesia and Peru were the only two countries that did not have any project approved by the MDBs as of the end of December 2014. Data reported by these two countries can be found in

Annex 5: Project information outside of the report scope

Greenhouse gas (GHG) emission reduction targets and baselines

FIP pilot country	Baseline (M tCO2e)	Target 1 – project implementation (M tCO2e)	Target 2 – intervention lifetime (M tCO2e)
Brazil		7,779,840 (ha)	
Burkina Faso	-50.7	4.1	13.8 (For 15 years)
DRC	-2.15	4.2	18.07 (For 30 years)
Ghana		0.5[2]	3.9 (For 25 years)
Lao PDR		0.89	
Mexico	22.07	2.21	

As of the fall of 2015, GHG emission reduction targets are still being developed, or are being re-assessed either for those projects still under preparation or where activity planning had changes (e.g., Lao PDR)[3]. New methodologies will be developed in the next reporting period, harmonizing carbon accounting systems (e.g., DRC[4]), including baselines (e.g., Ghana[5]) and aligning them with national Reference Emission Levels (RELs) (e.g., Burkina Faso[6]) whenever possible.

The total targeted area to be covered by FIP projects is 27 million hectares, equivalent to the size of Burkina Faso. The total target of FIP livelihood co-benefits beneficiaries is approximately 671,000, equivalent to the population of Montenegro. Targets will increase as new projects are approved by MDBs in the next years. For example, with projects approved in 2015, the total number of beneficiaries is expected to increase in the next reporting period by nearly 158,000 people to a total of approximately 829,000 people[7].

Accomplishments. Lao PDR and Mexico are the two countries where FIP projects are at a more advanced stage of implementation. In these two countries, project activities already started, and some results have already been achieved in the 2015 reporting period. In the other FIP pilot countries, project activities leading to tangible results had not yet started. In Lao PDR, with the FIP support, forest inventories, forest management plans and community actions were developed. The key contributions in terms of forest

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[2] Ghana submitted target 2 (lifetime target for 25 years). The CIF Administrative Unit calculated the corresponding target 1 (project target) for 5 years of project implementation, based on the document "Annexes to the Project Appraisal Report. 22 October 2013. AFDB"

[3] Targets from SUFORD-SU Project Appraisal Document (PAD) may be modified in the mid-term evaluation (November 2015). The national REL is under preparation, and may be ready by the end of 2016.

[4] "With two FIP projects implemented by different MDBs (AFDB and World Bank), different methodologies have been used for making estimates during the project design phase. However, these methodologies are well documented. As the project is implemented and future reports are written, we will harmonize the methodology." Felicien Mulenda, DRC FIP focal point. 2014 results sheet cover letter.

[5] Ghana will provide information about the baseline for next year's FIP results report.

[6] Annual progress cannot be measured following the methods used to estimate the baseline and expected targets. A new methodology will be developed, based on the National REL, which will be based on the 2012 images. The first measurement will use the 2017-2018 images, at the end of the FIP.

[7] From information submitted by focal points: Brazil's project**:** Environmental Regularization of Rural Lands (based upon the CAR) - to be approved in 2015- will benefit 70,071 people. These beneficiaries will be landholders who will have access to finance. Ghana's project "Enhancing Natural Forests and Agroforest Landscapes" was approved in February 2015. This project targets 87,500 people in forest and adjacent communities with monetary/non-monetary benefits from forest and Climate Smart Agriculture.

governance are greater participation of stakeholders, especially villagers, in participatory sustainable forest management, and support to forest and wildlife law enforcement.

In Mexico, the FIP already benefitted 470 ejidos through CONAFOR's[8] special programs[9]. Sustainable forest management techniques implemented thus far translated, in some cases, into increasing the forest harvest, and forest communities benefitted from access to credit. Mexico made progress on improving forest governance through the promotion of territorial agents[10]. The MRV design and implementation process also strengthened CONAFOR's capacities by improving geographic information, remote sensing, and analysis of the National Forest Inventory. On the whole, FIP implementation is showing real promise, with more tangible results expected in several countries over the next few years.

Recommendations

- For the 2016 reporting cycle, FIP pilot countries should aim to fill data gaps and improve the quality of the reported data.
    - Harmonization of GHG emission baselines and targets would be a substantial step forward to enable comparison and aggregation of results.
    - MRV systems should be well articulated, and whenever possible aligned with national Reference Emission Levels (RELs) and other national reference mechanisms.

- Overcoming these challenges and discussions with FIP pilot countries on improved harmonization of data will be a priority for the 2016 Results Report.
    - Stakeholder engagement should be continued throughout the next reporting period.
    - Participative scoring workshops could be conducted in the first half of 2016.

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[8] Comisión Nacional Forestal (CONAFOR), or the National Forestry Commission is Mexico's FIP focal point.
[9] Support provided by the Special Programs include the following categories: Participative Rural Appraisal, Community Land Management Studies, Local Community Forest Promoter, Contour barriers and Soil Plough, Pests And Diseases Protection, Opportunity Cost, Technical Assistance, Terrace Level And Dams, Reforestation, Agroforestry Systems, Fertilization Reforestation maintenance, Fencing, Surveillance, Forest Fire Protection, Payment For Environmental Services, Best Management Practices, Forest Cultivation for wood use.
[10] These can contribute to a multi-scale capacity development within the territorial unit, as well as to enhance trust, transparency and leadership mechanisms for agents and technical consultants. FIP seeks to back up the establishment of Public Agents for Territorial Development (APDT) to promote a broader integration at the landscape level.

1   INTRODUCTION

1. The Forest Investment Program (FIP) is a targeted program of the Strategic Climate Fund (SCF), which is one of two funds within the framework of the Climate Investment Funds (CIF). The FIP supports developing country efforts to reduce deforestation and forest degradation. It promotes sustainable forest management that leads to emissions reductions and enhancement of forest carbon stocks (REDD+)[11].

2. The FIP, with USD 787 million pledged, is one of four windows of the USD 8.1 billion Climate Investment Funds (CIF). Financing is channeled through the multilateral development banks (MDBs)[12] as grants and near-zero interest credits. FIP financing addresses several dimensions of REDD+[13]:
    - Promoting forest mitigation efforts, including protection of forest ecosystem services;
    - Providing support outside the forest sector to reduce pressure on forests;
    - Helping countries strengthen institutional capacity, forest governance, and forest-related knowledge; and
    - Mainstreaming climate resilience considerations and contributing to biodiversity conservation, protection of the rights of indigenous peoples and local communities, and poverty reduction through rural livelihoods enhancements.

3. The FIP is active in eight pilot countries: Brazil, Burkina Faso, Democratic Republic of Congo (DRC), Ghana, Indonesia, Lao People's Democratic Republic (Lao PDR), Mexico and Peru. More pilot countries are joining the FIP in the coming years[14]. Between the launch of the FIP in 2009 and December 31, 2014, investment plans for all pilot countries have been endorsed representing a total funding commitment of USD 490 million.

4. Two additional funding mechanisms have also been established under the FIP:

    - The Dedicated Grant Mechanism for Indigenous Peoples and Local Communities (DGM), with an allocation of USD 50 million, aims to provide targeted support to indigenous peoples and local communities.
    - The FIP Private Sector Set-Aside (PSSA), with an allocation of USD 20.30 million, provides incentives to the private sector to engage in REDD+.

1.1   SCOPE AND PURPOSE OF THE REPORT

5. The objective of the 2015 FIP Results Report is to provide an overview of the progress that has been made with advancing the FIP results agenda. This report provides a status update on the results achieved by the FIP as of December 31, 2014. It also compares the results achieved by pilot countries as of that time with the expected results outlined in pilot countries' investment plans. Challenges encountered during the 2015 reporting round and next steps to further enhance FIP results reporting are also outlined.

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[11] Reducing Emissions from Deforestation and Forest Degradation (REDD)
[12] FIP implementing MDBs include the African Development Bank (AfDB), Asian Development Bank (ADB), Inter-American Development Bank (IDB), and World Bank Group (International Bank for Reconstruction and Development (IBRD) and International Finance Corporation (IFC)).
[13] http://www.climateinvestmentfunds.org/cif/node/5
[14] See section **Error! Reference source not found.**

The 2015 FIP results report focuses on the endorsed FIP investment plans of the original group of eight pilot countries, and in particular on the MDB-approved projects within the FIP portfolio. Indonesia and Peru Peru were the only two countries that did not have any project approved by the MDBs as of the end of December 2014[15].

[15] Projects in Peru and Indonesia are scheduled for FIP funding and subsequent MDB approval in late 2015 and 2016.

6. Annex 5: Project information outside of the report scope contains a summary of data reported in the 2014 FIP Results Report by these two countries and data from the *Enhancing Natural Forest and Agro-forest Landscapes Project* in Ghana.

7. As countries advance in the implementation of their investment plans, future FIP results reports will provide more detailed information about progress made toward expected results. Future FIP results reports will also gradually include progress on the implementation of the DGM and projects and programs supported under the FIP private sector mechanism and how these operations complement and further enhance the objective of the FIP investment plans. As of the end of 2014, FIP project activities had only started in Lao PDR and Mexico, which explains why only these two countries reported achieved results.

1.2 CONTENT OVERVIEW

8. The 2015 FIP results report is divided in the following sections:

- Section 2 outlines the progress of the FIP projects during the 2015 reporting period.

- Section 3 covers the FIP monitoring and reporting methodology.

- Section 4 makes a detailed analysis of the data per country. An assessment of the efficiency of the resources is presented - endorsed funding vs. expected results-.

- Section5 outlines the issues and challenges found in the 2015 reporting exercise.

- Section 6 closes the report by presenting the next steps for the FIP. It outlines how the next round of results reporting could be improved, and details some updates of the program.

2 PROGRESS MADE ADVANCING FIP RESULTS

2.1 APPROVED FUNDING

9. As of December 2014, the FIP pledges totalled USD 787 million, of which USD 490.3 million had been endorsed, and USD 490.12 million had been indicatively allocated. The FIP portfolio currently contains a total of 38 projects and programs:

- 25 projects and programs agreed in the endorsed investment plans (USD 420 million),
- 9 DGM projects (USD 50 million); and
- 4 projects supported under the PSSA (USD 20.3 million).

10. As of December 31, 2014, 16 projects had received FIP funding approval and their respective MDB boards have approved 12. The 16 projects that received FIP funding represent more than half (57%) of the total endorsed funding. The 12 projects approved by MDBs represent 42% of the total endorsed funding, as shown in **Table 1**. The other 10 projects in the pipeline are pending FIP funding approval and subsequent MDB board approval.

Table 1: FIP Portfolio: Approval status as of December 31, 2014

	Total endorsed investment plan funding	Endorsed DGM concepts	Endorsed FIP PSSA concepts	Total endorsed	Approved FIP funding[16]	MDB approved	Funding disbursement (as of December 31, 2014)
USD million	420	50	20.30	490.3	281.55 (57.4% of total endorsed)	203.85 (41.58% of total endorsed)	13.9
Number of projects and programs	25	9	4	38	16	12	5

11. The 2015 Results Report takes into consideration the twelve projects that were approved by the MDBs' boards in the reporting period[17], which account for a total of USD 203.85 million (see Table 2). The AfDB and IDB are each leading three projects, the IBRD is leading five projects, and IFC is leading one, in Lao PDR. As more projects are approved by MDBs, they will be included in the coming annual results reports.

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[16] The figure includes preparatory grants for the development of FIP projects and programs.
[17] The reporting period for the 2015 Results Report is from the project endorsement date until December 31 2014.

Table 2: FIP projects included by each country in 2015 Results Report

FIP pilot country	Project name	Lead MDB	Main sectoral focus	Total approved funding (USD M)	MDB approval date
Brazil	Sustainable production in areas converted to agricultural use (based upon the ABC plan)	IBRD	Agriculture/Food Security	10.70	18-Jul-2014
Brazil	Forest information to support public and private sectors in managing initiatives focused on conservation and valorization of forest resources	IDB	Forest Monitoring/MRV	16.55	13-Dec-2013
Burkina Faso	Gazetted forests participatory management project for REDD+ (PGFC/REDD+)	AFDB	Capacity Building/Institutional Strengthening and Governance Reform	12.00	28-Nov-2013
Burkina Faso	Decentralized forest and woodland management (PGDDF)	IBRD	Capacity Building/Institutional Strengthening and Governance Reform	18.00	23-Jan-2014
DRC	DRC Improved forested landscape management	IBRD	Capacity Building/Institutional Strengthening and Governance Reform	37.70	24-Jun-2014
DRC	Integrated REDD+ project in the Mbuji Mayi/Kananga and Kisangani basins	AFDB	Capacity Building/Institutional Strengthening and Governance Reform	22.30	11-Sep-2013
Ghana	Engaging local communities in REDD+/Enhancing carbon stocks	AFDB	Landscape Approaches	10.00	22-Jan-2014
Lao PDR	Smallholder forestry project (Technical Assistance)	IFC	Agroforestry	3.30	25-Jun-2013
Lao PDR	Scaling-Up participatory sustainable forest management (PSFM or SUFORD-SU)	IBRD	Sustainable Forest Management	13.31	31-May-2013
Mexico	Mexico forests and climate change project	IBRD	Capacity Building/Institutional Strengthening and Governance Reform	42.00	31-Jan-2012

Mexico	Financing low carbon strategies in forest landscapes.	IDB	Landscape Approaches	15.00	14-Nov-2012
Mexico	Support for forest related micro, small, and medium-sized enterprises (MSMEs) in Ejido	IDB	Indigenous Peoples/Local Communities	2.99	10-Apr-2013
TOTAL				203.85	

12. As of December 31, 2014, the cumulative disbursement for FIP projects and programs stands at USD 13.9 million. This represents a 63 percent increase from the cumulative disbursement of USD 8.5 million at the end of 2013. **Figure 1** shows the increase of the FIP disbursement rate from 2011 until 2014. **Table 3** shows the annual FIP disbursements since 2011 until the end of 2014.

Figure 1: FIP disbursement, 2011-2014
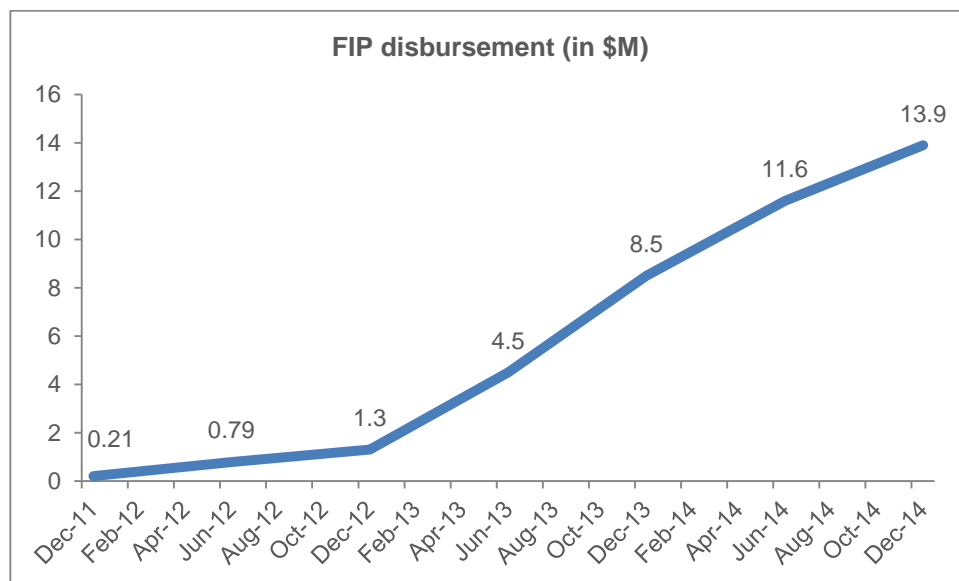
Table 3: Annual FIP disbursement

Year	2011	2012	2013	2014	Total
FIP disbursement (USD M)	0.21	1.09	7.2	5.4	13.9

13. The overall disbursement rate for FIP investments is 7 percent based on MDB approvals, as shown on **Table 4**. Although there are no MDB approved projects in Peru and Indonesia in the 2015 reporting period, the funding disbursements in Table 4 refer to project preparation grants.

14.

Table 4 Disbursement rates of FIP projects[18] . (As of December 31, 2014, USD million)

Country	Funding commitment	Funding approved by MDB	Actual cumulative disbursement (MDB)[a]	Disbursement rate based on commitment	Disbursement rate based on MDB approval
Brazil	75.0	27.5	0.4	1%	2%
Burkina Faso	30.2	30.2	0.5	2%	2%
DRC	60.3	60.3	2.1	4%	4%
Ghana	11.0	11.0	0.8	7%	7%
Indonesia	1.6	1.6	0.7	44%	44%
Lao PDR	17.3	15.5	4.1	24%	26%
Mexico	60.0	60.0	4.7	8%	8%
Peru	1.8	1.8	0.3	14%	14%
TOTAL	257.4	208.1	13.9	5%	7%

Compared to other CIF programs, the FIP has a similar disbursement rate to the Scaling Up Renewable Energy in Low Income Countriews Program (SREP), as shown in

15. **Figure 2**. Both the FIP and SREP started one year later than the other two CIF programs[19], and had similar annual funding disbursements in the 2012-2015 period.

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[18] Source: Trustee's disbursement report
[19] Clean Technology Fund (CTF) and Pilot Program for Climate Resilience (PPCR)

Figure 2: Disbursement of CIF programs
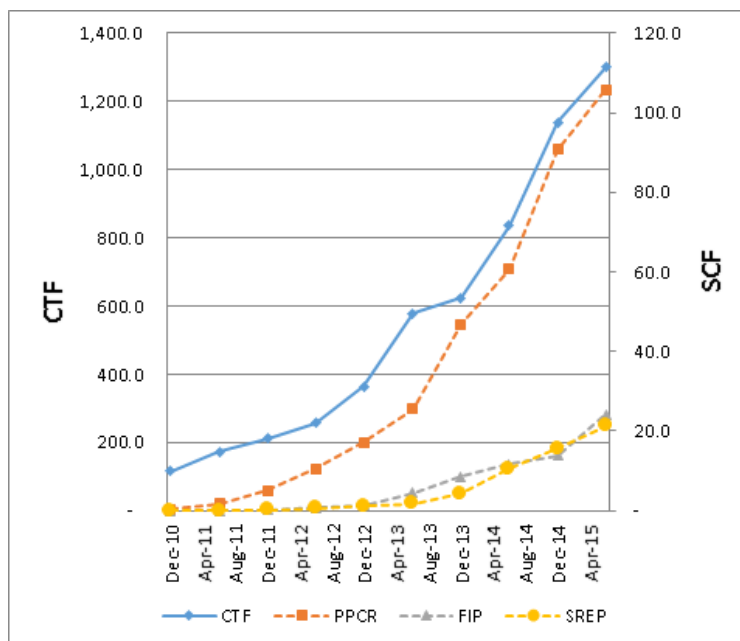
2.2 PROJECT IMPLEMENTATION STATUS

16. Lao PDR and Mexico are the two countries where FIP projects are at a more advanced stage. In these two countries, project activities had already started, and some results have already been achieved in the 2015 reporting period.

17. **Lao PDR:** The *Scaling-Up Participatory Sustainable Forest Management Project* has already made considerable progress in scaling up the participatory sustainable forest management approach for production forests and related activities with 1,090 villages overlapping, or adjacent to, these

production forests. The provincial and district government staff in collaboration with the villagers carried out most of the fieldwork. By the end of 2014, almost half a million hectares of forest had been inventoried for the 25 new Production Forest Areas (PFAs) for which forest management plans are being prepared. Villagers are involved in participatory land use planning for their village areas of the PFAs.

18. **Mexico:** Considerable progress has been made in FIP investment plan implementation. The FIP has improved technical capacities in forest and land use planning and management. The *Forests and Climate Change Project* provided training to technical service providers, community forest promoters, municipal assemblies and ejido and community members. By the end of 2014, 470 ejidos have already benefitted from CONAFOR's special programs for FIP regions[20]. CONAFOR has promoted guidelines to access special programs for FIP regions, supporting actions to strengthen capacities, studies to identify productive alternatives and conservation, restoration and forest resource management actions that promote emission reductions. WithFIP support, there has been an increase in the number of projects and surface under the active conservation scheme of the Environmental Services Payment Program, on specific regions with high deforestation risk, as well as water body protection, which are not covered by the national program.

19. FIP projects in Brazil, Burkina Faso, Ghana and DRC were under preparation[21] in the 2015 reporting period. Narrative elements in reporting category 3 provide more detailed information about the preparation activities that were completed. **Table 5** shows the status of projects under preparation as of December 31, 2014.

Table 5: Projects under preparation

FIP pilot country	Project	Status as of December 31, 2014
Brazil	Sustainable production in areas previously converted to agricultural use (based on the ABC Plan)	• Grant agreement: August 13, 2014 • The project is finalizing the production of instructional material, and establishing the timeline of the training that will occur during the second semester of 2015.
	Forest information to support public and private sectors in managing initiatives focused on conservation and valorization of forest resources	• The approval of the grant agreement project is projected to happen in the second half of 2015 (see next section about challenges)
Burkina Faso	Gazetted forests participatory	• The projects already had the preparatory studies, and the evaluation missions conducted.

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[20] Support provided by the special programs include the following categories: Participative Rural Appraisal, Community Land Management Studies, Local Community Forest Promoter, Contour barriers and Soil Plough, Pests And Diseases Protection, Opportunity Cost, Technical Assistance, Terrace Level And Dams, Reforestation, Agroforestry Systems, Fertilization Reforestation maintenance, Fencing, Surveillance, Forest Fire Protection, Payment For Environmental Services, Best Management Practices, Forest Cultivation for wood use.

[21] For the purpose of this report, 'under preparation' refers to a project preparing to start the execution of planned activities.

	management project for REDD+ (PGFC/REDD+) Decentralized forest and woodland management (PGDDF)	• Grant agreement signed. • Regional workshops were conducted for the FIP technical launch. • Ministerial order was passed for the creation of the steering committee. • Purchase of material for the coordination unit. • Administrative and financial procedure manual was developed.
DRC[22]	Improved Forested Landscape Management Project Integrated REDD+ Project in the Mbuji-Mayi/Kananga & Kisangani Basins	• The survey of the causes of deforestation and degradation of forests has been completed and submitted for broad consultations to reach a national consensus. • The country has adopted a National REDD+ strategy. • The country has set up a National REDD+ Registry to support REDD+ project endorsement and performance monitoring. • The country is developing a major Emissions Reduction Program covering 12 million hectares. • The preparations for the MRV System are well advanced: • Terra Congo System (forest monitoring system) is operating; National Forestry Inventory is under way; Greenhouse Gas Inventory is under way. • A regional REDD+ project funded by the World Bank has provided support for the countries of the Congo River Basin since 2012.
Lao PDR	Smallholder forestry project (Technical Assistance) (IFC)	During the reporting period the project pursued engagement plans with 5 prospective clients, including 2 industrial plantations with smallholder schemes, and 3 Lao wood product manufacturing firms and their smallholder wood supply chains. The plans confirmed that smallholder forestry is an important livelihood and potentially sustainable land use in Lao PDR, and there are opportunities to enhance their role in both industrial and community supply chain forestry. The period included over 41 engagements including 13 team meetings, 12 with prospective clients, 4 field missions, 1 with donors, 2 for MDB coordination, 3 with 4 service partner agencies, 4 with Lao PDR government agencies 1 training event, and 4 reports (assessments, surveys and manuals) completed.

20. Countries have experienced the following challenges during project preparation and implementation.:

- **Brazil:** The signing of the IFN Cerrado grant agreement was delayed, so implementation is delayed until the contract is signed. The Brazilian Treasure asked for a formal statement by the Federal Budget Secretariat (SOF) related to the government's resource that must be pre-arranged in the

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[22] Data from 2014 Results Report.

federal budget. Brazil's focal point had to wait for the SOF-designated window of time to negotiate this. By the end of 2014, documents were still pending signature. By September 2014, the project document redesign was completed and it was submitted, along with all requested information. The approval of the project is expected to happen in the second half of 2015.

- **Burkina Faso:** The political situation in Burkina Faso in 2014 delayed the decision-making process to implement the FIP investment plan. There was a delay in hiring coordination staff and consultants as the first candidates offered positions declined them. Burkina Faso started implementing its investment plan activities in 2015.

- **Lao PDR *SUFORD-SU project*:** By the end of 2014, there was a timber-logging ban, so villages could not receive a share of the timber sales revenues. In 2016, logging is expected to resume, so the share of timber harvest revenues will flow to the villagers. Village livelihood development grants and forest restoration grants have been under preparation and will also begin to disburse in 2016.

- **Lao PDR IFC-led *Smallholder Forestry Project*:** Midway through the reporting period, the plantation firm IFC was pursuing decided not to engage in the detailed project plan developed during the first term. The firm redirected its corporate priorities and in the interim reduced focus on growing its smallholder partnership program at its Lao PDR operations. The IFC subsequently has pursued engagement plans with 5 prospective clients and is expecting to formalize agreements with 1 or 2 firms in 2015.

- **Mexico:** Availability of resources in local currency was challenging. Managing currency hedging represents a major expense, which together with transaction costs for relatively small projects, may have discouraged potential partners from the private sector.

2.3   SECTORAL FOCUS

21. There is a great diversity of FIP supported interventions. Some address direct drivers of deforestation and forest degradation, while others address indirect drivers. Hence, there is a mix of investments (a) working on policy, regulation and institutional capacity; and (b) implementing on-the ground activities working with communities, financial intermediaries and private sector operators.

Most MDB-approved funding is targeted at capacity building/institutional strengthening and governance governance reform (USD132 million, or 65% of the total amount approved by MDBs), as shown in
22. **Figure 3**. The sectoral focus of each project, affects the type of results that can be expected. For example, agroforestry projects are expected to, on average, yield higher emission reductions. Projects focused on capacity building, institutional strengthening, and governance reform are expected to strengthen the enabling environment and critical processes that provide the foundation for effective implementation of projects that will deliver measurable results on the ground.

Figure 3: MDB approved funding per sectoral focus

20

Forest Monitoring/MRV 8%

Agriculture/Food Security 5%

Indigenous Peoples/Local Communities 1%

Landscape Approaches 12%

Sustainable Forest Management 7%

Agroforestry 2%

Capacity Building/Institutional Strengthening and Governance Reform 65%
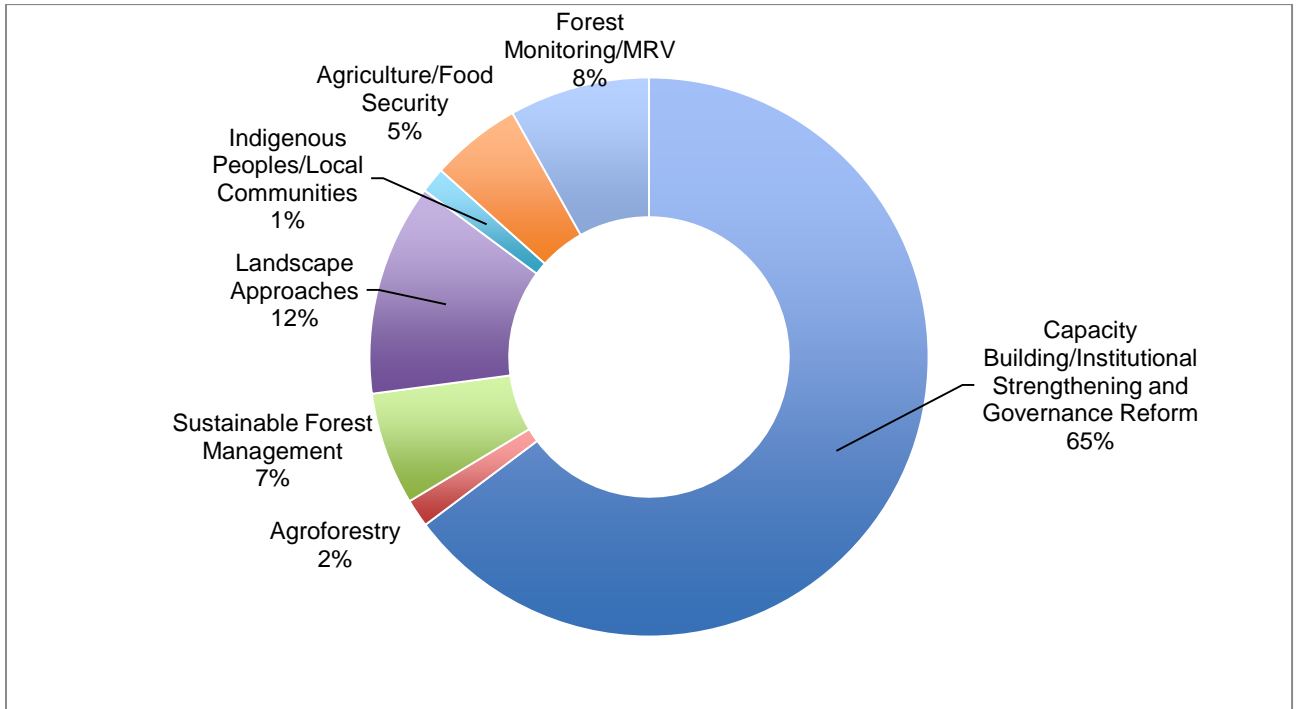
2.3.1   Capacity building

23. About 65 percent of the total approved funding in the 2015 reporting period goes to capacity building, including institutional strengthening and governance reform. This is considered critical, as the success of implementing mitigation actions in the forest sector, including REDD+, largely depends on whether a country has the necessary financial, human, technological, legal, and institutional resources in place. For this reason, the FIP emphasizes the creation of explicit and concrete arrangements for country-level management of investment plans through central coordination units or within sector ministries. Since several multilateral programs assist developing countries in achieving REDD+ readiness, coordination with them helps ensure strong capacity for REDD+ readiness in FIP activities.

24. Capacity building is also a key component of REDD+ readiness or the process for putting in place the preconditions necessary to enable countries to implement REDD+.

Box 1: Capacity building in Burkina Faso

A key objective of Burkina Faso's FIP investment plan is reducing deforestation through improved governance, local socio-economic development, and sustainable management of forest resources and wooded areas. The FIP is investing USD 12 million to increase carbon sequestration capacity in gazetted forests while reducing poverty in rural areas, by developing a monitoring, reporting, and verifying (MRV) system for REDD+; improving REDD+ forest governance; and establishing socio-economic support infrastructure for neighboring municipal councils.

2.3.2 Landscape approaches

25. About 12 percent of the total approved funding in the 2015 reporting period goes to projects that focus on landscape approaches. The FIP advocates the landscape approach as the underlying strategy for managing competing interests in support of sustaining people's livelihoods and improving their well-being and addressing the global challenges associated with climate variability and change. Some examples of how landscape approaches are integrated in the FIP include the following.

26. **Brazil:** A landscape strategy involving public protected and rural properties allows the insertion of new stakeholders (landholders) and is most effective for climate protection, conservation of natural resources, and biodiversity. The Government of Brazil's decision to invest FIP resources in the Cerrado was based on considerations of exploring the full benefits of the landscape approach[23]. FIP investments in the Cerrado ecosystems aim to achieve the following:

    - Provide an alternative supply of land for intensified agriculture thereby reducing pressure to convert the Amazonian forests
    - Contribute to the development of land better suited for agriculture as a sustainable form of use
    - Provide new and extend existing livelihood opportunities for forest dependent peoples and local communities in the Cerrado[24]

27. **Burkina Faso:** The transformational character of the FIP investment lies within the adoption of a landscape approach combining forest management, agroforestry, agriculture, sylvo-pastoralism andthe valorization of forestry products and services[25].

28. **Ghana:** Through Ghana's FIP investment plan, the concept of Community Resource Management Area (CREMA) has been adopted on the cocoa landscape where individual farmers come together to form a CREMA. They agree to manage the area based on agreed principles, which are normally passed into bylaws. This approach allows the farmers to join certification schemes to get premium prices on their cocoa. Through the proposed legislation of tree tenure, benefit sharing, and carbon rights under the FIP, farmers are incentivized to nurture naturally occurring trees and plant more trees on their farms to improve yields and gain direct benefit from the trees[26].

29. **Lao PDR:** Forest Landscape Management is a new approach to involve provincial and district level decision makers and other stakeholders in the protection and management of large forest landscapes to safeguard and enhance their ecological functions. Forest landscape consists of all existing forests, areas to be restored as forest, and other elements of the landscape that are relevant to the ecological

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[23] In 2005, land use change in the Cerrado contributed 22% of net emissions, and estimates that this contribution has increased relative to the Amazon since deforestation levels in the Amazon have fallen more steeply than in the Cerrado.

[24] Andrea Kutter & Leon Dwight Westby (2014) Managing rural landscapes in the context of a changing climate, Development in Practice, 24:4, 544-558

[25] Burkina Faso 2015 results sheet.

[26] http://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/Ghana%20-%20Forest%20and%20Cocoa%20Landscape%20Restoration%20in%20Ghana.pdf

functions of forest. Management activities may prioritize smaller areas within the forest landscape with high ecological values, such as biodiversity corridors[27].

Box 2: What is the Cerrado?

The Cerrado is the second largest biome in Brazil and South America. The Cerrado, considered a biodiversity hotspot, has Brazil's largest portion of the land area occupied by rural properties (32 percent of the total). The Cerrado has 54 million ha of pastures and hosts 72 million heads of cattle. There are 21 million ha of croplands producing soy (60 percent of Brazil's total), coffee (60 percent of Brazil's total), corn (44 percent of Brazil's total), and cotton (84 percent of Brazil's total). The Cerrado is an ecologically strategic, but highly threatened, ecosystem. Deforestation in the Cerrado is more severe than in Amazonia. The main driver of deforestation is agricultural expansion.

Remaining Cerrado

Total deforestation by 2008 = 48.2%

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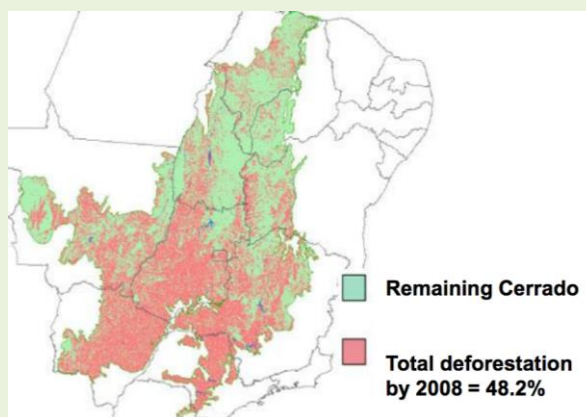
3   METHODOLOGY FOR MONITORING AND REPORTING

30. FIP pilot countries report to the FIP Sub-Committee using the agreed core themes and co-benefit themes relevant for their respective FIP investment plans. The 2014 Results Report focused on baselines and targets for relevant reporting themes. For the 2015 Results Report, FIP pilot countries reported on progress towards achieving the indicated targets by indicator theme in the context of the objective of their investment plan.

31. FIP provides flexibility in monitoring and reporting by allowing the FIP pilot countries to use their own national monitoring and reporting systems and methodologies. This is consistent with FIP's approach to build on and further enhance REDD+ readiness processes supported by the Forest Carbon Partnership Facility (FCPF) Readiness Fund and the UN-REDD Programme, which includes the establishment of

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[27] http://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/Lao%20PDR_SUFORD-SU_Forest%20Landscape%20Management_June%202015.pdf

national forest monitoring systems and the establishment of reference emission or reference levels related to REDD+. Since the eight FIP pilot countries are at different stages in the REDD+ readiness process, the flexibility provided by the FIP enables countries to gradually enhance FIP results reports as the REDD+ readiness processes advance. FIP pilot countries are requested to clearly explain the methodology they have used to generate the information presented in their FIP results reports.

32. The FIP monitoring and reporting system is based on two basic approaches:

- **Participatory approach:** Through this approach, various stakeholder groups engaged in activities relevant to REDD+ get more actively involved in reflecting and assessing the progress of FIP investment plan implementation through projects and programs. This approach empowers beneficiaries, builds country ownership, and ensures accountability and transparency.

- **Mixed-methods approach:** This approach combines quantitative and qualitative methods to collect, analyze, and generate knowledge and lessons in implementing FIP investments. The approach is suitable for understanding the richness and complexity of interventions related to REDD+ at the country-level.

3.1   THE FIP MONITORING AND REPORTING TOOLKIT AND TEMPLATES

33. The FIP monitoring and reporting toolkit[28] guides the results reporting on the FIP investment plans. The toolkit clarifies the themes for annual reporting by the pilot countries and contains reporting templates, guidance on scorecards, and tables. It aims to provide a flexible and coherent guide to FIP pilot countries for reporting in categories/themes that were approved by the FIP Sub-Committee in November 2013. Quantitative data in the report is presented using tables, qualitative data is collected using scorecards and a user-friendly template is provided for narrative themes.

3.2   INDICATORS

34. FIP pilot countries are asked to report on the following themes organized in three categories:

Category 1: Common themes (to be reported by all pilot countries)
- Theme 1.1: GHG emission reductions or avoidance/enhancement of carbon stocks
- Theme 1.2: Livelihoods co-benefits

Category 2: Other relevant co-benefit themes (to be reported if relevant to the investment plan)
- Theme 2.1: Biodiversity and other environmental services
- Theme 2.2: Governance
- Theme 2.3: Tenure, rights and access
- Theme 2.4: Capacity development

Category 3: Elements for Narrative
- Narrative 3.1: Theory of change and assumptions

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[28] http://www.climateinvestmentfunds.org/cif/node/12506

- Narrative 3.2: Contribution to national REDD+ and other national development strategies (e.g., NAMAs, national forest programs etc.) and uptake of FIP approaches
- Narrative 3.3: Support received from other partners including the private sector
- Narrative 3.4: Link of DGM to FIP investments from government's point of view
- Narrative 3.5: Highlights and show cases (if available)

3.3   BASELINES

35. FIP pilot countries are asked to provide baseline data for the different themes as appropriate. The baseline date is the endorsement date of the FIP investment plan.

36. For theme 1.1, GHG emission reductions or avoidance/enhancement of carbon stocks, the baseline is defined as the amount of GHG that would have been emitted if there had been no FIP investment. Alternatively, countries may report the simple historical average of annual emissions as the baseline where it is not possible to estimate the business-as-usual reference level.

3.4   TARGETS

37. Target setting is context-specific and depends on the theme. FIP pilot countries are required to report the climate change mitigation potential of country actions as estimated quantities of avoided or reduced GHG emissions and removals or increase in carbon stocks that the implementation of the investment plan is able to achieve directly through its associated investments.

38. For theme 1.1, GHG emission reductions or avoidance/enhancement of carbon stocks, there are two targets as defined in the FIP Monitoring and Reporting toolkit:

- Target 1 *(project target)*: Target achieved during the implementation of the investment plan (ending with the financial closure of the last project supported under the investment plan)

- Target 2 *(lifetime target)*: Projection of the target taking into account the lifetime of the results achieved through the implementation of the investment plan

39. Target 1 shows the expected results within the project implementation timeframe, usually five years for FIP investment plans. Target 2 includes all emissions that will be reduced during the intervention lifetime. For forestry projects, the impact of the intervention is expected to be the lifecycle of the planted trees, which usually is up to 30 years for FIP projects.

40. Theme 1.2, livelihood co-benefits, refers to any monetary or non-monetary benefits[29] received by beneficiaries as a result of activities associated with FIP-supported projects and programs. For theme 1.2, there is only one target, which is set at the time of the MDB approval of the investment plan. Other reporting themes do not have specific targets to report on in the annual results report.

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[29] These monetary and non-monetary benefits may relate to improvements concerning income, employment, entrepreneurship, access to finance, education, health and any other relevant benefits flowing from FIP investments.

3.5 REPORTING PROCESS

The FIP results reporting process can be summarized in the following eight steps, as shown in

41. **Figure 4**:

Figure 4: FIP M&R process
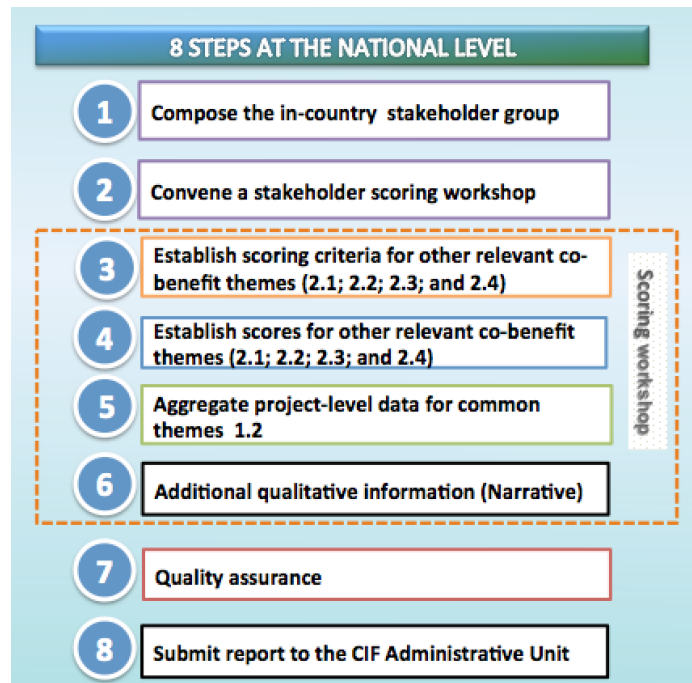
42. The country focal point submits the FIP reporting tables, scorecards, and templates with additional qualitative information to the CIF Administrative Unit each year before June 30 (the end of the CIF fiscal year). The reported data corresponds to the previous calendar year (January 1 through December 31).

4   2015 RESULTS REPORTING

4.1   TARGETED IMPACTS

43. In 2014, FIP pilot countries were requested to report baselines and expected results on the agreed common and relevant co-benefit themes. Brazil, Burkina Faso, the Democratic Republic of Congo, Indonesia, Mexico, and Peru submitted reports in 2014.

44. In 2015, Brazil, Burkina Faso, Ghana, Lao PDR, and Mexico submitted reports. FIP pilot countries reported baselines, expected results, and achieved results whenever relevant. DRC was not requested

to report in 2015 as project activities had not yet started, and there was no significant progress to report. Indonesia and Peru were not requested to report in 2015, as their projects had not been approved in the 2015 reporting period.

45. FIP projects were under implementation[30] only in Lao PDR and Mexico during the reporting period. Mexico and Lao PDR submitted achieved results for the 2015 Results Report. With such limited information on achieved results, it is still early to assess the FIP's global impact. Annex 1: Submission of reports and reported data" summarizes which countries reported which themes.

4.1.1 Highlights from countries' submissions for the 2015 FIP Results Reports

46. **Brazil**'s investment plan comprises coordinated actions focused on maximizing the impact of a larger set of policies aimed at reducing deforestation in the Cerrado biome through improving environmental management in areas previously anthropized and producing and disseminating environmental information at the biome scale. The Government of Brazil informed that it would not set emission mitigation targets or a baseline for the the FIP investment plan or its projects, considering its position and the agreement achieved in 2013 in the Warsaw Framework for REDD+ under the UNFCCC (decision 9 to 15/CP.19). Supported by the FIP, Brazil targets 7.8 million hectares of total land area where sustainable land management practices will be adopted. Brazil also identified indicators for livelihood co-benefits, for which the baselines are zero and the targets those set at project level. Brazil identified 88,331 beneficiaries for livelihood co-benefits.

47. **Burkina Faso**'s FIP investment plan is articulated around four pillars of REDD+ strategy: land tenure security, land management and activity planning, agro-pastoral management, and institutional and local actors' capacity development. Burkina Faso's investment plan simultaneously addresses the direct causes (at local level) and indirect causes (local and central level) of deforestation and forest degradation by intervening at the same time in direct investments at the local level and the support for the country's REDD+ preparation.

48. Burkina Faso's plan was conceived to optimize the replication potential at a national level. It also offers important replication possibilities at the international level by piloting REDD+ implementation in dry forests and the triple win of mitigation, adaptation, and poverty reduction.

49. Burkina Faso aims to achieve 13.8 million tons of CO2e of GHG emission reductions over the lifetime of the projects under its investment plan in 1.28 million hectares of Sudano-Sahelian dry forest. Burkina Faso aims to benefit around 259,000 people through livelihood co-benefits. Burkina Faso provided a narrative of their theory of change and related assumptions, as well as a description of what has happened since the endorsement of their investment plan.

50. Biodiversity data was not available during the reporting period. However, it will be available from 2016, when an MRV system will be in place. In the next report, a list of threatened species that are found in forests of Burkina Faso will be added as an indication. It is expected that forest management will allow protecting these species.

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[30] For the purpose of this report, 'under implementation' refers to a project with results-yielding activities under execution.

51. The current method of estimating emission baselines does not allow measurement of annual progress. A new methodology will be developed for the national reference emission level, and will be based on the 2012 images. The first measure will use 2017-2018 images at the end of the investment plan.

52. The investment plan is expected to impact governance, but it is still too early to assess effects. Reporting themes on land tenure and capacity development will also yield results as projects advance. Burkina Faso submitted a descriptive annex with the detailed methodology used to prepare the results report.

53. **Ghana**'s investment plan was designed to respond to the major drivers of deforestation and forest degradation: agricultural expansion, timber harvesting, mining, and especially, cocoa expansion. Ghana's *Engaging Local Communities in REDD+/Enhancing Carbon Stocks Project* expects to reduce 3.9 million tons of CO2e within 25 years[31]. Ghana set indicators for livelihoods co-benefits for this project in different units to number of beneficiaries, so they were not considered for this report. In subsequent years, Ghana will report all the other relevant themes. The project started in 2015 after the December 31, 2014 reporting period cut-off date, so Ghana's submission to this report only included baselines and targets. Ghana will report on progress and results in subsequent reports.

54. **Lao PDR**'s investment plan's major focus is to promote participatory sustainable forest management (PSFM), with a major emphasis on promoting the capacities of villagers and other grassroots managers. The first FIP project under implementation in Lao PDR, *SUFORD-SU*, is scaling up a PSFM approach for Production Forest Areas (PFAs) that was tested under two previous projects[32].

55. Lao PDR set the GHG emission reductions project target (target 1) at 0.135 million tCO2e for the *SUFORD-SU Project*. These emission reduction estimates were done based on a set of activities that were planned for the project and their emission reduction potential. The detailed planning of implementation (i.e., for each activity the number of hectares or households affected) is dependent on the participatory planning exercises at the village level. This emission reduction target is currently under review and will be discussed during the project's mid-term review in November 2015. Baselines and targets for livelihood co-benefits were set for the *SUFORD-SU Project*. Lao PDR also reported on the following themes: biodiversity, governance, tenure rights and access, and capacity development. The IFC-led program established a net emission reduction target (target 1) of 0.76 million tCO2e, and it aims to provide livelihood co-benefits to 15,000 people.

56. **Mexico**'s investment plan aims to address forest and non-forest areas under the premise of sustainable management of natural resources in productive mosaics, in order to increase institutional and local capacity, and sustainable investment, and promote financial inclusion of ejidos and forest communities. These interventions are expected to address the direct and underlying drivers of deforestation and forest degradation.

57. Mexico set the GHG emission baseline at 22.074 million tCO2e. The target after the financial closure of the project is 10 percent of the baseline (2.207 million tCO2e). The total targeted area is 15.61 million hectares in the states of Jalisco, Campeche, Yucatan, Quintana Roo and Oaxaca. The *Forests and*

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[31] The other project of Ghana's investment plan, "Enhancing natural forest and agro-forest landscapes" was endorsed in February 2015. This project's baseline and targets will be included in next year's results report.

[32] The Sustainable Forestry for Rural Development (SUFORD, 2004-2008), and SUFORD-Additional Financing (SUFORD-AF, 2009-2012).

Climate Change Project aims to provide livelihood co-benefits to 536 ejidos. Indicators at the investment plan level will be available once the program is finalized, when an ex-post analysis is conducted. Mexico developed additional specific indicators for category 2, which were validated in the scoring workshop.

4.1.2   Impacts emerging since investment plan endorsement

58. **Mexico:** Implemented sustainable forest management techniques promoted by the FIP, such as thinning and pruning, translated into a better productive use and increased productivity. Through Mexico's investment plan, the ejido 'Barranca del Calabozo' was able to access credit. This is an important achievement, as lack of access to credit is a common challenge for community forest enterprises in Mexico. The credit was used as working capital for the community sawmill. Thanks to this, the sawmill employees were able to secure their jobs during a longer period of time. Before the credit, the sawmill only operated for four months. Thanks to the credit, the sawmill is now able to operate for eight months.

59. **Lao PDR:** Scaling up participatory sustainable forest management and village development to 13 provinces, 41 production forests, and almost 1,100 villages (over 400,000 beneficiaries) has been made possible through the hard work of national, provincial, and district forestry and rural development staff.

    In the first two years of project implementation, teams have carried out forest inventories of almost 0.5 million ha and developed forest management plans for 25 production forests (not covered under previous projects) and village development plans for 368 additional villages. In addition, work is ongoing to pilot village forestry and forest landscape management that will promotecollaboration at the provincial level among the provincial staff of the Department of Forestry, Department of Forest Inspection and the Department of Forest Resource Management[33].

60. As the new plans come under implementation in the next year, villagers will start to see impacts in terms of improved forest management, a share of any timber harvest revenues, village forestry and forest landscape management, and development of alternative livelihoods to reduce pressure on the natural forests, promote rural development, and reduce poverty.

4.2   RESULTS: CATEGORY 1 'COMMON THEMES'

4.2.1   Theme 1.1 GHG emission reductions or avoidance/enhancement of carbon stocks

Baseline

61. FIP pilot countries are asked to submit the reference emission level (REL) or baseline which is defined as the amount of GHG that would have been emitted if there had been no FIP. Alternatively, countries may report the simple historical average of annual emissions as the baseline where it is not possible to

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[33] While DOF is responsible for production forests and uncategorized forest land, DFRM is responsible for conservation and protection forests, and DOFI for forest and wildlife law enforcement.

estimate the business-as-usual reference level. Burkina Faso, DRC[34] and Mexico reported their GHG emission baselines, as shown on

62. .

Table 6: Theme 1.1 baselines

FIP pilot countries	Investment plan/project	Baseline (M tCO2e)
Burkina Faso	Investment Plan	-50.7
	Decentralized forest and woodland management project (PGDDF)	-48.33
	Gazetted forests participatory management project for REDD+ (PGFC/REDD+)	-2.35
DRC*	Investment Plan	-2.15
	Integrated REDD+ project in the Mbuji Mayi/Kananga and Kisangani basins	- 0.29
	Improved Forested Landscape Management	-1.86
Lao PDR	Smallholder Forestry Project (Technical Assistance)	0.00
Mexico	Investment Plan	22.07

* From 2014 report

63. The methodology used to calculate the baseline varies by country and by project. Burkina Faso and DRC calculated the investment plan baseline as the sum of the baselines for their two FIP projects. Mexico established one baseline for the entire country.

64. Burkina Faso *Gazetted Forests Participatory Management Project for REDD+* (AfDB) established the baseline as the carbon stock difference that there would be within the implementation period (2013-2018). It took into account the carbon stock in the project area for the implementation period[35], as shown in **Table 7: Carbon stock. AfDB project in DRC**.

Table 7: Carbon stock. AfDB project in DRC

Year	2013	2014	2015	2016	2017	2018

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[34] In the 2014 FIP results report
[35] Surface covered by project: 284,655 ha. Carbon stock rate is 53 tC/ha. The reference carbon stock over 284,000 ha is 55,368,244 t CO2e in 2013. The reference scenario is established including a deforestation rate of 0.5% and 0.4% degradation rate. These rates correspond to the country's average historic rates.

Carbon stock	55,368,244	54,896,047	54,425,103	53,955,407	53,486,952	53,019,732

65. The emission level without the project over a 5-year period is 55,368,244 – 53,019,732 = - 2.35 MtCO2e.

66. The *Decentralized Forest and Woodland Management (PGDDF) (*IBRD) in Burkina Faso and the *Integrated REDD+ Project in the Mbuji Mayi/Kananga and Kisangani Basins* (AfDB) in DRC established the baseline following the same methodology as the AfDB project in Burkina Faso, as explained above.

67. Mexico calculated the baseline with only emissions from deforestation, degradation, and forest fires. The average total emissions for the 2000-2010 period for the five states is Mexico's baseline: 22.07 million tCO2e. This baseline was aligns with the national REL submitted to UNFCCC.

68. The difference between Mexico's and other countries' calculations lies in the fact that the Mexican baseline is an emission average of a historic period, while the other baselines are calculated as the carbon stock difference between project start and project end. Detailed calculations of the baselines can be found in Annex 3: GHG emission baselines and targets calculations."

69. In December 2014, Mexico presented its Forest Reference Level proposal to the UNFCCC, and this data was adopted as a baseline for the FIP. This reference level was built using historically observed deforestation, degradation rates, forest fires, and emission factors. The national forest reference emission level was constructed using information from official sources, mainly the Land Use and Vegetation Series issued by the National Institute of Statistics and Geography (1996, 2005, 2010, and 2013) and the National Forest and Soils Inventory (INFyS) produced by the National Forestry Commission (CONAFOR, 2012). Mexico's baseline was reassessed for the 2015 FIP Results Report, and is therefore different to the baseline presented in the 2014 FIP Results Report[36].

70. Brazil did not submit the GHG emission reduction baseline, considering the government of Brazil's position and the agreement achieved in 2013 in the Warsaw Framework for REDD+ under the UNFCCC (decisions 9 to 15/CP.19). The REDD+ results will be reported by the government of Brazil on a national scale, in accordance with UNFCCC decisions.

71. Ghana will define its baseline in the next reporting exercise.

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[36] The baseline presented in the 2014 FIP report responded to the methodology previously used and explained. However, on December of 2014 Mexico presented its Forest Reference Level (FREL) proposal to the UNFCCC, and this data is the one adopted as a baseline for the FIP. This reference level was built with official information. For activity data, INEGI series of land use and vegetation were used (Series 2, 3, 4 and 5). For emission factors, the source is the National Forest and Land Inventory. To read a more detailed methodological description of the approach, kindly refer to:
http://unfccc.int/land_use_and_climate_change/redd/items/8414.php
In 2016, the information for period 2012-2014 will be updated, once INEGI's series VI of land use and vegetation, and cycle 2 of the National Forest and Soil Inventory, are available. The same data can be extrapolated for year 5 (2016).
By December 2014, the National Monitoring, Registry and Verification System registers a progress of 68%, among its main activities: implementation of the remote sensor operational system, implementation of the biomass and carbon estimation system (with data from the National Forest and Land Inventory), a platform for storage, analysis, display and distribution of cover products and emission factors at national level, development and implementation of a registry system of reduction emissions in forestry and the proposed regulation of the MRV system.

72. Lao PDR's IFC-led *Smallholder Forestry Project (Technical Assistance*) established the emission baseline as zero. Lao PDR's *SUFORD-SU Project* did not submit a baseline for GHG emission reductions, as it will depend on interventions to be chosen by villagers.

Targets set

73. FIP pilot countries are requested to report on the project target (target 1) and lifetime target (target 2) in M tCO2e. **Table 7** shows all GHG emission reduction targets submitted by FIP pilot countries.

74. **GHG emission reductions. Project target (target 1):** FIP pilot countries reported the project target (target 1) in M tCO2e with the exception of Brazil, which reported total area where sustainable land management practices were adopted as a result of the investment plan.

75. Similar to what was observed in the baseline calculation, there are differences in how targets were set among FIP pilot countries. Burkina Faso, DRC, Ghana, and Lao PDR set their targets based on the expected emission reductions that each project would bring. This was done taking into account the project activities. These targets are considered "net targets," as they reflect the effective emission reductions considering the baselines[37].

76. Mexico established the target as 10 percent of the emission baseline.

77. Burkina Faso set target 1 at 4.1 MtCO2e (0.6 for the PGFC project and 3.5 for the PGDDF project).

78. DRC set target 1 by adding the targets from each project of the investment plan (0.95 MtCO2e[38] for the AFDB project and 3.25 MtCO2e for the IBRD led project); therefore the total is 4.2 MtCO2e.

79. Emission reduction targets for the Burkina Faso and DRC investment plans were calculated adding the AfDB and IBRD project targets. It should be noted that the AfDB project targets have considered a discount factor, but those from IBRD have not. This discount factor is 40 percent for Burkina Faso, and 30 percent for DRC. These discount factors were used in order to be conservative with assumptions and to take into account leakage and non-permanence risks. DRC reported in their 2014 results sheet that a new methodology will be developed to harmonize the calculations from these two MDBs[39].

80. Ghana submitted a lifetime target (target 2) of 3.9 million tCO2e for *the Engaging Local Communities in REDD+/Enhancing Carbon Stocks Project[40].* Based on this information, the CIF Administrative Unit calculated the project target (target 1). See Annex 3: GHG emission baselines and targets calculations"

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[37] These are net targets = baseline - absolute target

[38] The 2014 Results Report shows a target of – 0.95 M tCO2e. We assumed that this refers to a reduction of 0.95 M tCO2e.

[39] "With two FIP Projects implemented by different MDBs (AfDB and World Bank), different methodologies have been used for making estimates during the project design phase. However, these methodologies are well documented. As the project is implemented and future reports are written, we will harmonize the methodology". Felicien Mulenda, DRC FIP focal point. 2014 results sheet cover letter.

[40] The only project of Ghana's investment plan that was approved in the 2015 reporting period 'Engaging local communities in REDD+/Enhancing carbon stocks' project.

for more detailed information about how this target was calculated. Ghana will submit their project target (target 1) before December 2015[41].

81. Lao PDR established target 1 for the *SUFORD-SU Project* (0.135 million tCO2e) in the Project Appraisal Document's Results Framework, as shown in **Table 6**.

Table 6: SUFORD-SU projects GHG ER target 1

	t CO2e
Project Development Indicator 5. Enhanced carbon storage from improved forest protection and restoration in selected PSFM areas	14,227
Project Development Indicator 6. Reduced emissions from deforestation and forest degradation in selected PSFM areas	121,407
Total Target 1	135,635

82. This target is currently under review, and will be discussed during *SUFORD-SU's* November 2015 mid-term Review. The project team is preparing revised estimates based on the actual alternative livelihood and forest restoration activities to be supported by the project.

83. The IFC-led program in Lao PDR established a net reduction in emissions from reforestation activities over the five years of the program of 755,400 tCO2.

84. Mexico established the GHG emission reduction target 1 as the 10 percent of the 22.07 million tCO2e baseline; therefore Mexico's target 1 is 2.21 million tCO2e.

85. **Table 7** shows all GHG emission reduction targets and **Figure 5** represents the GHG emission reduction project targets (target 1) that FIP pilot countries submitted for the 2015 Results Report.

Table 7: Theme 1.1 Targets

Countries that submitted results reports	**Target 1** – project implementation (M tCO2e)	**Target 2** – intervention lifetime (M tCO2e)
Brazil	7,779,840 (ha)	
Burkina Faso	4.1	13.8 (For 15 years)
DRC	4.2*	18.07* (For 30 years)
Ghana	0.5[42]	3.9 (For 25 years)

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[41] Ghana's focal point said that they hope to provide information on target 1 before December. Providing that target depends on a study that is going to be conducted by a project and the work being done by the TTL of the World Bank coordinated FIP project in Ghana.

[42] Ghana submitted target 2 (lifetime target for 25 years). The CIF Administrative Unit calculated the corresponding target 1 (project target) for 5 years of project implementation, based on the document "Annexes to the Project Appraisal Report. 22 October 2013. AFDB"

Lao PDR	0.89[43]	
Mexico	2.21	

* From 2014 report

Figure 5: Theme 1.1. Target 1 per country
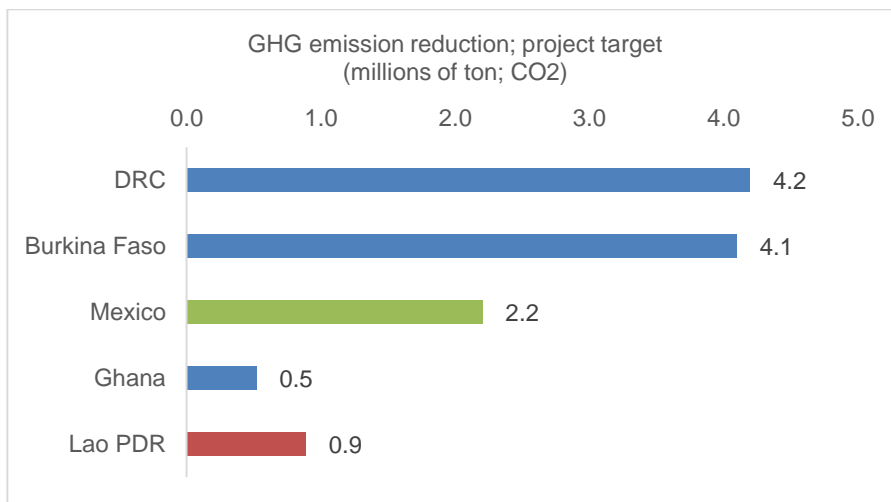
86. **GHG emission reductions. Lifetime target (target 2):** Burkina Faso, DRC (in 2014 Results Report), and Ghana established the lifetime target (target 2). This target is calculated taking into account the lifetime of the results achieved through the implementation of the investment plan. However, each country uses a different timeframe for calculating this target, as shown in **Table 8**.

Table 8: Number of years used for target 2

FIP pilot country	Number of years used for lifetime target (target 2)
Ghana	25
Burkina Faso	15
DRC	30

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[43] This takes into account the targets: 755,400 tCO2 of IFC project and 135,635 tCO2 of SUFORD-SU project

87. Furthermore, DRC uses a different number of years for the investment plan calculation and for each project. The investment plan used a timeframe of 30 years; the AfDB project used 25 years and the IBRD project used 15 years. The reason for such a divergence in the number of years is that each project selected a timeframe for the target calculation, which better adjusted to the intervention lifetime. The lack of specific guidance and the fact that different MDBs conducted each calculation explains the disparity of the timeframes chosen.

88. The difference in the number of years considered for the project or investment plan's GHG emission reduction target limits the comparability of results among countries.

Results achieved

89. FIP pilot countries have not yet reported the cumulative achieved results in terms of GHG emission reductions. Mexico will submit GHG emission reductions achieved results in 2016, once the land use change data is available[44]. Lao PDR did not submit GHG emission reductions achieved results, as this data was not measured during the 2012-2014 period.

Area covered

All FIP pilot countries reported on the area covered by their projects. The total targeted area of FIP projects projects approved in the 2015 reporting period is 27.3 million hectares (273,645.47 sq km), equivalent to to the size of Burkina Faso, as shown in **Table 9** and

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[44] In 2016, the information for period 2012-2014 will be updated, once INEGI's series VI of land use and vegetation, and cycle 2 of the National Forest and Soil Inventory, are available. The same data can be extrapolated for year 5 (2016). By December of 2014, the National Monitoring, Registry and Verification System registers a progress of 68%, among its main activities: implementation of the remote sensor operational system, implementation of the biomass and carbon estimation system (with data from the National Forest and Land Inventory), a platform for storage, analysis, display and distribution of cover products and emission factors at national level, development and implementation of a registry system of reduction emissions in forestry and the proposed regulation of the MRV system.

90. **Figure 6**.

Table 9: Area covered

FIP pilot countries	Area covered (ha)	%
Brazil	7,779,840	28.43
Burkina Faso	1,284,000	4.69
DRC	289,750[*]	1.06
Ghana	90,000	0.33
Lao PDR	2,316,000	8.46
Mexico	15,605,957	57.03
TOTAL	27,365,547	100

*From 2014 report

Figure 6: Area covered per country

Area covered by country (thousand HA)

Country	Value
Mexico	15,606
Brazil	7,780
Lao PDR	2,316
Burkina Faso	1,284
DRC	290
Ghana	90
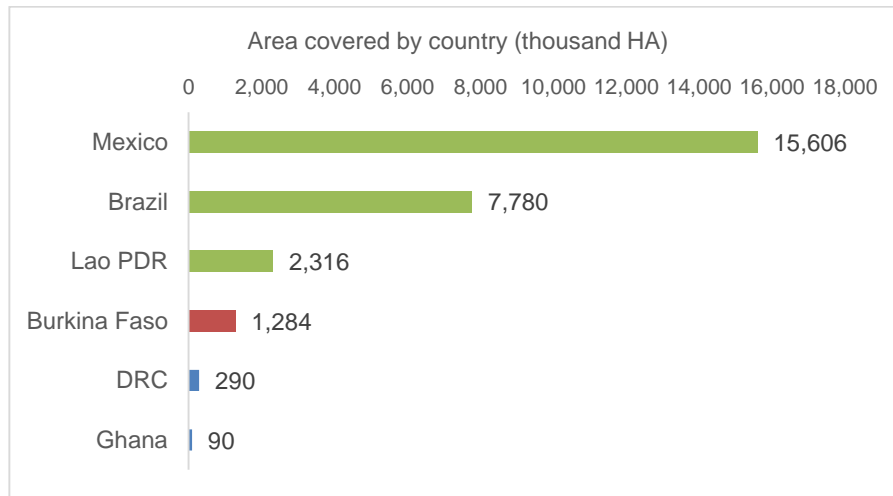
91. Brazil set the total area covered by the investment plan at approximately 7,800,000 ha. This is the total land area where sustainable land management practices will be implemented. Included in this total area, there will be 900,000 ha where sustainable land management and low carbon agriculture technologies will be adopted.

92. Lao's SUFORD-SU project will be implemented over 2,301,000 ha. The IFC-led project in Lao PDR will cover 15,000 ha of sustainably managed land, consisting of plantations and agricultural crops.

93. In the 2015 report, Mexico established the area covered by the investment plan at 15,605,957 ha (Jalisco: 3,334,867 ha; Campeche: 4,330,999 ha; Yucatán: 1,457,429 ha; Quintana Roo: 3,314, 642 ha; Oaxaca: 3,168,020 ha)[45].

94. Based on the FIP's total geographic spread as defined by countries, Mexico has the largest surface covered at57percent, about double the size of the runner-up, Brazil (28percent).

95. Table 10 summarizes all reported information for theme 1.1 GHG emission reductions or avoidance/enhancement of carbon stocks by all FIP pilot countries.

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[45] In 2014, Mexico established the area covered by the Investment Plan at 12,437,937 ha. (Jalisco: 3,334,867 ha; Campeche: 4,330,999 ha; Yucatán: 1,457,429 ha; Quintana Roo: 3,314, 642 ha. Data for the state of Oaxaca regarding surface and GHG emissions was not gathered at the time of the 2014 report submission.

Box 3: Mexico's area covered per state

Mexico's investment plan covers on average 50 percent of each state's total surface.

State	Total state area (ha)	Investment plan covered area (ha)	% of land covered by investment plan
Jalisco	8,079,900	3,334,867	41.27
Campeche	5,792,400	4,330,999	74.77
Yucatan	4,337,900	1,457,429	33.60
Quintana Roo	5,021,200	3,314,642	66.01
Oaxaca	9,395,200	3,168,020	33.72

GHG emission reductions per area covered

96. If we compare the GHG emission reductions with the area covered by each FIP pilot country in the 2015 reporting period, we see that the three African countries present the highest carbon targets per hectare: Burkina Faso, 3.19 M tCO2e/M ha, Ghana, 5.56 M tCO2e/M ha, and DRC 14.50 M tCO2e/M ha, as shown in **Figure 7**.

Figure 7: GHG emission reductions per area covered
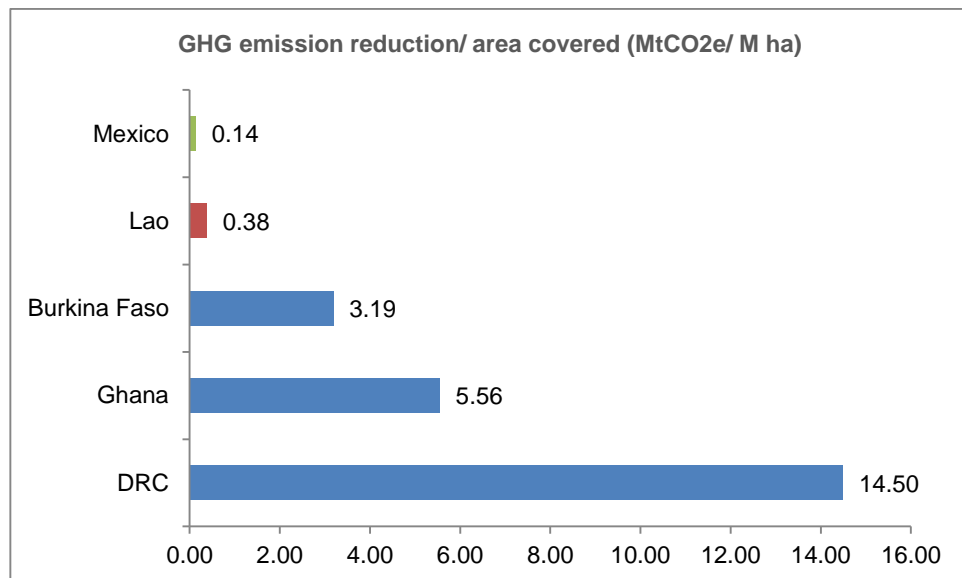
Table 10: Theme 1.1 Baselines and targets in 2014 and 2015 reports

Theme 1.1 GHG emission reductions or avoidance / enhancement of carbon stocks								
	Baseline (MtCO2e)		Target 1 – project implementation- **(MtCO2e)**		Target 2 – intervention lifetime- **(MtCO2e)**		Area covered (ha)	
	2014	2015	2014	2015	2014	2015	2014	2015
Brazil	-	-	-	Total Land area where sustainable land management practices: 7,779,840 (ha)	-	-	-	-
Burkina Faso	- 50.7 (-2.35 for the PGFC ;-48.33 for the PGDDF)	- 50.7 (-2.35 for the PGFC; -48.33 for the PGDDF)	4.1 (0.6 for the PGFC; 3.5 for the PGDDF)	4.1 (0.6 for the PGFC; 3.5 for the PGDDF)	13.8 (2.7 for the PGFC + 11.1 for the PGDDF over 15 years)	13.8 (2.7 for the PGFC + 11.1 for the PGDDF over 15 years)	1,285,000	1,284,000
DRC	AfDB: -0. 29; WB: -1.86	-	AfDB: 0.95; WB: 3.25	-	18.07 (IP for 30 years) AfDB: 4.00 (for 25 years) WB: 16,085,524 (for 15 years)	-	IP: 289,750 AfDB: 10,500 WB: 20,000	-
Ghana[46]		tbd		tbd		3.9		90,000
Lao PDR	-	tbd	-	SUFORD-SU: 0.135[47] IFC: 0.755	-			SUFORD-SU: 2,301,000 IFC: 15,000
Mexico	3.47	22.07	0.347	2.21	-	-	12,437,937	15,605,957

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[46] This target corresponds to the only project of Ghana's investment plan that was approved in the 2015 reporting period 'Engaging local communities in REDD+/Enhancing carbon stocks' project.

[47] This target is currently under review, and will be discussed during SUFORD-SU's upcoming Mid-Term Review, in November 2015.

4.2.2   Theme 1.2 Livelihood co-benefits

97. FIP projects are expected to improve the economic and social well-being of the intended beneficiaries from FIP investments. Livelihood co-benefits refer to any monetary or non-monetary benefits[48] received by beneficiaries as a result of activities associated with FIP-supported projects and programs. These monetary and non-monetary benefits may relate to improvements concerning income, employment, entrepreneurship, access to finance, education, health, and any other relevant benefits flowing from FIP investments. Each FIP country is requested to describe key monetary and non-monetary benefits received by beneficiaries through FIP interventions. FIP pilot countries are requested to submit baselines, targets, and achieved results for the livelihood co-benefits. Units used for this theme should be expressed in number of beneficiaries or number of households.

98. FIP pilot countries are required to develop their own specific indicators for this reporting theme, and report the targets and achieved results based on these indicators. See a summary of all provided indicators on Table 13.

99. Information for reporting theme 1.2 Livelihood co-benefits has been submitted per investment plan and/or per project. The following information appears per project, as it is most accurate. Only submitted data for projects approved in the 2015 reporting period were considered.

100.   Livelihood co-benefits targets were submitted in different units (e.g., number of enterprises, woodlots, number of hectares) for several projects, as shown in Table 13. Only targets referring to number of people (beneficiaries) have been considered for this report.

Baselines

101.   Only Lao PDR (*SUFORD-SU project*) and Mexico reported baselines for livelihood co-benefits different to zero, as shown in Table 11.

Table 11: Theme 1.2 Livelihood co-benefits. Baselines

Country	Number of beneficiaries
Brazil	0
Burkina Faso	Not reported
DRC	0[*]
Ghana	0
Lao PDR (SUFORD-SU)	309,000
Mexico	4,485

* From 2014 report

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[48] These monetary and non-monetary benefits may relate to improvements concerning income, employment, entrepreneurship, access to finance, education, health and any other relevant benefits flowing from FIP investments.

102.   Lao PDR's baseline for theme 1.2, Livelihood co-benefits, (309,000 beneficiaries) was established taking into account the number of people who already benefitted from the two previous projects that were implemented, SUFORD (2003-2008) and SUFORD-AF[49] (2009-2012). These beneficiaries had received village livelihood development grants and shares of timber harvest revenues in the past (2012 and prior). The current FIP project is "scaling up" the past approach to cover a wider area and additional beneficiaries and incorporate new elements, such as forest landscape management and village forestry[50].

103.   Lao PDR also provided a baseline (0.157 million, included in the 0.309 million baseline) for the number of forest-ethnic minority people that have already benefitted from the two previous SUFORD projects, which finished their implementation in 2012 (see **Table 12**).

Table 12: Lao PDR's livelihood co-benefits indicators and baseline

Lao PDR's livelihood co-benefits indicators	Baseline (number of beneficiaries)
People in forest and adjacent communities with monetary/non-monetary benefits from forest	309,000 (from two previous projects)
People in forest and adjacent community with increased monetary/non-monetary benefits from the forest-ethnic minority peoples	157,000 (from two previous projects)

104.   Mexico reported theme 1.2, Livelihood co-benefits, for each project of the investment plan. As the results sheet explains: "Since all IP projects differ on their respective measurement unit, investment plan level indicators will be available only after an ex-post analysis."

105.   Mexico established a baseline for the *Mexico Forests and Climate Change Project* as 25 ejidos. This baseline corresponds to the support provided by CONAFOR's special projects to 25 ejidos in 2011 (before the FIP) in Jalisco. The support received by these 25 ejidos was provided through CONAFOR special projects, consisting of the following services: participative rural appraisal, community land management studies, local community forest promoter, contour barriers and soil plough, pests and diseases protection, opportunity cost, technical assistance, terrace level and dams, reforestation, agroforestry systems, fertilization reforestation maintenance, fencing, surveillance, forest fire protection, payment for environmental services, best management practices, and forest cultivation for wood use.

106.   These 25 ejidos continue to be supported through the FIP (starting in 2012), and are part of the reported livelihood co-benefits target.

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[49] SUFORD Additional Funding
[50] These baselines at the start of the current project are established in the World Bank Project Appraisal Document's Results Framework, which is part of the legal covenant between the Bank and the Government of Lao PDR for the project.

107.   The average number of beneficiaries per ejido in the country is 179.4[51]. The CIF Administrative Unit converted the 25 ejidos into 4,485 beneficiaries, as shown in Annex 2: Livelihood co-benefits calculations".

108.   Burkina Faso will establish the baseline for theme 1.2, Livelihood co-benefits, once the Method Accelerated by Participative Research socioeconomic diagnosis is completed. Other FIP pilot countries reported their livelihood co-benefits' baseline as zero.

Targets

109.   All countries, except for DRC reported livelihood co-benefits targets.

110.   For Lao PDR (SUFORD-SU), a 'net target' was calculated as:

Net target = Expected results with project (target) – Expected results without project (baseline) Annex 2: Livelihood co-benefits calculations" shows how this net target was calculated.

111.   For Mexico, a net target was not calculated, as the 25 ejidos (baseline) continue to receive livelihood co-benefits through the FIP[52].

112.   **Table 13** shows the livelihood co-benefits targets and indicators per country and project. Data in light grey, followed by "not applicable" refers to information submitted by FIP pilot countries in units different to number of beneficiaries. This data was not considered for the country total target, as it is not possible to aggregate it with other data represented as number of beneficiaries.

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[51] Censo Ejidal. See document CA2007_18_12. Total number of ejidatarios, comuneros y posesionarios in Mexico: 5,653,637. Total number of ejidos in Mexico: 31,514. Therefore, average number of beneficiaries per ejido: 179.4.
[52] The difference between Mexico and Lao PDR baseline is: Lao PDR 309,000 beneficiaries have been supported by two previous projects. They have been taken into account in the target, but they do not continue to be supported by SUFORD-SU. Mexico's baseline (25 ejidos) continues to be supported by the FIP.

Table 13: Theme 1.2 Livelihood co-benefits. Targets

FIP pilot country	Projects	Indicator	**Targets** (number of beneficiaries)
Brazil	Sustainable production in areas converted to agricultural use (based upon the ABC plan)	Number of people attending training courses on Low Carbon Agriculture technologies	12,000
		Number of people attending the Field Days at the Technical Reference Units	6,000
	Forest information to support public and private sectors in managing initiatives focused on conservation and valorization of forest resources	Number of people trained in skills and techniques related to the National Forest Inventory	260
Brazil total			18,260
Burkina Faso	Decentralized forest and woodland management (PGDDF)	Number of people who increased their economic or non-economic income from forests	250,000
		Number of small and medium sized enterprises supported by the project	320 (Not applicable)
	Gazetted Forests Participatory Management Project for REDD+ (PGFC/REDD+)	Number of people benefitting from new jobs	4,500
		Number of people trained by the project framework	4,480
		Number of small and medium sized enterprises supported by the project	180 (Not applicable)
Burkina Faso total			258,980

DRC	Improved Forested Landscape Management Project (IFLMP)	Number of people in forest or forest-adjacent rural communities with increased monetary/non-monetary income over time	120,000
		Number of sectors/chiefdoms with performance-based incentives	50 (Not applicable)
		Number of participants present at consultation activities during project implementation	30,000 (Not applicable)
		Number of ACCES-compliant cookstoves delivered to the Kinshasa market	70,000 (Not applicable)
		Number of structures reinforced in the improved cookstoves sector (project indicator)	7 (Not applicable)
	Integrated REDD+ Project in the Mbuji-Mayi-Kananga and Kisangani Basins (PIREDD MBKIS)	Family livelihoods improve by at least 50 percent for women/head of households and youth	20,000
		Number of people attending educational and training opportunities for improved forestry resources, forest landscape management and agro-forestry, etc. (project indicator)	3,550
		Number of social and community infrastructures created and operating in year 3 (80 percent women and 20 percent youth)	70 (Not applicable)
		Number of people with new employment opportunities, such as with non-timber forest products.	20,000
DRC total			163,550
Ghana[53]	Engaging Local Communities in REDD+/Enhancing Carbon Stocks	Number of Communal Managed enterprises supported by the project (Number).	10 (Not applicable)

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[53] Ghana included the three projects under the investment plan in the 2015 results sheet. Only the "Engaging Local Communities in REDD+/Enhancing Carbon Stocks" project was approved in the reporting period. Hence, the information submitted for this project was the only one that was taken into account for the 2015 Results Report.

		Number of ha of woodlots for fuel planted to support livelihood of fringe communities (Ha)	1,200 (Not applicable)
Ghana total			0
Lao PDR	Scaling-Up Participatory Sustainable forest Management (SUPSFM, otherwise known as SUFORD-SU).	People in forest and adjacent communities with monetary/non-monetary benefits from forest (Total)	115,000*
	Smallholder Forestry Project (Technical Assistance)	People trained in sustainable forest and agriculture business practices and participatory community engagement	15,000
Lao PDR total			130,000
Mexico	Mexico Forests and Climate Change Project	Number of ejidos and communities benefited by CONAFOR's special programs	96,158
	Financing Low Carbon Strategies in Forest Landscapes.	Number of people benefitting from low carbon projects financed in forest landscapes.	1,984
		Land Coverage where a low carbon strategy is implemented to avoid deforestation and improve carbon capture	188,400 ha (Not applicable)
	Support for Forest Related Micro, Small, and Medium-sized Enterprises (MSMEs) in Ejido.	Direct beneficiaries with their incomes increased	2,450
		EFCs with their incomes increased by productive activities that decrease forest pressure	30 (Not applicable)
Mexico total			100,592
TOTAL			671,382

* Net targets

113. The total target of FIP livelihood co-benefits beneficiaries is 671,382, equivalent to the population of Montenegro. This number is expected to increase once additional projects are approved by MDBs. With projects approved in 2015, the total number of beneficiaries is expected to increase in the next reporting period by at least 157,571 people[54].

114. Burkina Faso will establish targets for other livelihood co-benefit indicators at the investment plan level. This will be done once the Method Accelerated by Participative Research diagnostic of the reference situation is finalized.

115. Ghana's approved project during the 2015 reporting period, *Engaging Local Communities in REDD+*, reported targets in units different to number of beneficiaries (number of communal managed enterprises and number of ha of woodlots). Hence, the livelihood co-benefit target for Ghana was not considered.

116. Lao PDR's *SUFORD-SU project* also included an indicator specific for ethnic minority people (included in the total target of 0.424 million), as shown in **Table 14**.

Table 14: Lao PDR. SUFORD-SU. Ethnic minority people target

Indicator	Baseline	Target	Results achieved
People in forest and adjacent community with increased monetary/non-monetary benefits from the forest - ethnic minority peoples (PDO Indicator 3b)	0.157 m.	0.237 m.	0.157 m.

117. The CIF Administrative Unit converted targets and cumulative achievements for *the Mexico Forests and Cimate Change Project* from number of ejidos into number of beneficiaries, following the methodology previously explained for the baseline. See Annex 2: Livelihood co-benefits calculations" for further details.

118. **Figure 8** shows that two African countries have the highest number of targeted beneficiaries: Burkina Faso (258,980), followed by DRC (163,550).

Figure 8: Number of targeted livelihood co-benefits beneficiaries per country

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[54] From information submitted by focal points: Brazil's project**:** *Environmental Regularization of Rural Lands* (based upon the CAR) - to be approved in 2015- will benefit 70,071 people. These beneficiaries will be landholders who will have access to finance. Ghana's project *Enhancing Natural Forests and Agroforest Landscapes* was approved in February 2015. This project targets 87,500 people in forest and adjacent communities with monetary/non-monetary benefits from forest and climate-smart agriculture.

Number of targeted beneficiaries

Country	Beneficiaries
Brazil	18,260
Mexico	100,592.40
Lao PDR	130,000
DRC	163,550
Burkina Faso	258,980
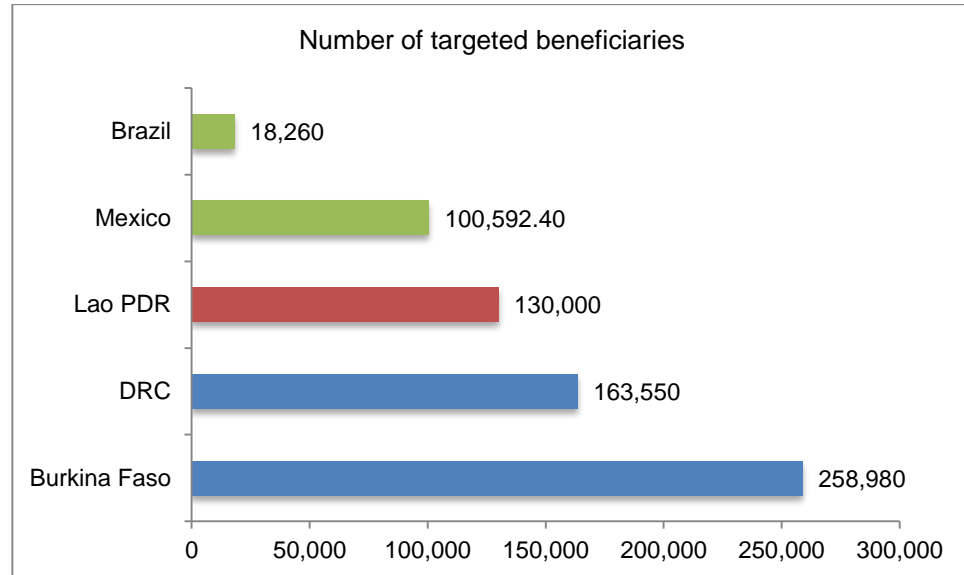
Results achieved

119.   Lao PDR and Mexico reported results achieved in 2015 (number of livelihood beneficiaries).

120.   In Lao PDR's case, the reported results achieved refers to the people who benefitted from the previous two SUFORD projects, which was also reported as the baseline. These beneficiaries received village livelihood development grants and shares of timber harvest revenues in the past (2012 and prior).

121.   Since the FIP support to *SUFORD-SU* started in late 2013, the additional beneficiaries under the project (115,000) have not yet received any timber harvest revenues, village development grants or forest restoration grants. *SUFORD-SU* has been working with over 670 villages, to prepare community action plans and village livelihood development grants. Financial benefits from alternative, forest-related income-generating activities will only begin once the villages receive their grants and commence these activities. Currently there is a timber-logging ban, so villages are not receiving a share of the timber sales revenues. In 2016, logging is expected to resume, and thus the share of timber harvest revenues will flow to the villagers. Village livelihood development grants and forest restoration grants will begin to be disbursed. Other village livelihood development activities will be ongoing.

122.   Mexico reported that 470 ejidos (equivalent to 84,318 beneficiaries) have already received benefits from the FIP. This refers to the beneficiaries of Mexico's investment plan between the years 2012 and 2014, who received technical support[55].

Gender disaggregated indicators for Theme 1.2 Livelihood co-benefits

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[55] Participative rural appraisal, community land management studies, local community forest promoter, contour barriers and soil plough, pests and diseases protection, opportunity cost, technical assistance, terrace level and dams, reforestation, agroforestry systems, fertilization reforestation maintenance, fencing, surveillance, forest fire protection, payment for environmental services, best management practices, and forest cultivation for wood use.

123. Burkina Faso, Ghana, Lao PDR, and Mexico provided some indicators for livelihood co-benefit targets disaggregated by gender. Gender disaggregated data was only reported for some indicators, as shown in **Table 15**. Based on this information, an estimated 38 percent of the livelihood beneficiaries will be women, and 62 percent will be men.

Table 15: Livelihood co-beneficiaries targets by gender

FIP pilot country	Indicator	Target number of women	Target number of men
Burkina Faso	Number of people who increased their economic or non-economic income from forests	85,000	165,000
	Number of people benefitting from new jobs	2,250	2,250
	Number of people trained by the project framework	2,240	2,240
Lao PDR	Indicator 1: People in forest and adjacent community with increased monetary/non-monetary benefits from the forest (PAD Project Development Indicators 3 and 3a)	53,000	62,000
Mexico	Direct beneficiaries with their incomes increased[56]	618	3,816
Total		143,108	235,306

124. DRC established indicator 2 as "Number of women and girls in forest or forest-adjacent rural communities with increased monetary/non-monetary income over time (FIP Toolkit indicator): 40,000." DRC's investment plan is expected to provide livelihood co-benefits to 120,000[57] people. Therefore, DRC's expected livelihood co-benefits for women are 33 percent of the total.

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[56] Project: Support for Forest Related Micro, Small, and Medium-sized Enterprises (MSMEs) in Ejido. Indicator 1: Direct beneficiaries with their incomes increased, 450 women, and 2000 men. Project: Financing Low Carbon Strategies in Forest Landscapes: To December, 2014, 20 projects have been identified as a possibility to receive FIP financing on the states of Jalisco, Oaxaca, Quintana Roo y Yucatán, of which 17, showed interest to participate. This would benefit 1,984 habitants, 168 women and 1,816 men.
[57] Indicator 1: Number of people in forest or forest-adjacent rural communities with increased monetary/non-monetary income over time (FIP Toolkit indicator): 120,000. See **Error! Reference source not found.**.

125. Mexico established that the project *Financing Low Carbon Strategies in Forest Landscapes* would benefit 168 women and 1,816 men. The project *Support for Forest Related Micro, Small, and Medium-sized Enterprises (MSMEs) in Ejido* would benefit 2,000 men and 450 women.

126. From the reported data, Mexico has the highest gender imbalance in number of targeted beneficiaries. In this case, the targeted number of women is 14 percent and of men is 86 percent, as shown in **Table 16**.

Table 16: Livelihood co-beneficiaries targets by gender

	Total target number of women	Total target number of men	% target number of women	% target number of men
Burkina Faso	89,490	169,490	34.55	65.45
Lao PDR[58]	53,000	62,000	46.09	53.91
Mexico	618	3,816	13.94	86.06

127. The information disaggregated by gender is very limited, so it is not yet possible to draw conclusions for the FIP global impact.

> **Box 4: How was the gender distribution in previous projects in Lao PDR?**
>
> Lao PDR reported livelihood co-benefit achieved results for the two previous SUFORD projects (not included in the FIP projects) disaggregated by gender. Through these two projects, 53 percent of men and 47 percent of women benefitted from increased monetary and non-monetary benefits from the forest.
>
> | **Indicator 1:** People in forest and adjacent community with increased monetary/non-monetary benefits from the forest (PAD Project Development Indicators 3 and 3a) | | Report year 2015. Cumulative since project approved by IBRD (2012-14) | % |
> |---|---|---|---|
> | | Total | 0.309 million | |
> | | Men | 0.164 million | 53.1 |
> | | Women | 0.145 million | 46.9 |

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[58] This baseline data by gender is being reassessed

4.3 RESULTS: CATEGORY 2 'OTHER RELEVANT CO-BENEFIT THEMES'

128. Themes under category 2 must be reported if considered relevant to the investment plan. The reporting themes under this category are:
- Theme 2.1 Biodiversity and other environmental benefits
- Theme 2.2 Governance
- Theme 2.3 Tenure, rights and access
- Theme 2.4 Capacity development

129. This category was not included in the 2014 reports submitted by FIP pilot countries, as projects had not yet started their implementation. 2015 is the first year that FIP pilot countries are requested to report category 2. **Table 17** summarizes the themes reported by each FIP pilot country.

Table 17: FIP pilot countries reporting category 2

FIP pilot country	Reported category 2?	Themes reported
Brazil	No	
Burkina Faso	Yes	Theme reported: 2.2. All themes will be reported when project activities start and data is available
DRC	No*	
Ghana	No	Ghana will report next year on themes 2.1, 2.3 and 2.4
Lao PDR	Yes	Themes reported: 2.1, 2.2, 2.3 and 2.4
Mexico	Yes	Themes reported: 2.1, 2.2 and 2.4

* From 2014 Results Report

130. **Brazil** did not report category 2 in 2015.

131. **Burkina Faso** did not score indicators of category 2, as activities only started in 2015 (after the reporting period). Only three indicators of the governance section were evaluated based on the work done at the launch phase. Burkina Faso will report on all themes of category 2 once activities start and data is available. Burkina Faso indicated that it will be difficult to report contributions to category 2 reporting themes on an annual basis. The results from the national MRV system are expected to be ready at the end of the program (in 2018).

132. **Ghana** will report on the theme 2.1 "Biodiversity and other environmental services", theme 2.3 "Tenure, rights and access" and on theme 2.4 "Capacity development" in the next reporting exercise. The 2015 report did not include this, as activities had not yet started in the reporting period.

133. **Lao PDR (SUFORD-SU**) reported all themes under category 2 for progress achieved as of December 31, 2014. Lao PDR added information about how each indicator will be reported, considering the relevant activities and Project Appraisal document (PAD) intermediate results. Lao PDR developed specific scoring criteria for category 2 indicators. Further progress will be reported in future reports. Here is a summary of Lao PDR's information for the category 2 indicators:

- *Biodiversity and other environmental services.* Lao PDR scored a 3 out of 10[59] for the project contribution to reducing the loss of habitats and other environmental services. The key contributions are:
  - Work on forest management planning includes provisions for high-conservation value forests, stream buffer zones, protection of steep slopes, etc.
  - Existence of PFA designation and law enforcement may help to protect biodiversity within PFAs
  - Work beginning on forest landscape management, and ideas of corridors to link forests
  - More public awareness-raising and community education on responsibilities under law to protect biodiversity

- *Governance.* The scores showing the two indicators where more progress has been made are:
  - 7 out of 10 for the project contribution to the existence and adequacy of safeguards against social and environmental harm from forest related policies and activities
  - 6 out of 10 for the project contribution to ensure that stakeholder processes allow the participation of marginalized or vulnerable groups (including women) such as indigenous/traditional groups in forest-related decision-making processes

  The key contributions in terms of forest governance are greater participation of stakeholders, especially villagers, in participatory sustainable forest management and support to forest and wildlife law enforcement. The big challenge is increasing Lao PDR's "culture of compliance" in its society. Opportunities exist through continued stakeholder participation, information, training, improving transparency, and law enforcement.

- *Tenure, rights, and access.* Lao PDR scored a 2 out of 10 for the *SUFORD-SU* contribution to establishing measures and mechanisms, which ensure the tenure security of forest owners and rights-holders. Key contributions of SUFORD-SU in land tenure encompass work begun on clarifying communal tenure rights, such that villages could obtain communal title to village forests. A major challenge is that work on tenure, rights, and access is a lengthy process, and linked with larger issues, such as revision of the land policy and land law.

- *Capacity development.* Lao PDR's most important contribution to capacity development is through improved cross-sectoral coordination, networking and cooperation, rated 6 out of 10.

134.   **Mexico** reported all themes under category 2 except for theme 2.3, Tenure, rights and access, as it is not one of the objectives of their investment plan. Information about the sources of verification is available in the comment section of each relevant category of the result sheets. Mexico also developed specific scoring criteria for each indicator during the scoring workshop. Here is a summary of Mexico's information for the category 2 indicators:

- *Biodiversity and other environmental services.* The scores showing the two indicators where more progress has been made are:
  - 6 out of 10 for FIP's contribution to reducing the loss of habitats and other environmental services

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[59] Where 0 is the lowest score and 10 is the highest.

- 6 out of 10 for FIP's contribution to improving environmental services associated with forests and forest landscapes

The key contributions are the increase in the number of projects and surface under the active conservation scheme of the Environmental Services Payment Program, on specific regions with high deforestation risk, as well as water body protection, which are not covered by the national program. However, it would be necessary to combine efforts to have a biodiversity monitoring system at both national and local level.

- *Governance.* The scores showing the four indicators where more progress has been made are:
    - 8 out of 10 for FIP's contribution to ensure that stakeholder processes allow the participation of marginalized or vulnerable groups (including women) in forest-related decision-making processes
    - 8 out of 10 for FIP's contribution to improving the quality of decision making of forest management
    - 7 out of 10 for FIP's contribution to the development of legal and regulatory frameworks on forests
    - 7 out of 10 for FIP's contribution to FIP helping to make forest policies consistent with national policies on climate change mitigation and adaptation

The FIP key contributions to improving forest governance have been the promotion of processes for diversification of territorial agents. These can contribute to a multi-scale capacity development within the territorial unit, as well as to enhance trust, transparency and leadership mechanisms for agents and technical consultants. The FIP seeks to back up the establishment of Public Agents for Territorial Development (APDT) to promote a broader integration at the landscape level.

- *Capacity building.* The scores showing the two indicators where more progress has been made are:
    - 7 out of 10 for FIP's contribution to enhancing institutional capabilities to develop and implement forest and forest-relevant policies at the national, regional and local level
    - 7 out of 10 for FIP's contribution to increasing the capacities of indigenous peoples and local communities to participate in forest and landscape management

The MRV design and implementation process strengthened CONAFOR's capacities by improving geographic information, remote sensing and analysis of the National Forest Inventory.

4.4   RESULTS: CATEGORY 3 'ELEMENTS FOR NARRATIVE'

135.   FIP pilot countries are requested to report on category 3 if it applies to the investment plan and if data is available. The reporting narratives included in this category are:

- Narrative 3.1: Theory of change and assumptions
- Narrative 3.2: Contribution to national REDD+ and other national development strategies and uptake of FIP approaches
- Narrative 3.3: Support received from other partners including the private sector
- Narrative 3.4: Link of Dedicated Grant Mechanism (DGM) to FIP investments (government's point of view)

- Narrative 3.5: If applicable: highlights/showcases (example of a particular outstanding achievement if available)

136. DRC (only reported in 2014) did not include category 3 in their submissions. **Table 18** shows the FIP pilot countries that reported on category three and the narratives they included.

Table 18: FIP pilot countries reporting on category 3

FIP pilot country	Reported category 3?	Narratives reported
Brazil	Yes	Narrative 3.1
Burkina Faso	Yes	Narratives 3.1, 3.2, 3.3 and 3.4. The report mentions that it is too early to report on narrative 3.5 'highlights/showcases'.
DRC	No*	
Ghana	No	Narrative 3.1. Narratives 3.2 and 3.4 will be included in the next report.
Lao PDR	Yes	Narratives 3.1, 3.2, 3.3, 3.4 and 3.5.
Mexico	Yes	Themes reported: 3.1, 3.2, 3.3 and 3.4

* From 2014 Results Report

137. See Annex 4: Narrative elements (reporting category 3)" for detailed information reported by FIP pilot countries on the narrative elements.

4.5   EFFICIENCY OF RESOURCES

138. This section analyzes each pilot country's investment plan[60] funding compared to the established FIP targets for theme 1.1 'GHG emission reduction and theme 1.2 Livelihood beneficiaries. This analysis sheds some light on how the FIP funding is expected to be most efficient. However, it is important to note that there are many caveats in this analysis, especially when comparing results between countries. FIP pilot countries have calculated their targets using different methodologies. This is especially the case for GHG emission baselines and targets.

139. The analysis covered in the following table compares FIP pilot country funding with:

- GHG emission reduction targets[61] within the project duration
- Surface covered by investment intervention
- Number of people who will receive livelihood co-benefits

140. **Table 19** summarizes the information collected for funding and targets, and the data used for the efficiency of resources analysis.

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[60] Indonesia and Peru were not considered, as their projects were not approved by MDBs during the 2015 reporting year.
[61] Only absolute targets were used in this analysis. Net targets (considering baselines) should be used for this analysis. Using absolute targets limits the comparability of results. We are working with FIP focal points to better understand in which cases baselines have been used.

Table 19: Efficiency of resources

	Brazil	Burkina Faso	DRC	Ghana	Lao PDR	Mexico
Endorsed funding (million USD)	27.25	30.00	60.00	10.00	16.61	59.99
Endorsed funding (USD)	27,250,000	30,000,000	60,000,000	10,000,000	16,606,641.75	59,994,344
Theme 1.1 Target 1 (MtCO2e)		4.10	4.20	0.52	0.89	2.21
Endorsed funding/expected ER[62] (M USD/M tCO2e)		7.32	14.29	19.17	18.65	27.18
Theme 1.1. Land (ha)	7,779,840	1,284,000	289,750	90,000	2,315,000	15,605,957
Endorsed funding/area covered (USD/ha)	3.50	22	207	111	7	4
Theme 1.2 Number of beneficiaries for co-benefits	88,331	258,980			130,000	100,592
Endorsed funding /Number of beneficiaries (USD/beneficiary)	308.50	115.84			127.74	596.41

141.   Burkina Faso is the country with the second highest GHG emission reduction target (4.1 M tCO2e), and as shown in **Figure 9**, it also has the most efficient resources use in terms of GHG emission reduction target (7.32 M USD/M tCO2e). Investment plans in two Latin American countries, Mexico (15,605,957 ha) and Brazil (7,779,840 ha), have the largest target areas covered. These two countries show the most efficient use of resources in terms of area covered by the program (Mexico 4 USD/ha and Brazil 3.5 USD/ha), as shown in **Figure 10**.

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[62] ER: emissions reductions

Figure 9: Endorsed funding / Expected ER

Endorsed funding (M USD)/ Expected ER (M tCO2e)

Country	Value
Mexico	27.18
Ghana	19.17
Lao PDR	18.65
DRC	14.29
Burkina Faso	7.32
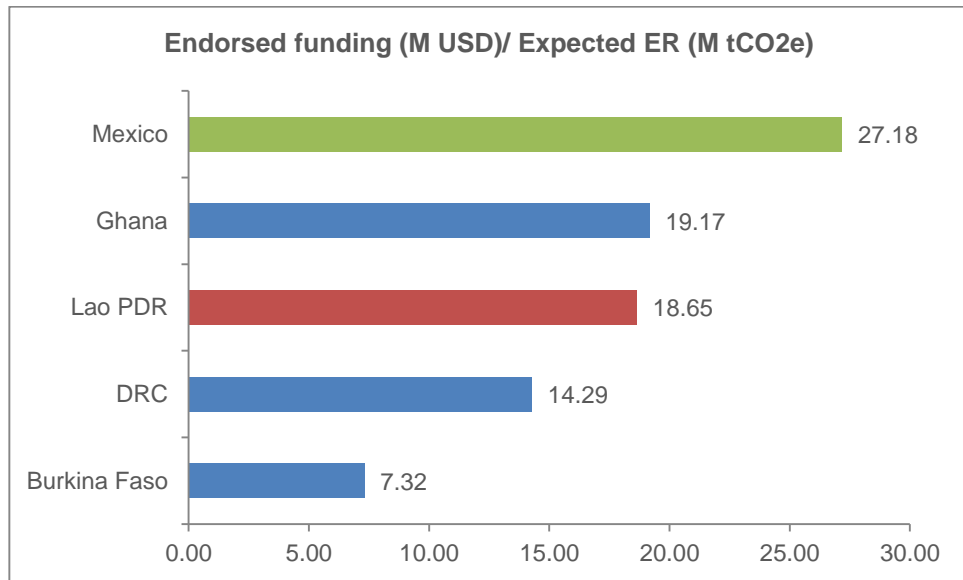
Figure 10: Endorsed funding / Area covered

Endorsed funding / area covered (USD/ha)

Country	Value
DRC	207
Ghana	111
Burkina Faso	22
Lao PDR	7
Mexico	4
Brazil	3.50
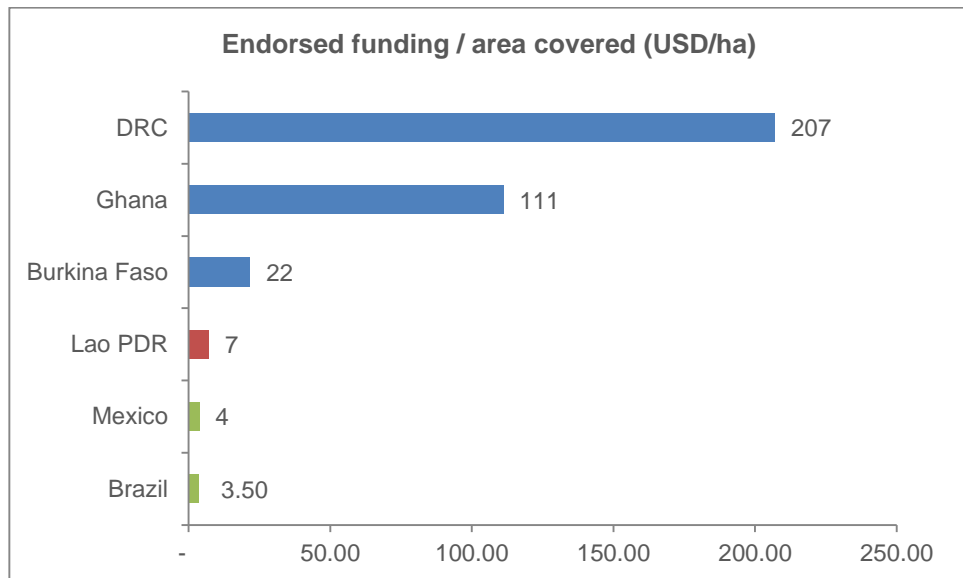
142.　The analysis of livelihood co-benefits beneficiaries was done taking into account only four FIP pilot countries that reported these targets. As shown in **Figure 11**, Mexico is the country with highest funding per beneficiary (596 USD/beneficiary). This might change in the 2016 reporting period when Mexico submits the livelihood co-beneficiaries targets in number of people.

Figure 11: Endorsed funding / Number of beneficiaries
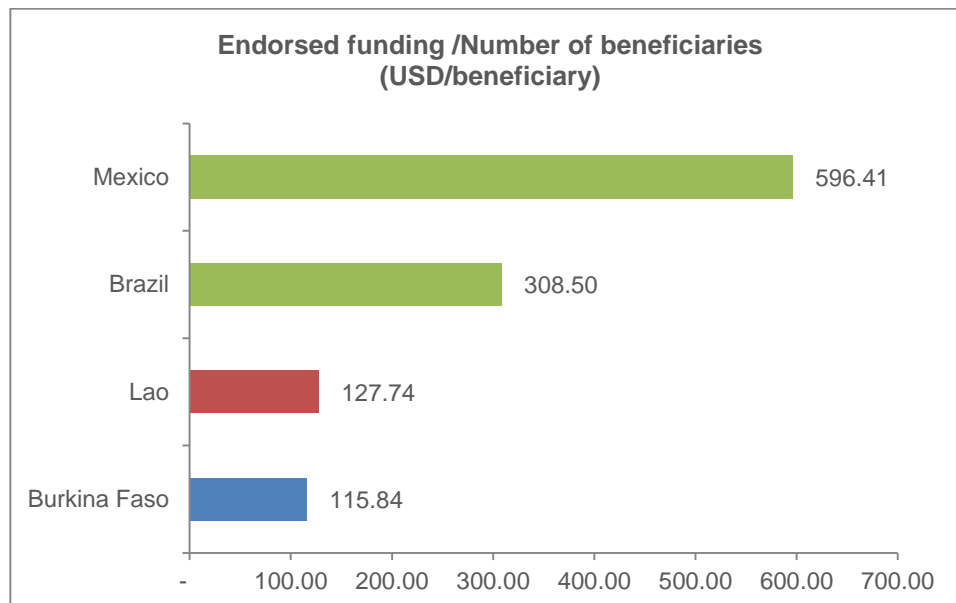
5 REPORTING ISSUES AND CHALLENGES

5.1 QUALITY OF REPORTING

143. The FIP results sheets submitted by FIP pilot countries have been, in general, self-explanatory and have provided detailed data. Qualitative data used for the scoring cards and the narrative elements was very complete and easy to follow. Quantitative data has been in some cases difficult to analyze. As outlined in the 2014 report, indicators used for each reporting theme differ from country to country and values are often not appropriate for aggregation. FIP pilot countries used different units in their submissions –hectares instead of tCO2e, or number of ejidos, enterprises, or hectares instead of number of beneficiaries—which made the data analysis and reporting challenging. Also, GHG emission calculations were done following different methodologies.

144. Based on the information submitted by pilot countries for the 2015 Results Report, a number of issues were noted by theme.

5.1.1 Reporting issues on theme 1.1: GHG emission reductions or avoidance/enhancement of carbon stocks

145. All countries reported the GHG reduction targets in millions of tons CO2e, except for Brazil, who only submitted the area targeted in hectares.

146. Methods for establishing GHG emission reduction targets were not standardized, making comparability of results challenging. For example, in DRC there are two FIP projects implemented by different MDBs (AfDB and IBRD). Each MDB used different methodologies for estimating GHG reduction

targets during the project design phase. As the projects are implemented and future reports are written, methodologies will be harmonized[63].

147.   For target 2 (lifetime target), countries reported data with different project lifetimes. Ghana used 25 years, Burkina Faso used 15 years, and DRC used 30 years as the project lifetime. In the DRC case, the investment plan was calculated for a 30 years timeframe, the AsDB project for 25 years, and the IBRD project for 15 years. Using different number of years for the lifetime target limits the comparability and aggregation of FIP targets.

148.   Some GHG reduction estimates used discount factors:

- Burkina Faso uses a conservative factor of 40 percent for the AFDB project *Gazetted forests participatory management project for REDD+ (PGFC/REDD+)* target calculations, but not for the IBRD project (*PGDFEB*).
- DRC's AfDB project used a 30 percent discount factor for its GHG emission reduction calculation. This discount factor was used in order to be conservative.
- Ghana's AFDB project calculates the expected GHG emission reductions with a discount factor of 25 percent.

These discount factors were used in order to be conservative with the assumptions and to take into account the leakage and non-permanence risks. These discount factors limit the comparability and aggregation of FIP targets.

149.   Baseline calculations were different among FIP pilot countries. The Mexican baseline is an emission average of a historic period, and DRC and Burkina Faso baselines were calculated as the carbon stock difference between two time points (project start and project end). This difference in the calculation methodology justifies why Mexico's baseline is a positive number, and why the other two baselines are negative numbers, as shown in **Table 20**.

Table 20: GHG Baselines

FIP pilot country	Baseline (m tCO2e)
Burkina Faso	-50.7
DRC	-2.15
Mexico	22.07

150.   The current system allows measuring progress annually if the same methodology is followed. However, it is important to establish the same methodology in order to be able to aggregate and compare baselines and expected targets.

151.   Brazil, Ghana, and Lao PDR should still submit the GHG emissions baselines. Without these baselines, determining the FIP global impact is not possible.

152.   The calculation of GHG emissions reductions/avoidance or enhancement of carbon stock estimates and establishment of reference emission/reference levels is a complex and challenging area of work for many countries. It is especially challenging for countries without the required expertise readily

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[63] Extract from 2014 results sheet submitted by focal point (cover letter).

available. These capacities will gradually be built with support of the FCPF Readiness Fund, the UN-REDD Programme, or bilateral donors (e.g., Norway).

153.   Despite the differences in calculation methodologies, the baselines and targets established by FIP pilot countries allow each project to track progress year after year. In order to have realistic estimates of achieved results by each country, methodologies used for tracking results must be consistent. If we want to aggregate and/or compare emission reductions for FIP pilot countries, a harmonized approach should be taken for calculating baselines and targets.

5.1.2   Reporting issues on theme 1.2: Livelihoods co-benefits

154.   Mexico and Ghana used units different to number of beneficiaries (i.e., number of ejidos, enterprises, woodlots) to establish the livelihood co-benefits targets. The addition of the targets for the investment plan was not possible because of lack of standardized units.

155.   Biodiversity measurement has been one of the most challenging issues to report, because of lack of monitoring data. Collecting biodiversity data through inventories is costly, which is an important limiting factor.

156.   Additional project-specific criteria:
- Lao PDR: An additional 15th criterion on forest law enforcement was added to the governance scorecard.
- Mexico: Additional project specific criteria were added for category 2 reporting themes. These specific criteria were added during the scoring workshop and were agreed by the stakeholders who participated in it.

157.   In addition to the 2015 FIP reporting sheets, some countries submitted additional guidance reports. Burkina Faso and Ghana submitted methodological annexes to their FIP results sheets. These annexes provide guidance to the information reported and explain the GHG reduction calculations in more detail. Lao PDR submitted an annex outlining the scoring criteria for SUFORD-SU project under the Lao Forest Investment Program (Lao PDR FIP).

5.2   STAKEHOLDER PARTICIPATION AND SCORING WORKSHOPS

158.   A participatory approach was present in the elaboration of the results report. Countries indicated the following activities.

159.   **Brazil:** A draft of the monitoring and reporting plan and a call for suggestions, corrections, and adjustments from the participants were presented to the executive committee[64]. As the projects have not yet properly begun, Brazil's focal point invited stakeholders to participate in a meeting on June 23, 2015. In this meeting, Brazil's focal point presented the investment plan's projects and their status.

160.   **Burkina Faso:** The executive committee met in order to discuss the themes to include in the country's submission for the Results Report, and to decide on the methodological tools for the

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[64] The executive committee has the mandate to oversee the BIP's implementation.

monitoring and reporting. The program coordination team finalized the report, and then it was sent for quality control to the two development banks and the executive committee members.

161.   **Lao PDR:** A small project team reviewed the proposed scoring criteria, and selected 14 of the original criteria for scoring. Inputs on scoring were provided by a civil society representative and by a biodiversity expert who had worked with the project. The draft final national report was then presented to, and discussed at, a quarterly meeting of the Forestry Sub-Sector Working Group (FSSWG), which is chaired by Ministry of Natural Resources and Environment (also the FIP Focal Point) and one of the donors, Japan. The FSSWG is a multi-stakeholder group, with many Lao government representatives, as well as representatives of donors, non-governmental organizations, project technical advisers, and private sector. The FSSWG was considered an excellent platform to share the FIP report. The national REDD+ task force has recently been reactivated and will be involved in future reports.

162.   The Lao PDR FIP is an important component of the emerging national REDD+ program. Implementation of the Lao PDR FIP and the national REDD+ program is a challenge since the activities are under two different ministries, but a firm base of cooperation and joint activities is being built by work on FIP, FCPF, and other REDD+ activities.

163.   **Mexico:** A group of stakeholders met for setting category 2 scoring criteria. They also participated in the scoring workshop. Results of the scoring workshop were presented to a larger group of stakeholders, including implementing bodies and civil society.

5.2.1   Scoring Workshop

164.   Each reporting year, the FIP country focal point is required to invite project stakeholders to a scoring workshop. The FIP country focal point is required to identify representatives from stakeholder groups such as national governments, private sector, or civil society to join the scoring exercise. The end product of the scoring workshop is a scorecard that, by consensus, represents the responses of all stakeholders collaborating to complete the scorecard. Countries where a scoring workshop took place include the following:

165.   **Burkina Faso:** The workshop took place on June 30, 2015, and it gathered the executive committee. The executive committee met for discussing the themes and questions about the scoring and to discuss about the methodological tools. The program coordination team finalized the report, and sent it to the quality control of the two development banks and the executive committee members.

166.   **Lao PDR:** On April 2, 2015, the FIP team (national focal point, World Bank, IFC, and *SUFORD-SU* staff) met to discuss how best to undertake the scoring. In the workshop it was decided that the scoring should be done on a project basis. When other Lao PDR FIP projects come under implementation, the project scores could be consolidated into national scores.

167.   **Mexico:** A scoring workshop took place in Guadalajara, Mexico on June 15th 2015. The workshop included the participation of the four FIP executing actors: National Forestry Commission, *Financiera Nacional de Desarrollo Agropecuario, Rural, Forestal y Pesquero* (National Development Bank), the Mexican Fund for the Conservation of Nature (CSO) and a smaller financing institution named FINDECA (private sector). In addition, IBRD and IDB-MIF attended the workshop in their roles as implementing

agencies, and two representatives of the monitoring and reporting team of the CIF Administrative Unit. The workshop was designed and conducted as an inclusive and participative process to define the criteria and evaluation of the scorecards and the progress of indicators.

168.   Prior to the scoring workshop, two video-conferences with all the stakeholders were conducted to propose criteria, measurements, and evaluations. These proposals were discussed during the workshop and used to agree upon final criteria.

169.   **Brazil, DRC, and Ghana:** The investment plans are still at early stages. Project implementation had not yet started in the 2015 reporting period, so it was too early for hosting a scoring workshop.

5.2.2   Quality assurance

170.   To help ensure that the reported results are as close as possible to the reality on the ground, the FIP country focal point, in collaboration with the lead MDB, are required to invite a wider stakeholder group to critically review the scores in the FIP scorecards. This process is known as quality assurance.

171.   **Ghana:** Ghana's investment plan core team will meet monthly to review progress from the various implementing agencies under Ghana's investment plan. The FIP coordinator will hold an annual reflection and validation meeting, including all key stakeholders and the multi-lateral development banks (MDBs), to validate the results.

172.   **Mexico:** The quality assurance was marked under the frame of a broader group that attended Mexico FIP 2015 Joint Mission.

5.3   MONITORING AND REPORTING CAPACITY

173.   The FIP monitoring and reporting system pays special attention to country ownership and stakeholder consultation. FIP's monitoring and reporting process is a participatory process, led by the country's focal point and supported by the MDBs.

174.   This was the first year that the FIP pilot countries were asked to report on their results achieved. Most pilot countries developed the results reports using their own resources, which further underlines country ownership of reports.

175.   The CIF Administrative Unit supported Mexico in its scoring workshop and report preparation by providing guidance, helping with the development of scoring criteria, and participating in the scoring workshop in June 2015. The CIF Administrative Unit conducted training in DRC in 2015 to enhance the national reporting capacities and improve the quality of the results reports. All stakeholders positively received the training.

5.4   RECEIPT OF REPORTS

176.   Each calendar year the CIF Administrative Unit commissions the results with a submission deadline of June 30. For the 2015 Results Report, FIP pilot countries submitted their results report before the

deadline. Mexico did a scoring workshop, sent a first draft on time, but last draft was sent shortly after the deadline. Burkina Faso also submitted their results report shortly after the deadline.

177.   Some pilot countries faced challenges for fulfilling the reporting requirements. These challenges were due to lack of availability of data. We foresee that in the coming years the reporting will improve thanks to the availability of more data resources.

6   NEXT STEPS

6.1   RESULTS REPORTING

178.   One of the limiting factors for aggregating baselines, and targets was the lack of a standardized approach in reporting units and calculation methodologies. This is especially the case for the GHG emission reductions. Hence, the CIF Administrative Unit is developing a guidance note on GHG emission reduction calculation. The objective of this document is to provide guidance on the methodologies used for the carbon estimates in order to standardize results. It aims to make it easier to compile all emission reduction information and compare information from different pilot countries.

179.   The following GHG emissions information will be included in the next result reports:

- **Burkina Faso:** Annual progress cannot be measured following the methods used to estimate the baseline and expected targets. A new methodology will be developed, based on the National REL, which will be based on the 2012 images. The first measurement will use the 2017-2018 images at the end of the FIP.

- **DRC:** Carbon accounting methodologies for two projects (led by AfDB and IBRD) will be harmonized[65].

- **Ghana:** Ghana will provide information about the baseline for next year's FIP results report. Ghana has secured additional funding through the Forest Carbon Partnership Facility to operationalize the National MRV System. This system will be used in the estimation of carbon baseline. It is also expected that this information will be used to report achieved results by the FIP.

- **Lao PDR:** Targets from SUFORD-SU Project Appraisal Document (PAD) may be modified in the mid-term evaluation (November 2015). The national REL is under preparation, and may be ready by the end of 2016. The project REL will be compatible with national RELs, and will be reported in the next results report.

- **Mexico:** The baseline reported in the 2015 Results Report is based on the national REL. In 2016, the information for period 2012-2014 will be updated, once a new set of land use and vegetation data is available. This data can be extrapolated for year 5 (2016). This information can be used to report the FIP achieved results in next year's results report.

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[65] With two FIP Projects implemented by different MDBs (AfDB and World Bank), different methodologies have been used for making estimates during the project design phase. However, these methodologies are well documented. As the project is implemented and future reports are written, we will harmonize the methodology." Felicien Mulenda, DRC FIP focal point. 2014 results sheet cover letter.

6.2 NEW PILOT COUNTRIES

180.   In 2015, FIP invited six new pilot countries: Congo Republic, Côte d'Ivoire, Ecuador, Guatemala, Mozambique, and Nepal. Up to USD 250,000 will be provided to each country to develop their FIP investment plans, and up to USD 24 million per country in additional funding will be made available to support programs and projects under their investment plans.

181.   The FIP will also provide a total of USD 2.25 million to support another nine countries in developing FIP investment plans: Bangladesh, Cambodia, Cameroon, Guyana, Honduras, Rwanda, Tunisia, Uganda, and Zambia. All new FIP countries were selected based on their potential to contribute to climate mitigation and their ability to implement funding. The FIP is now active in 23 countries.

6.3 UPDATES

182.   The CIF Administrative Unit conducted the "Comparative analysis of GHG accounting methodologies in FIP projects." The study offers results and recommendations from a comparative analysis of the ex-ante GHG accounting methodologies presented for all FIP projects that submitted ex-ante GHG emission reductions. Given the differences in the data used and methodologies for the ex-ante GHG estimates, the level of comparability among the analyzed FIP projects is rather limited. Lack of standardized availability of high-quality data in the analyzed countries, different project timeframes and use of assumed conservative discount factors are the main limiting factors for comparing results.

183.   Community of practice: The CIF Administrative Unit has been sending out weekly newsletters to focal points, providing information about the reporting requirements. These communications were also intended to start the FIP community of practice and to exchange information and lessons learned among pilot countries.

184.   Training workshops: The CIF Administrative Unit conducted training workshops in DRC for the focal point and stakeholders. Participants were trained on the use of the FIP Monitoring and Reporting toolkit, and on how to prepare the reporting sheets. The CIF Administrative Unit supported Mexico's scoring workshop by providing guidance and helping to design the scoring criteria for indicators under category 2.

185.   Scoring criteria for themes under category 2: Reporting themes in category 2 require a qualitative assessment of FIP contributions. The criteria on the scorecard are evaluated using a scale from 0 to 10. The CIF Administrative Unit developed a sample of scoring criteria for category 2. Mexico reviewed this sample of scoring criteria, and complemented it with additional specific criteria for their Investment Plan.

186.   The CIF Administrative Unit is producing a video about the first results achieved by Mexico's investment plan. It will be launched on the CIF's Youtube channel[66].

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[66] See https://www.youtube.com/user/CIFaction

6.4   RECOMMENDATIONS TO IMPROVE THE 2016 RESULTS REPORT

187.   For the 2016 Results Report, FIP pilot countries should aim at improving the quality of the report data. Harmonizing the GHG emission baselines and targets would be a substantial step forward. Ideally, emission baselines should be aligned with the national reference emission level. Unit harmonization would also imply a great advantage for next year's FIP results report.

188.   As countries advance in their projects preparation, missing emission baselines and targets should be submitted. In 2016, more countries should report their achieved reports, based on their available data. MRV systems should be well articulated, and whenever possible, aligned with national RELs and other national reference mechanisms.

189.   Stakeholder engagement should be continued throughout the next reporting period, and participative scoring workshops should be conducted in the first half of 2016.

190.   The CIF Administrative Unit is welcoming requests from FIP pilot countries for monitoring and reporting training sessions. These trainings help advance the country's expertise and ownership of the monitoring and reporting. The quality of reports is expected to improve thanks to these training workshops. These workshops are also a great opportunity to exchange information among different project stakeholders.

191.   The FIP community of practice should be strengthened next year. FIP pilot countries could learn from each other's best practices and on how certain challenges have been overcome.

Annex 1: Submission of reports and reported data

This annex presents the information submitted by FIP pilot countries in 2014 and 2015 for each reporting category.

Year	Submission of results report in 2014?	Submission of results report in 2015?
Brazil	Yes	Yes
Burkina Faso	Yes	Yes
DRC	Yes	Not requested to report
Ghana	No	Yes
Lao PDR	No	Yes
Mexico	Yes	Yes

Theme 1.2 Livelihood co-benefits. Indicators	
Brazil	Indicator 1
Burkina Faso	Indicator 4
DRC	(From 2014 report) Indicator 1-6
Ghana	Indicator 1-2
Lao PDR	Indicator 1-2
Mexico	Indicator 1

Theme 2.1 Biodiversity	
Brazil	Not reported
Burkina Faso	It will be evaluated at a later stage
DRC	Not requested to report in 2015
Ghana	Not reported
Lao PDR	Reported
Mexico	Reported

Theme 2.2 Governance	
Brazil	Not reported
Burkina Faso	It will be evaluated at a later stage
DRC	Not requested to report in 2015
Ghana	Not reported
Lao PDR	Reported
Mexico	Reported

Theme 2.3 Tenure, rights and access	
Brazil	Not reported
Burkina Faso	It will be evaluated at a later stage
DRC	Not requested to report in 2015
Ghana	Not reported
Lao PDR	Reported
Mexico	Not reported

Theme 2.4 Capacity development	
Brazil	Not reported
Burkina Faso	It will be evaluated at a later stage
DRC	Not requested to report in 2015
Ghana	Not reported
Lao PDR	Reported
Mexico	Reported

Annex 2: Livelihood co-benefits calculations

A2.1 Mexico : Conversion from number of ejidos to number of beneficiaries:

Table 21 shows the "Mexico forests and climate change" project baseline, targets and results achieved in number of ejidos, as it was submitted.

Table 21: Mexico; Theme 1.2 Livelihood co-benefits. Mexico Forests and Climate Change Project

Project/program title: Mexico Forests and Climate Change Project	Baseline	Target at the time of MDB approval	Report year 2015. Cumulative since project approved by IBRD
1. Indicator 1: Number of *ejidos* and communities[67] benefited by CONAFOR's Special Programs.	25	536	470

Table 22 shows how the conversion from number of ejidos to number of beneficiaries was made.

Table 22: Mexico. Livelihood co-benefits. Conversion

Indicator for theme 1.2 "Livelihood co-benefits"	Baseline (ejidos)	Average number of members per ejido	Baseline (number of beneficiaries)
Indicator 1: Number of *ejidos* and communities benefited by CONAFOR's Special Programs	25	179.4	4,485

Indicator for theme 1.2 "Livelihood co-benefits"	Target (ejidos)	Average number of members per ejido	Target (number of beneficiaries)
Indicator 1: Number of *ejidos* and communities benefited by CONAFOR's Special Programs	536	179.4	96,158.4

Indicator for theme 1.2 "Livelihood co-benefits"	Results achieved (ejidos)	Average number of members per ejido	Results achieved (number of beneficiaries)
Indicator 1: Number of *ejidos* and communities benefited by CONAFOR's Special Programs	470	179.4	84,318

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[67] Currently, an indicator to provide information in terms of beneficiaries or households is yet to be defined.

A2.2 Lao PDR. Livelihood co-benefits calculations.

Table 23 shows the net targets for livelihood co-benefits for Lao PDR.

Table 23: Net targets. Livelihood co-benefits. Lao PDR.

		Baseline	Target	Net target
Lao PDR	(SUFORD-SU) Indicator 1. People in forest and adjacent communities with monetary/non-monetary benefits from forest and Climate Smart Agriculture **(Total)**	309,000	424,000	115,000
	(SUFORD -SU) Indicator 2: People in forest and adjacent community with increased monetary/non-monetary benefits from the forest-ethnic minority peoples	157,000	237,000	80,000

Annex 3: GHG emission baselines and targets calculations

A3.1 Burkina Faso

Gazetted Forests Participatory Management Project for REDD+ (PGFC/REDD+) project (AFDB)

Baseline calculation

The GHG emission baseline was calculated considering the following conditions:

> Surface covered by project: 284,655 ha.
> Carbon stock rate is 53 tC/ha

The reference carbon stock over 284,000 ha is 55,368,244 t CO2e in 2013. The reference scenario is established including a deforestation rate of 0.5% and 0.4% degradation rate. These rates correspond to the country's average historic rates outlined in the first version of the R-PP. **Table 24** shows the carbon stocks, which are used for the GHG emission baseline calculation.

Table 24: Burkina Faso. AFDB project. GHG ER baseline. Carbon stocks.

2013	2014	2015	2016	2017	2018
55,368,244	54,896,047	54,425,103	53,955,407	53,486,952	53,019,732

The emission level without project over a 5-year period is 55,368,244 – 53,019,732 = **- 2.35 MtCO2e.** This is considered the baseline for this project.

Target calculation

Over 5 years (Project target. Target 1) 2013-2018

The following considerations have been made:

- The deforestation rate will decrease as follows: 0.5% (year 1), 0.4% (year 2), 0.3% (year 3), 0.25% (year 4 and following)

- The degradation rate over 284,655 ha – 97,758 ha (Koulby, Bontioli) will decrease as follows: 0.4% (year 1), 0.3% (year 2), 0.25% (year 3), 0.2% (year 4 and next years)

- The degradation rate over 97,758 ha (fauna reserves of Koulby, Bontioli) will decrease as follows: 0.4% (year 1), 0.3% (year 2), 0.2% (year 3), 0.1% (year 4) and 0% over the next years

- Natural regeneration over 97,758 ha (Koulby, Bontioli) will go from 0% (year 1) to 10% of the total surface on year 2 and next years. It is considered that one-hectare captures 2.43% of biomass annually once it reaches maturity (53 tC/ha X 3.67 tCO2e / tC), so 4,73 tCO2e

- Reforestation over degraded land covers 6,671 ha (1,668 ha reforested on year 2; 1,668 ha reforested on year 3; 1,668 reforested on year 4; 1,668 reforested on year 5). It is considered that one reforested

hectare has a loss of 12.85 tCO2e (grassland biomass), and then an annual sequestration of 5.12 t CO2e.

Table 25 shows the carbon stock over five years.

Table 25 Burkina Faso. AFDB project. GHG ER target 1. Carbon stocks.

2013	2014	2015	2016	2017	2018
55,368,244	54,896,047	54,563,683	54,327,538	54,162,337	54,024,995

A conservative factor of 40% was applied. (54,024,995 - 53,019,732) x 0.6 = 0.6 million t CO2e. This is the GHG emission reduction target over five years (project target. Target 1).

Over 15 years (Lifetime target. Target 2) 2013-2028

The same considerations were made for a 15 year period. (see **Table 26**).

Table 26 Burkina Faso: AFDB project. GHG ER target 2. Carbon stocks.

2013	2014	2015	...	...	2028
55,368,244	54,896,047	54,563,683	...	...	54,024,995
55,368,244	54,896,047	54,563,683	...	...	52,882,657

GHG emission reduction over 15 years (52,882,657-54,024,995) x 0.6 = 2.7 million tCO2e.

Decentralized Forest and Woodland Management (PGDDF) project (IBRD)

Baseline calculation

The baseline has been calculated with the observed deforestation rate of the 1992-2002 period. The total surface covered by the project is 1,461,598 ha.

The following carbon stock rates have been considered:
- Forests: 198 tCO2e/ha. Annual degradation rate of 2%.
- Degraded forests and fallow land: 128 tCO2e/ha. Annual degradation rate of 5%.
- Crops: 84 tCO2e/ha.
- Grasslands and degraded lands: 37 tCO2e/ha.

Table 27 shows the emission level without project over a five-year scenario.

Table 27: Burkina Faso. IBRD project. GHG ER baseline. Carbon stocks.

Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
302,402,872	290,874,476	280,847,074	271,391,756	262,477,988	254,076,875

The emission level without project over a five-year scenario would be: 254,076,875 - 302,402,872 = - **48.33 M tCO2e**. This is considered the baseline for this project.

Target calculation

Over 5 years (Project target. Target 1) 2013-2018
As shown in **Table 28**, the carbon stock with project over five years will be:

Table 28: Burkina Faso. IBRD project. GHG ER target 1. Carbon stocks

Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
302,402,872	290,874,476	281,891,573	274,366,576	268,142,426	263,090,912

The emissions with project over five years are:

263,090,912 - 254,076,875 = - 9,014,037 t CO2e

If we adjust this calculation for one million applicable hectares out of the 2.6 million hectares of land, then the emissions with project over five years are: 3.47 million tCO2e.

Over 15 years (Lifetime target. Target 2) 2013-2028

Table 29 shows the carbon stock with project over fifteen years.

Table 29: Burkina Faso. IBRD project. GHG ER target 2. Carbon stocks.

2013	2014	2015	...	...	2028
302,402,872	290,874,476	280,847,074	...	...	192,914,619
302,402,872	290,874,476	281,891,573	...	...	221,637,712

The GHG emissions over 15 years (adjusted from 2.6 to 1 million hectares)
(192,914,619-221,637,712)/2.6 = -11.05 M tCO2e

A3.2 DRC

Improved Forested Landscape Management project (IBRD)

Baseline

The World Bank project established it at -1.86 million tCO2e.

Deforestation

The historical deforestation rate is calculated as a percentage of the 2000 carbon stock, and is used as the reference scenario (baseline)[68]:

$$Carbon\ stock\ _{PF,2000} = Surface\ _{PF,2000}\ x\ Carbon\ stock\ rate\ \frac{tC}{ha}\ x\ \frac{44}{12}\frac{t\ CO_2}{t\ C}$$

$$Carbon\ stock\ _{PF,2000} = 902{,}203.56\ ha\ x\ 289\ \frac{tC}{ha}\ x\ \frac{44}{12}\frac{t\ CO_2}{t\ C} = 956{,}035{,}039\ t\ CO_2$$

$$Carbon\ stock\ _{SF,2000} = Surface\ _{SF,2000}\ x\ Carbon\ stock\ rate\ \frac{tC}{ha}\ x\ \frac{44}{12}\frac{t\ CO_2}{t\ C}$$

$$Carbon\ stock\ _{SF,2000} = 268{,}911.8\ ha\ x\ 96.8\ \frac{tC}{ha}\ x\ \frac{44}{12}\frac{t\ CO_2}{t\ C} = 95{,}445{,}776\ t\ CO_2$$

$$Carbon\ stock\ _{W,2000} = Surface\ _{W,2000}\ x\ Carbon\ stock\ rate\ \frac{tC}{ha}\ x\ \frac{44}{12}\frac{t\ CO_2}{t\ C}$$

$$Carbon\ stock\ _{W,2000} = 268{,}911.8\ ha\ x\ 96.8\ \frac{tC}{ha}\ x\ \frac{44}{12}\frac{t\ CO_2}{t\ C} = 95{,}445{,}776\ t\ CO_2$$

$$Carbon\ stock\ _{W,2000} = 180220.6\ ha\ x\ 21\ \frac{tC}{ha}\ x\ \frac{44}{12}\frac{t\ CO_2}{t\ C} = 13{,}876{,}983\ t\ CO_2$$

Table 30 shows the carbon stock calculated for the year 2000 per forest type.

Table 30: DRC. IBRD project. Carbon stocks

Carbon stock 2000 (t CO2)	
Primary Forest	956,035,039
Secondary Forest	95,445,776
Woodlands	13,876,983
Total	1,065,357,798

Total Emissions over a 10 year period (Mt) $_{2000-2010}$
$$= (Total\ Emissions_{2000-2005} + Total\ Emissions_{2005-2010})$$
$$- Carbon\ stock\ rate_{post\ df}\ x\ (S\ df_{W+SF\ 2005-2010}$$
$$+ S\ df_{W+SF\ 2010-2005})x\ \frac{44}{12}\frac{t\ CO_2}{t\ C}\ x\ \frac{1}{1000}\frac{Mt\ CO_2}{t\ CO_2}$$
$$- Carbon\ stock\ rate_{post\ df}\ x\ (S\ df_{W+SF\ 2005-2010}$$
$$+ S\ df_{W+SF\ 2010-2005})\ x\ \frac{44}{12}\frac{t\ CO_2}{t\ C}\ x\ \frac{1}{1000}\frac{Mt\ CO_2}{t\ CO_2} = 46.70\ Mt\ CO_2$$

S = surface

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[68] 44/12 is the ratio of molecular weights of CO2 and carbon.

df = deforestation

Then, the historical emissions as a % of total carbon stock were calculated:

$$Historic\ emissions\ as\ \%\ of\ total\ C\ stock = \frac{\dfrac{Total\ emissions_{2000-2010}}{years}}{Carbon\ stock_{2000}}$$

$$Historic\ emissions\ as\ \%\ of\ total\ C\ stock = \frac{\dfrac{46.70\ x\ 10^6}{10}}{1,065,357,798} = 0.44\%$$

Year	Emissions as a % of total carbon stock	Carbon stock with FIP activities (tons of CO2)	Cumulative Emission reductions	Baseline carbon stock (tons of CO2)
2010	0.44%	1,013,268,545	0	1,013,268,545
2011	0.44%	1,008,826,831	0	1,008,826,831
2012	0.44%	1,004,404,587	0	1,004,404,587
2013	0.44%	1,000,001,728	0	1,000,001,728
2014	0.44%	995,618,170	0	995,618,170
2015	0.43%	991,384,757	130,930	991,253,827
2016	0.41%	987,295,807	387,192	986,908,615
2017	0.40%	983,345,885	763,434	982,582,451
2018	0.39%	979,529,789	1,254,538	978,275,251
2019	0.38%	975,842,541	1,855,609	973,986,931
2020	0.37%	972,279,373	2,561,964	969,717,410
2021	0.35%	968,835,721	3,369,117	965,466,604
2022	0.34%	965,507,210	4,272,778	961,234,432
2023	0.33%	962,289,646	5,268,834	957,020,812
2024	0.32%	959,179,010	6,353,347	952,825,662
2025	0.32%	956,078,429	7,429,526	948,648,903
2026	0.32%	952,987,870	8,497,419	944,490,452
2027	0.32%	949,907,303	9,557,073	940,350,230
2028	0.32%	946,836,693	10,608,536	936,228,157
2029	0.32%	943,776,009	11,651,856	932,124,153

Energy efficiency

Emission reductions from energy efficiency of cookstoves (Component 2b)

Emission reductions for this component are calculated as shown in **Table 31**.

Table 31: Emission reductions calculation equation for improved cookstoves

Emission reductions are calculated as:

$$ER_y = B_{y,savings} \times f_{NRB,y} \times NCV_{biomass} \times EF_{projected\ fossilfuel} \times N_{y,i}$$

Equation (1)

Where:

ER_y = Emission reductions during year y in t CO$_2$e

$B_{y,savings}$ = Quantity of woody biomass that is saved in tonnes per device

$f_{NRB,y}$ = Fraction of woody biomass saved by the project activity in year y that can be established as non-renewable biomass using survey methods or government data or default country specific fraction of non-renewable woody biomass (fNRB) values available on the CDM website[1]

$NCV_{biomass}$ = Net calorific value of the non-renewable woody biomass that is substituted (IPCC default for wood fuel, 0.015 TJ/tonne, wet basis)

$EF_{projected\ fossilfuel}$ = Emission factor for the substitution of non-renewable woody biomass by similar consumers. Use a value of 81.6 t CO$_2$/TJ[2]

$N_{y,i}$ = Number of project devices of type i operating in year y, determined as per paragraph 22

Source: UNFCCC[69]

Afforestation / reforestation (components 1, 2a and 3)

Methodology AR-ACM0001/version 03[70]:

$$\Delta C_{ACTUAL} = \Delta C_P - GHG_E$$

Where:
ΔC_{ACTUAL} : Actual net greenhouse gas removals by sinks
ΔC_P : Sum of changes in above-ground and below-ground biomass, dead wood, litter and soil organic carbon stocks in the project scenario
GHG_E : Increase in GHG emissions as a result of the implementation of the proposed A/R CDM project activity boundary.

$$\Delta C_P = \sum_{t=1}^{t^*} \Delta C_t * \frac{44}{12} * 1\ year - E_{BiomassLoss}$$

Where

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[69] UNFCCC. AMS-II.G Small-scale Methodology: Energy efficiency measures in thermal applications of non-renewable biomass Version 05.0

[70] UNFCCC. Project design document form for afforestation and reforestation project activities (CDM-AR-PDD). Ibi Batéké degraded savannah afforestation project for fuelwood production (Democratic Republic of Congo). December 1st, 2010

ΔC_P : Sum of the changes in carbon pools in above-ground and below-ground tree biomass, dead wood, litter and soil organic carbon in the project scenario

ΔC_t : Annual change in carbon stock in all selected carbon pools for year t

$E_{BiomassLoss}$: Increase in CO2 emissions from loss of existing woody biomass due to site-preparation (including burning), and/or to competition from forest (or other vegetation) planted as part of the A/R CDM project activity

t : 1,2,3,…. t^*years elapsed since the start of the A/R project activity

44/12: ratio of molecular weights of CO2 and carbon

$E_{BiomassLoss}$ was estimated to be zero, as it is assumed that there is no burning of existing woody biomass as site-preparation.

ΔC_t was calculated by multiplying the Carbon sequestration rate by the surface that will be planted each year.

The following carbon pools were included in the calculation:

Carbon pools	Yes/No	Justification / Explanation of choice
Above-ground biomass	Yes	Major carbon pool subjected to the project activity.
Below-ground biomass	Yes	Major carbon pool subjected to the project activity.
Dead wood	No	As a conservative measure, this pool is not accounted.
Litter	No	As a conservative measure, this pool is not accounted.
Soil organic carbon	No	In accordance with the clarification AM_CLA_0009, soil organic carbon pool is conservatively neglected as the project does not match with eligibility criteria of the default approach of the methodology used to include soil organic carbon.

Source: UNFCCC[71]

Table 32 shows the GHG emission reductions from using improved cookstoves over a five and 15- year period.

Table 32: DRC. IBRD project. GHG ER. Improved cookstoves.

				Efficiency new device	0.382	
	Number of stoves	70,000				
				Efficiency old device	0.1	
Emission Reductions	273,047	tCO2/year	Once the 70,000 cookstoves are running			
	2015	2016	2017	2018	2019	
Number of stoves per annum	5%	10%	20%	30%	35%	100%
Emission Reductions	13,652	40,957	95,566	177,480	273,047	
Over a 5-year period:		600,702	tCO2			
Over a 15-year period:		3,331,168	tCO2			

Afforestation

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[71] UNFCCC, CDM Executive Board. Project design document form for afforestation and reforestation project activities (CDM-AR-PDD) - Version 04. Ibi Batéké degraded savannah afforestation project for fuelwood production (Democratic Republic of Congo) Version: PCI-B#1.1 Date: December 1st, 2010.

Table 33 shows the expected GHG ER from afforestation interventions. It was considered that the annual carbon sequestration is 15 tCO2/ha.

Table 33: DRC. IBRD project. GHG ER. Afforestation

		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Component 1 5 000 ha	Plantation (ha)	0	500	1,000	1,500	2,000					0	500	1,000	1,500	2,000	0
	Annual increment (tCO2)	0	7,500	22,500	45,000	75,000	75,000	75,000	75,000	75,000	7,500	-60,000	-127,500	-195,000	75,000	75,000
	Cumulative Stock (tCO2)	0	7,500	30,000	75,000	150,000	225,000	300,000	375,000	450,000	457,500	397,500	270,000	75,000	150,000	225,000
Component 2a 10 000 ha	Plantation (ha)	0	2,000	5,000	3,000	0					0	2,000	5,000	3,000	0	0
	Annual increment (tCO2)	0	30,000	105,000	150,000	150,000	150,000	150,000	150,000	150,000	-120,000	-525,000	-255,000	150,000	150,000	150,000
	Cumulative Stock (tCO2)	0	30,000	135,000	285,000	435,000	585,000	735,000	885,000	1,035,000	915,000	390,000	135,000	285,000	435,000	585,000
Component 3 5 000 ha	Plantation (ha)	500	1,000	1,500	1,500	500					500	1,000	1,500	1,500	500	0
	Annual increment (tCO2)	7,500	22,500	45,000	67,500	75,000	75,000	75,000	75,000	7,500	-60,000	-127,500	-127,500	7,500	75,000	75,000
	Cumulative Stock (tCO2)	7,500	30,000	75,000	142,500	217,500	292,500	367,500	442,500	450,000	390,000	262,500	135,000	142,500	217,500	292,500
Total stock (tCO2)		7,500	67,500	240,000	502,500	802,500	1,102,500	1,402,500	1,702,500	1,935,000	1,762,500	1,050,000	540,000	502,500	802,500	1,102,500
Fresh biomass harvested (tons)		0	0	0	0	0	0	0	0	60,000	420,000	900,000	720,000	300,000	0	0

Over 5 years (Project target. Target 1) 2015-2019

Table 34 shows the total GHG emission reduction target over five years.

Table 34: DRC. IBRD project. GHG ER target 1.

tCO2	Deforestation	Energy efficiency	Afforestation
Component 1	1,855,609		150,000
Component 2a			435,000
Component 2b		600,702	
Component 3			217,500
Total	1,855,609	600,702	802,500

Total over 5 years is **3,258,812** tCO2e.

Over 15 years (Lifetime target. Target 2) 2015-2029
Table 35 shows the total GHG emission reduction target over fifteen years.

Table 35: DRC. IBRD project. GHG ER target 2.

tCO2	Deforestation	Energy efficiency	Afforestation
Component 1	11,651,856		225,000
Component 2a			585,000
Component 2b		3,331,168	
Component 3			
Total	11,651,856	3,331,168	292,500

Total over 15 years is **16,085,524** tCO2e.

Integrated REDD+ Project in the Mbuji Mayi/Kananga and Kisangani Basins (AFDB)

Baseline calculation

The AfDB project established the GHG baseline at - 0.29 million tCO2e. The baseline is calculated as the carbon stock in 2013 – carbon stock in 2018.

Target calculation

The target is calculated taking into account the net effects of each component of the project implementation (carbon stock with project implementation – baseline), as shown in **Table 36**.

Table 36: DRC. AFDB project. GHG ER target.

	2014	2015	2016	2017	2018
Increase in accumulated carbon stocks	70,280.00	210,840.00	397,926.67	585,013.33	772,100.00
Accumulated avoided deforestation	4,659.72	34,074.44	68,039.46	106,144.29	144,147.49
Avoided forest degradation	2,109.79	6,329.37	12,658.75	21,097.91	31,646.87
Total target	77,049.51	251,243.82	478,624.87	712,255.53	947,894.36

A3.3 Ghana

Engaging Local Communities in REDD+/Enhancing Carbon Stocks (AFDB)

Baseline calculation

Ghana will provide information about the baseline for next year's FIP results report. Ghana has secured additional funding through the Forest Carbon Partnership Facility to operationalize the National MRV System. This system would be used in the estimation of carbon baseline.

Baseline for Emission Reduction

Calculation is based on rates of deforestation in the various Ecological Zones, in this regard, the Hectares of Forest to be lost annually was due to the prevailing rate of deforestation is used as the basis to calculate the baseline. Multiply the Total Area of forest to be lost annually by the Tons of Carbon Dioxide Equivalent Per Hectare in that particular ecological zone

Rate of Deforestation (converted to Ha of forest) x tCo2E/Ha = Emission Reduction Baseline

For project end target, the project will implement a number of interventions to reduce the rate of deforestation from the current rate to a rate much lower thereby saving some forest as a result of the program interventions. The forest saved is multiplied by the tons of carbon dioxide equivalent per hectare to arrive at the end target.
Current Rate – expected rate x tCo2E/ha = End Target (emission reduced)

Target calculation

Emission reduction targets (project and lifetime targets) were calculated with a discount factor of 25%.

Table 37 shows the GHG ER target over 5 years (Project target. Target 1), between 2014 and 2019.

Table 37: Ghana. GHG ER target 1.

Project components	t CO2e
Plantations. Total accumulated CO2 generated based on LTA after buffer	39,188
Woodlots. Total accumulated CO2 generated after buffer	6,525
Cocoa and other agroforestry schemes. Total accumulated CO2 generated after buffer	262,519
Avoided deforestation. Total accumulated CO2 generated after buffer	213,503
TOTAL. Accumulated total CO2 generated by the project after discount	521,735

Table 38 shows the GHG ER target over 25 years (Lifetime target. Target 2), between 2014 and 2039.

Table 38 Ghana. GHG ER target 2.

Project components	t CO2e
Plantations. Total accumulated CO2 generated based on LTA after buffer	285,236
Woodlots. Total accumulated CO2 generated after buffer	9,405
Cocoa and other agroforestry schemes. Total accumulated CO2 generated after buffer	1,750,125
Avoided deforestation. Total accumulated CO2 generated after buffer	1,921,523
TOTAL. Accumulated total CO2 generated by the project after discount	3,966,289

AFDB project Engaging Local Communities in REDD+/Enhancing Carbon Stocks

		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Plantations																									
Number of hectares supported by the project	5000																								
annual rate of CO2 sequestration / ha (Tons)	9.60																								
TCO2 in previous land uses	18.35																								
TCO2 generated (not for carbon crediting)		-14,583	1,417	17,417	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	-170,125	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000
Total accumulated CO2 generated (not for carbon crediting)		-14,583	-13,167	4,250	52,250	100,250	148,250	196,250	244,250	292,250	340,250	388,250	436,250	266,125	314,125	362,125	410,125	458,125	506,125	554,125	602,125	650,125	698,125	746,125	794,125
TCO2 credited based on LTA		0	0	4,250	48,000	48,000	48,000	48,000	48,000	48,000	48,000	40,065													
Total accumulated CO2 generated based on LTA		0	0	4,250	52,250	100,250	148,250	196,250	244,250	292,250	340,250	380,315	380,315	380,315	380,315	380,315	380,315	380,315	380,315	380,315	380,315	380,315	380,315	380,315	380,315
TCO2 credited based on LTA after buffer	25%	0	0	3,188	36,000	36,000	36,000	36,000	36,000	36,000	36,000	30,049	0	0	0	0	0	0	0	0	0	0	0	0	0
Total accumulated CO2 generated based on LTA after buffer	25%	0	0	3,188	39,188	75,188	111,188	147,188	183,188	219,188	255,188	285,236	285,236	285,236	285,236	285,236	285,236	285,236	285,236	285,236	285,236	285,236	285,236	285,236	285,236
Woodlots																									
Number of hectares supported by the project	1200																								
annual rate of CO2 sequestration / ha (Tons)	9.60																								
TCO2 in previous land uses	18.35																								
TCO2 generated		-3,500	340	4,180	7,680	3,840	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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Parameter	Value	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Total accumulated CO2 generated		-3,500	-3,160	1,020	8,700	12,540	12,540	12,540	12,540	12,540	12,540	12,540	12,540	12,540	12,540	12,540	12,540	12,540	12,540	12,540	12,540	12,540	12,540	12,540	12,540
TCO2 generated after buffer	25%	-2,625	255	3,135	5,760	2,880	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total accumulated CO2 generated after buffer	25%	-2,625	-2,370	765	6,525	9,405	9,405	9,405	9,405	9,405	9,405	9,405	9,405	9,405	9,405	9,405	9,405	9,405	9,405	9,405	9,405	9,405	9,405	9,405	9,405
Cocoa and other agroforestry schemes																									
Number of hectares supported by the project	26000																								
annual rate of CO2 sequestration / ha (Tons)	7.34 (not used)																								
T CO2/ha in shade cocoa plantation	291.6																								
T CO2/ha in (low shade) cocoa plantation	201.85																								
TCO2 generated		38,892	77,783	116,675	116,675	116,675	116,675	116,675	116,675	116,675	116,675	116,675	116,675	116,675	116,675	116,675	116,675	116,675	116,675	116,675	116,675	116,675	77,783	38,892	
Total accumulated CO2 generated		38,892	116,675	233,350	350,025	466,700	583,375	700,050	816,725	933,400	1,050,075	1,166,750	1,283,425	1,400,100	1,516,775	1,633,450	1,750,125	1,866,800	1,983,475	2,100,150	2,216,825	2,294,608	2,333,500	2,333,500	2,333,500
TCO2 generated after buffer	25%	29,169	58,338	87,506	87,506	87,506	87,506	87,506	87,506	87,506	87,506	87,506	87,506	87,506	87,506	87,506	87,506	87,506	87,506	87,506	87,506	58,338	29,169	0	0
Total accumulated CO2 generated after buffer	25%	29,169	87,506	175,013	262,519	350,025	437,531	525,038	612,544	700,050	787,556	875,063	962,569	1,050,075	1,137,581	1,225,088	1,312,594	1,400,100	1,487,606	1,575,113	1,662,619	1,720,956	1,750,125	1,750,125	1,750,125
Avoided deforestation																									
total area of forest conserved	90000																								
deforestation rate	2%																								
Deforestation baseline	43200	1800	1800	1800	1800	1800	1800	1800	1800	1800	1800	1800	1800	1800	1800	1800	1800	1800	1800	1800	1800	1800	1800	1800	1800

success rate in avoiding deforestation	40%																								
Deforestation in the project scenario	27000	1,620.00	1,440.00	1,260.00	1,080.00	1,080.00	1,080.00	1,080.00	1,080.00	1,080.00	1,080.00	1,080.00	1,080.00	1,080.00	1,080.00	1,080.00	1,080.00	1,080.00	1,080.00	1,080.00	1,080.00	1,080.00	1,080.00	1,080.00	1,080.00
TCO2/ha in forest	360																								
TCO2 in posterior land uses (low shade cocoa)	201.85																								
TCO2 generated by the project		28,467	56,934	85,401	113,868	113,868	113,868	113,868	113,868	113,868	113,868	113,868	113,868	113,868	113,868	113,868	113,868	113,868	113,868	113,868	113,868	113,868	113,868	113,868	113,868
Total accumulated CO2 generated		28,467	85,401	170,802	284,670	398,538	512,406	626,274	740,142	854,010	967,878	1,081,746	1,195,614	1,309,482	1,423,350	1,537,218	1,651,086	1,764,954	1,878,822	1,992,690	2,106,558	2,220,426	2,334,294	2,448,162	2,562,030
TCO2 generated after buffer	25%	21,350	42,701	64,051	85,401	85,401	85,401	85,401	85,401	85,401	85,401	85,401	85,401	85,401	85,401	85,401	85,401	85,401	85,401	85,401	85,401	85,401	85,401	85,401	85,401
Total accumulated CO2 generated after buffer	25%	21,350	64,051	128,102	213,503	298,904	384,305	469,706	555,107	640,508	725,909	811,310	896,711	982,112	1,067,513	1,152,914	1,238,315	1,323,716	1,409,117	1,494,518	1,579,919	1,665,320	1,750,721	1,836,122	1,921,523
TCO2 generated by the project		63,859	135,057	210,506	286,223	282,383	278,543	278,543	278,543	278,543	278,543	270,608	230,543	230,543	230,543	230,543	230,543	230,543	230,543	230,543	230,543	191,651	152,760	113,868	113,868
TCO2 generated by the project after discount	25%	47,894	101,293	157,880	214,667	211,787	208,907	208,907	208,907	208,907	208,907	202,956	172,907	172,907	172,907	172,907	172,907	172,907	172,907	172,907	172,907	143,739	114,570	85,401	85,401
Accumulated total CO2 generated by the project		63,859	198,916	409,422	695,645	978,028	1,256,571	1,535,114	1,813,657	2,092,200	2,370,743	2,641,351	2,871,894	3,102,437	3,332,980	3,563,523	3,794,066	4,024,609	4,255,152	4,485,695	4,716,238	4,907,889	5,060,649	5,174,517	5,288,385
Accumulated total CO2 generated by the project after discount		47,894	149,187	307,067	521,734	733,521	942,428	1,151,336	1,360,243	1,569,150	1,778,057	1,981,013	2,153,920	2,326,828	2,499,735	2,672,642	2,845,549	3,018,457	3,191,364	3,364,271	3,537,178	3,680,917	3,795,487	3,880,888	3,966,289

A3. 4 Mexico

Baseline calculation

Mexico calculated the baseline in the five states where the FIP investment plan is implemented: Jalisco, Campeche, Yucatán, Quintana Roo y Oaxaca. The following activities were considered: deforestation from land use change, degradation and forest fires.
The definition of forest used is "lands with an area of more than 50 hectares with trees of more than 4 meters in height –or trees able to reach this height in situ– and a canopy cover of more than 10 percent. It does not include lands subject to a land use that is predominantly agricultural or urban."

Mexico used national emission factors, the same ones that were considered for the reference emission level (REL) submitted to UNFCCC[72].

For the deforestation and degradation above-ground woody biomass (trees and shrubs greater than 7.5 cm of diameter) and fine roots biomass were considered.

For wildfires, dead wood (fallen woody material found in litter with a diameter larger than 7.5 cm), litter, dead biomass, herbaceous vegetation and shrubs that is in an advanced state of decomposition were considered.

The baseline was calculated taking emissions from deforestation, degradation and forest fires for each state. The average total emissions for the 2000-2010 period for the five states is Mexico's baseline, 22.07 million tCO2e, as shown in **Table 39**.

Table 39: Mexico. GHG baseline.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total
Oaxaca	7.56	7.65	5.43	6.00	4.72	5.21	4.87	3.63	3.63	3.67	3.62	
Jalisco	4.51	4.82	3.69	3.71	3.58	3.86	3.86	0.70	0.80	0.62	0.55	
Campeche	7.12	7.11	6.70	7.45	6.75	6.74	6.77	4.63	4.65	4.74	4.63	
Q. Roo	3.91	3.89	4.04	4.18	4.03	4.17	5.31	2.89	3.23	3.72	2.99	
Yucatán	4.75	4.76	4.09	4.47	4.11	4.11	4.29	3.82	3.92	4.29	3.84	
TOTAL (mtCO2e)	27.86	28.23	23.96	25.80	23.20	24.09	25.09	15.67	16.24	17.04	15.63	22.07
Deforestation												
Oaxaca	5.27	5.27	4.02	4.02	4.02	4.02	4.02	3.18	3.18	3.18	3.18	
Jalisco	2.27	2.27	3.34	3.34	3.34	3.34	3.34	0.45	0.45	0.45	0.45	
Campeche	4.84	4.84	6.14	6.14	6.14	6.14	6.14	4.11	4.11	4.11	4.11	
Q. Roo	1.45	1.45	2.56	2.56	2.56	2.56	2.56	2.47	2.47	2.47	2.47	
Yucatán	2.18	2.18	2.97	2.97	2.97	2.97	2.97	3.40	3.40	3.40	3.40	
TOTAL (mtCO2e)	16.02	16.02	19.03	19.03	19.03	19.03	19.03	13.60	13.60	13.60	13.60	16.51
Degradation												
Oaxaca	2.07	2.07	0.58	0.58	0.58	0.58	0.58	0.15	0.15	0.15	0.15	

[72] National forest reference emission level proposal by Mexico
http://unfccc.int/files/land_use_and_climate_change/redd/country/application/pdf/frel_mexico_english_version_jan15f.pdf

Jalisco	2.02	2.02	0.11	0.11	0.11	0.11	0.11	0.00	0.00	0.00	0.00	
Campeche	2.24	2.24	0.55	0.55	0.55	0.55	0.55	0.51	0.51	0.51	0.51	
Q. Roo	2.42	2.42	1.47	1.47	1.47	1.47	1.47	0.40	0.40	0.40	0.40	
Yucatán	2.56	2.56	1.08	1.08	1.08	1.08	1.08	0.37	0.37	0.37	0.37	
TOTAL (mtCO2e)	11.31	11.31	3.78	3.78	3.78	3.78	3.78	1.44	1.44	1.44	1.44	4.30
Forest fires												
Oaxaca	0.22	0.31	0.84	1.40	0.13	0.61	0.28	0.30	0.30	0.34	0.28	
Jalisco	0.22	0.54	0.24	0.26	0.13	0.41	0.41	0.25	0.35	0.17	0.10	
Campeche	0.04	0.03	0.01	0.76	0.06	0.05	0.08	0.01	0.03	0.12	0.01	
Q. Roo	0.04	0.02	0.02	0.16	0.01	0.14	1.28	0.01	0.36	0.84	0.12	
Yucatán	0.01	0.02	0.04	0.42	0.07	0.07	0.24	0.06	0.15	0.53	0.08	
TOTAL (mtCO2e)	0.53	0.91	1.16	3.00	0.40	1.29	2.29	0.63	1.19	2.00	0.59	1.27

Target calculation

Mexico's target was established at 10% of the baseline, so it is 2.2 million tCO2e.

Annex 4: Narrative elements (reporting category 3)

Brazil

Narrative 3.1 Theory of change and assumptions

Brazil's investment plan seeks to promote sustainable land use and forest management improvement in the Cerrado, contributing to reducing pressure on the remaining forests.

The plan comprises coordinated actions focused on building synergies in order to maximize the impact of a larger set of policies aimed at reducing deforestation in the Cerrado biome through (1) improving environmental management in areas previously anthropized and (2) producing and disseminating environmental information at the biome scale.

The plan will provide key contributions to support improvements to land management, the promotion and adoption of low carbon agricultural technologies, the collection and publicizing of information on forests and carbon stocks and improved fire early warning, monitoring of fires and forest cover in the Cerrado biome.

Achievements since the investment plan was endorsed

Brazil's investment plan's executive committee was established in March 2014. The executive committee coordinated actions of the different ministries involved and the interaction of Brazil's investment plan projects with other government programs.

The FIP-Sub Committee approved on March 12, 2015 *Brazil Investment Plan's Coordination Project*, prepared as an individual project. The project is in preparation and will be submitted to the IBRD approval.

CAR (Rural Environmental Cadastre) FIP - Environmental regularization of rural lands project. Activities conducted:
- Workshop for the preparation of planning implementation strategy.
- Development of the cooperation agreement draft and the technical and work plan to be executed with the environmental state entities.
- Procurement planning, including the preparation of the terms of reference drafts and the technical and cost specifications as well.
- International technical cooperation project – ITCP.
- Project appraisal document (PAD) final adjustments and review. Negotiation between the Brazilian government and the World Bank.

ABC Cerrado (Sectoral Plan for the Mitigation and Adaptation of Climate Change for a Low Carbon Emission Agriculture) - Sustainable production in areas previously converted to agricultural use (based on the ABC Plan)
- Grant agreement was declared effective on August 13, 2014
- The tripartite Project Monitoring Committee was formally established
- The planning and preparation activities for the Project's Component 1 have started, with the selection of master ABC consultants, responsible for developing the training content development, as well as training of instructors.

- The project is finalizing the production of instructional material, and establishing the timeline of the training that will occur during the second semester of 2015.

IFN Cerrado - Forest information to support public and private sectors in managing initiatives focused on conservation and valorization of forest resources
- The project has been approved by the FIP Subcommittee and the IDB.
- The technical cooperation agreement was signed in June 2014.
- The signing of the grant agreement has been delayed, so its implementation still waits for the contract to be signed. The Brazilian Treasure asked for a formal statement by the Federal Budget Secretariat (SOF) related to the government's resource that must be pre-arranged in the federal budget. Brazil's focal point had to wait for the right time to negotiate and ask for this, when SOF allows this procedure. Documents are still pending to be signed. Redesign of the project document was completed and it was submitted, along with all requested information, on September 8/2014
- The approval of the project is projected to happen in the second half of 2015.

Dedicated Grant Mechanism (DGM) for Indigenous Peoples and Local Communities
- Brazil has been established in a long process of public consultations with indigenous peoples, quilombolas and traditional communities.
- The DGM / MDD – Brazil selected a nonprofit institution, called "Centro Agricultura Alternativa do Norte de Minas" (CAA) which will operate the implementation of the Dedicated Grant Mechanism.

Burkina Faso

Narrative 3.1 Theory of change and assumptions

Burkina Faso's Investment Plan simultaneously addresses the direct causes (at local level) and indirect causes (local and central level) of deforestation and forest degradation by intervening at the same time in direct investments at the local level and the support for the country's REDD+ preparation. Capacity development in forest management and policy reforms will be targeted. Local changes will be supported by actions at the national level.

Burkina Faso's Investment Plan is articulated around four pillars of REDD+ strategy:
- Land tenure security
- Land management and activity planning
- Agro-pastoral management
- Institutional and local actors' capacity development

Burkina Faso's Investment Plan is able to add value to existing efforts, as it has a landscape approach. It combines forest management, agroforestry, agriculture and pastoralism and forest products management.

Narrative 3.2 Contribution to national REDD+ and other national development strategies and uptake of FIP approaches

Burkina Faso's Investment Plan allows supporting the REDD+ national strategy. It also allows making priority investments which unfold from the strategy, but which have already been identified in the investment plan preparation and in the Readiness Preparation Proposal (R-PP). It is too early by December 31, 2014 to record the progress towards these indicators.

Narrative 3.3 Support received from other partners including the private sector

The European Union participates in the financing of Burkina Faso's Investment Plan. AFD's project about land tenure shares knowledge on methodology very effectively.

Civil society is represented in the Investment Plans' executive committee. Civil society is associated to representatives of indigenous people and local population.

Narrative 3.4: Link of Dedicated Grant Mechanism (DGM) to FIP investments

The "Local forest communities support program" funded by the DGM will be implemented in the same area and for the same target populations as Burkina Faso's investment plan. This will constitute additional funding for micro-projects foreseen under the FIP framework, and will target other beneficiaries different from the community groups.

Narrative 3.5: Narrative 3.5: If applicable: highlights/showcases

Field activities had not yet started by December 31, 2014, so it is too early to identify Investment Plan's highlights.

Ghana

Narrative 3.1 Theory of change and assumptions

Major among the drivers of deforestation and forest degradation in Ghana are agricultural expansion (50%), timber harvesting (35%), and mining (5%). The Investment Plan was designed to respond to these drivers of deforestation and forest degradation especially cocoa expansion.

Ghana's investment plan is articulated on the following pillars:

- Policy Intervention. Pursue changes in policy "practice" and incentives to improve enabling environment for sustainable land and forest management and develop/ improve institutional models, procedures, guidelines to enhance quality of the Forestry Commission (FC) service delivery. Problem identified during the development of the investment plan: Current policy implementation practices create disincentives for rural communities for the nurturing of existing trees in the landscape.
- Transformational intervention – under the investment plan, tree tenure, carbon rights and benefit sharing will be reviewed. This activity will revise policy interpretation and implementation practices (drawing on workable approaches and lessons from the field, while avoiding legalistic "debate trap").
- Operational Intervention. Support integrated landscape level planning in support of community-based resource use decisions in districts. Problem statement: weak spatial and land use planning do not support improved, informed and sustainable decision-making. This activity aims to enhance the participation of farmers and communities in planning and management of forests, trees and natural resources within key target landscape corridors. Improved knowledge and participation is expected to contribute to decisions that lead to more sustainable outcomes.

Narrative 3.2 Contribution to national REDD+ and other national development strategies and uptake of FIP approaches

Implementation of projects under the investment plan has just commenced. Ghana will provide the required information in subsequent years.

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Narrative 3.3 Support received from other partners including the private sector

The Dedicated Grant Mechanism is not fully in place as well as the project under the investment plan. Ghana will provide the required information in subsequent years.

Lao PDR

Narrative 3.1 Theory of change and assumptions

Lao PDR's investment plan aims to promote participatory sustainable forest management (PSFM) of all types of forests, with a major emphasis on promoting the capacities of villagers and other grassroots managers.

The sustainable forestry and rural development project (*SUFORD*) project was agreed between the Government of Lao PDR and the World Bank in August 2013. The technical support, primarily funded by the Ministry for Foreign Affairs of Finland became effective in December 2013. Field activities got underway in March 2014.The project supports enforcement of the forestry law and the wildlife and aquatic law by the Department of Forest Inspection.

Progress to date. In late 2014 and early 2015 work was done to build a new team to monitor and report on the Lao PDR FIP and to prepare this report.

The theory of change assumes that capacitation of grassroots managers will lead to improved participatory sustainable forest management.

Narrative 3.2 Contribution to national REDD+ and other national development strategies and uptake of FIP approaches

In 2013-14, through the SUFORD-SU project, the Lao PDR FIP has been supporting work to expand participatory sustainable management of national production forests, and pilot approaches to forest landscape management, including support to village forestry.

With FIP support, government and development partners are now working to develop a programmatic approach to management of, and reporting on, the Lao PDR FIP, which will be an integral part of the national REDD+ program

Narrative 3.3 Support received from other partners including the private sector

A range of bilateral development partners are supporting the interaction of the Lao PDR FIP and other REDD+ activities. The SUFORD-SU project receives direct support from FIP, the World Bank and the Ministry for Foreign Affairs of Finland. Other bilateral support for REDD+ comes from Japanese (JICA) and German assistance (both GIZ and KfW). In its forest landscape work, SUFORD-SU is collaborating with KfW in provinces in northwestern Lao PDR.

Civil society: With FIP support, SUFORD-SU has been working with mass organizations, such as the Lao Front for National Construction and the Lao Women's Union, on ethnic and gender issues respectively.

Private sector. Smallholder Forestry Project (Technical Assistance) project: The IFC has recently agreed to work with a private sector partner on the Smallholder Plantation Project. Mid way through the reporting

period the plantation firm IFC was pursuing decided not to engage in the detailed project plan developed during the first term. The firm redirected its corporate priorities and in the interim reduced focus on growing its smallholder partnership program at its Lao PDR operations.

During the reporting period the project pursued engagement plans with 5 prospective clients, including 2 industrial plantations with smallholder schemes, and 3 Lao PDR wood product manufacturing firms and their smallholder wood supply chains. The plans confirmed that smallholder forestry is an important livelihood and potentially sustainable land use in Lao PDR, and there are opportunities to enhance their role in both industrial and community supply chain forestry.

In the reporting period, the project conducted 41 engagements including 13 team meetings, 12 with prospective clients, 4 field missions, 1 with donors, 2 for MDB coordination, 3 with 4 service partner agencies, 4 with Lao PDR government agencies 1 training event, and 4 reports (assessments, surveys and manuals) completed.

Narrative 3.4: Link of Dedicated Grant Mechanism (DGM) to FIP investments

The Dedicated Grant Mechanism has not been operating in Lao PDR during the reporting period (2012-2014).

Narrative 3.5: Narrative 3.5: If applicable: highlights/showcases

The SUFORD-SU project has already made considerable progress in scaling up the participatory sustainable forest management approach for production forests and related activities with more than 1,000 villages overlapping, or adjacent to, these production forests.

Currently most of the fieldwork is being carried out by the provincial and district government staff in collaboration with the villagers. The approach, thus, is truly being mainstreamed and institutionalized as national operating procedures.

By the end of 2014, almost half a million hectares of forest had been inventoried for the 25 new Production Forest Areas *(*PFAs) for which forest management plans are being prepared. Villagers are involved in participatory land use planning for their village areas of the PFAs.

Mexico

Narrative 3.1 Theory of change and assumptions

Mexico's investment plan is based on the following pillars:

- Providing attention to regional needs in sustainable forestry management and climate change;
- Land governance model that promotes formal and effective recognition, as well as collaborative participation of actors at different scales, with results in terms of emission reductions;
- Institutional arrangements that strengthen intersectorial coordination, within a sustainable rural development framework;
- Intersectorial articulation of policies and programs that encourages the coordination of efforts and ressources.

The plan aims to support forest and non-forest areas through a natural resources sustainable management in productive mosaics. By implementing these actions, it aims at increasing the institutional and local

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capacity and sustainable investment, as well as promoting financial inclusion of ejidos and forest communities, in order to face direct and indirect causes of deforestation and degradation in early action areas of REDD+.

FIP's addressed finance pilot models that are being approved in early action areas REDD+. In addition, creation and strengthening of actors who promote local governance and landscape-focused forestry management has been supported. Public Agents of Land Development[73] is an example of this. They have land planning capacities in order to harmonize government investments in different sectors, addressing them to specific regional needs.

Narrative 3.2 Contribution to national REDD+ and other national development strategies and uptake of FIP approaches

Mexico's National Development Plan 2013-2018 establishes that in order to support the sustainable and inclusive economic growth of the country, it is necessary to increase social participation and the sustainable use of natural resources and environmental services.

Mexico's investment plan performs a strategic role in funding necessary actions during REDD+ preparation action, especially in the exploration of innovative institutional and financial approaches. In particular, it has allowed to implement the model piloting at local scale and the lessons learned that can be replicated in other areas of the country, and that can be implemented through the national implementation of the REDD+.

Mexico established a partnership with the Norwegian government, in the REDD+ strengthening and South-South cooperation project for the implementation of a monitoring, reporting and verification (MRV) system with the goal of evaluating and systematizing the GHG emission reductions in the forest sector derived from REDD+ mitigation actions.

The French Development Agency (AFD), in collaboration with the National Commission of National Forestry *Commission* of Mexico is implementing the project "Implementing REDD+ Early Actions in Mexican priority regions through the construction of governance mechanisms at the local level" with the purpose of building technical and institutional capacities at the local level.

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[73] Public Agents of Land Development are expected to provide on the ground technical assistance and follow up for deployed investments for local and indigenous communities.

Annex 5: Project information outside of the report scope

This annex presents information from projects approved by MDBs after December 31st, 2014, and is therefore outside of the FIP 2015 Results Report scope. Both Indonesia and Peru did not have any project approved in the 2015 reporting period. However, reported data for projects in these two countries (baselines and targets) is presented in this annex as additional information.
Ghana's "Enhancing Natural Forests and Agroforest Landscapes" project was approved in February 2015. Data submitted by Ghana's focal point for this project is presented in this annex.

A5.1 Indonesia

Indonesia did not have any project approved by the MDBs in the 2015 reporting period. However, **Table 40** shows the projects that are in the pipeline, pending for approval.

Table 40: Indonesia FIP projects

Project name	MDB	Total endorsed funding	SC approval date	MDB approval
Community-Focused Investments to Address Deforestation and Forest Degradation(CFI-ADD+)	ADB	17.50	Aug-15	Nov-15
Promoting Sustainable Community-Based Natural Resource Management and Institutional Development	IBRD	17.50	Jun-15	
Strengthening Forest Enterprises to Mitigate Carbon Emissions	IFC	35.00	Oct-15	Mar-16

Table 41 shows the information that Indonesia submitted for the 2014 FIP Results report. Additional information provided by Indonesia about theory of change, and activities completed since the investment plan's endorsement, can be found in the 2014 FIP Results Report.

Table 41: Indonesia. Theme 1.1 reported

	Reference emissions level/baseline	Target 1 (MtCO2e)	Target 2
GHG emission reductions/avoidance/ enhancement of carbon stock (Total)	tbd[74]	130.5[75]	tbd

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[74] It is expected that GoI will issue the national and provincial REL by the end 2014. This will be relevant for setting the baselines for the project boundaries of FIP financed operations
[75] From IP: As all projects are currently under preparation, this number will be reviewed at appraisal or approval stage of each subproject. It will build on the national system for REL and MRV

A5.2 Peru

Peru did not have any project approved by the MDBs in the 2015 reporting period.
Table 42 shows the projects that are in the pipeline, pending for approval.

Table 42: Peru FIP projects

Project name	MDB	Total endorsed funding	SC approval date	MDB approval
Integrated Forest Landscape Management Along the Main Route Between Tarapoto and Yurimaguas in the Regions of San Martin and Loreto	IDB	12.57	Aug-15	Nov-16
Integrated Land management in Atalaya, Ucayali Region	IBRD	12.60	Jun-16	
Integrated Landscape Management Along the Main Route Between Puerto Maldonado and Inapari and in the Amarakaeri Communcal Reserve	IDB	12.37	Aug-15	Nov-16
Strengthening National Forest Governance and Innovation	IDB	12.46	Aug-15	Nov-16

Table 43 shows the information that Peru submitted for the 2014 FIP Results report. Additional information provided by Peru about theory of change, and activities completed since the investment plan's endorsement, can be found in the 2014 FIP Results Report.

Table 43: Peru. Theme 1.1 reported

	Reference emissions level/baseline	Target 1 (MtCO2e)	Target 2
GHG emission reductions/avoidance/ enhancement of carbon stock (Total)	61.5	Not in implementation	Not in implementation
Type of forests	Tropical mountain forests and wetland forests		
Area covered	4,216,166 ha		

A5.3 Ghana's "Enhancing Natural Forests and Agroforest Landscapes" project

Table 44 presents baselines and targets submitted for theme 1.1. GHG emission reductions or avoidance/enhancement of carbon stocks for the 'Enhancing Natural Forests and Agroforest Landscapes' project.

Table 44: Ghana. Enhancing Natural Forests and Agroforest Landscapes project. Theme 1.1

THEME 1.1: GHG EMISSION REDUCTIONS OR AVOIDANCE / ENHANCEMENT OF CARBON STOCKS								
Ghana								
Lead MDB: IBRD					Level: Project			
Other MDBs : AfDB								
Endorsed FIP Funding (Million USD): 50.00								
Co-Financing (Million USD): 5.00								
Reporting Period	From : 01/01/2014						To: 31/12/2014	
Project Title: Enhancing Natural Forests and Agroforest Landscapes								
Table 1.1	Unit	Reference Emission Level/Base line	Target 1	Target 2	Report Year 2014	Report Year 2015	Report Year 2016	Total Actual to date
		If Applicable			Actual Annual	Actual Annual	Actual Annual	
GHG Emission Reductions/Avoidance/Enhancement of Carbon Stocks	Million Tons of Co2 Equivalent							
GHG emissions from reduced/avoided deforestation and forest degradation	Million Tons of Co2 Equivalent	74.5	77.9	TBD				
GHG sequestered through natural regeneration, re- and afforestation, and other related activities	Tons of Co2 Equivalent/Ha	369	653	TBD				
Type of Forest(s)	High Forest : Closed Forest and Open Forest in the High Forest Zone							
Area Covered	Ha	736,350						
IP Lifetime	Years	5						
Please specify methodologies used for GHG accounting (e.g. by project/program), including the start year and period for the Reference Emissions Level	Refer to Ghana's Monitoring and Reporting Plan. Additional Assumptions 1. TCo2E Per Ha in Closed Forest. 369 2. Rate of Deforestation in Closed Forest. 1.3% 3. Rate of Deforestation in Open Forest 1.8%							

	4. Expected Rate of Deforestation with FIP Interventions In Closed Forest 1.0%
	5. Expected Rate of Deforestation with FIP intervention in Open Forest 1.5%
Please provide a brief description of the interventions (context and objective)	1. Enrichment Planting of Degraded Forest Reserves 2. Establishment of 50,000 Ha of CREMA 3. Establishment of Model Plantation 4. Establishment of 1000 Ha of Plantation 5. Boundary Planting 6. Pillaring of Admitted Farms 7. Replacement of Defaced Forest Reserve Boundary Pillars 8. Securing Internal and External Boundaries of Forest Reserves 9. 5. Presence of Officers at the Project Sites
Success Story? Implementation will commence in July 2015, Ghana will make available successes achieved by implementing these interventions through subsequent reports	
Challenges? Implementation will commence in July 2015, Ghana will report on challenges if any through subsequent reports	

Table 45 presents baselines and targets submitted for theme 1.2. Livelihood co-benefits for the 'Enhancing Natural Forests and Agroforest Landscapes' project.

Table 45: Ghana. Enhancing Natural Forests and Agroforest Landscapes project. Theme 1.2

THEME1.2: LIVELIHOODS CO-BENEFITS						
Ghana						
Lead MDB: IBRD			Level: Project			
Other MDBs : AfDB						
Endorsed FIP Funding (Million USD): 50.00						
Co-Financing (Million USD) : 5.0						
Reporting Period	From : 01/01/2014				To: 31/12/2014	
Engaging Local Communities in REDD+						
Table 1.2b (Please aggregate projects/programs level data into this table)	Base line	Target indicated at the time of MDB Approval	Report Year 2014 Actual Annual	Report Year 2015 Actual Annual	Report Year 2016 Actual Annual	Total Actual to date
Number of Communal Managed enterprises supported by the project b (Number)	0	10				
Number of ha of woodlots for fuel planted to support	0	1200				

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livelihood of fringe communities (Ha)						
Success Story? Implementation is yet to commence, Ghana will make available successes achieved by implementing these interventions through subsequent reports						
Challenges? Implementation is yet to commence, Ghana will make available successes achieved by implementing these interventions through subsequent reports						