

CLIMATE INVESTMENT FUNDS

FIP/SC.19/Inf.2
December 8, 2017

Meeting of the FIP Sub-Committee
Washington DC
Wednesday, December 13-Thursday, December 14, 2017

FIP COUNTRY PORTFOLIO

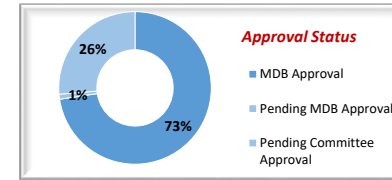
FOREST INVESTMENT PROGRAM – COUNTRY PORTFOLIO

1. The COUNTRY PORTFOLIO is an information document and is a supplement to the semi-annual operations report providing project information and status for each of the country supported by FIP. The country summary gives a snapshot of the overall endorsed funding, approvals and co-financing with detailed breakdown under the project list. A brief progress update for each project is also provided. Project data is as of 30 June 2017.

2. In the June 2016 meetings, committee members requested for more substantive information on the circumstances of the projects specifically on submission and approval delays and slow disbursement. To address this, the CIF AU worked on identifying the pertinent reasons for submission delay and the possible causes of low disbursement (see Annex A). MDBs gave their share of the process by providing inputs (project-by-project basis) on remedial measures to fast track project clearances and by sharing information on disbursement deviation and planned actions to ramp up funds utilization. All of these were encapsulated in the country portfolio with additional details in the implementation status of projects in the advanced stage.

Investment Plan	BRAZIL
Endorsement Date	May-12
No of Projects	6

Indicative Pipeline Allocation (\$M)	95.0
SC Approvals (\$M)	69.98
Approval Rate	74%
MDB Approval (\$M)	68.98
Expected Cofinancing (\$M)	35.1
Disbursement as of June 2017 (\$M)	7.4



MDB Approved Projects/Programs

Project ID	Project Title	MDB	Investment Type	Funding	Expected Co-financing	Status	Reason/s for Disbursement Deviation	Planned Actions to Expedite Disbursements	Implementation Highlights
XFIPBR011A	Sustainable production in areas previously converted to agricultural use project (under the low carbon emission agriculture plan)	IBRD	Public	10.70	0.51	Disbursing			<p>The project has recently had Mid-Term Review and here are the results: Relevance of the project vis-à-vis ABC policy. During the MTR mission, the Ministry of Agriculture (MAPA) reconfirmed the strategic importance of the Project to the Brazilian government, since Brazil has not yet reached the GHG reduction targets ratified in the National Policy on Climate Change The World Bank Implementation Status & Results Report SUSTAINABLE PROD. IN AREAS PREVIOUSLY CONVERTED TO AGRICULTURAL USE (P143184) 4/13/2017 Page 4 of 15 (PNMC). The institutional arrangements of the Project were revisited and all institutions involved (MAPA, SENAR and EMBRAPA) ratified their commitment to the implementation of the Project so that the proposed objectives can be achieved.</p> <p>Mid-term evaluation. The results of the MTR report prepared by an external consultancy were discussed. Key indicators are below original targets (number of trained producers; increase in area and number of producers adopting ABC technologies). The main factors affecting implementation were: (i) low adherence of producers to training courses; (ii) relationship difficulties between SENAR's central and regional offices; (iii) SENAR's lack of familiarity with Bank's policies and procedures (in particular for procurement); (iv) delays in the preparation of the training materials; and (v) implementation difficulties induced by the impact evaluation methodology.</p> <p>Project disbursements. Since the project's effectiveness on August 13, 2014, total disbursements (until January 2017) reach US\$ 3,324,574.78, or 31.30% of grant funds, representing an 11 month lag. Disbursements are expected to increase significantly in 2017, as most of the budget is allocated to technical assistance activities which will be executed fully. The disbursement forecast for 2017 is R\$ 13,340,395.57.</p> <p>Project restructuring. Given the recommendations of the MTR, the mission agreed to a Level-2 Project restructuring process, which includes the following: revision of indicators and targets (to accommodate the new emphasis on technical assistance over training); new mobilization strategy and revisited impact evaluation strategy (changes in recruitment strategy, random selection process and scope); strengthening of SENAR procurement capacity (including regional offices), and revision of the implementation chronogram (and closing date, see below) and disbursements projection until the end of the project.</p> <p>Extension of project closing date. The Project Monitoring Committee (MAPA, SENAR and EMBRAPA), requested a one-year extension of the Project closing date, from November 20, 2018 to November 20, 2019, given the delays that occurred in the first two years of execution. The mission clarified that, to consider an extension, the Bank will need: (i) a justification for the extension request, together with an Action Plan (an updated physical-financial execution schedule and proposed actions to resolve the bottlenecks found in the Project midterm review report) demonstrating how the objectives of the project will be achieved within the new proposed closing date, and (ii) significant progress in the execution of the Project activities. The Action Plan was designed during the mission.</p> <p>Ratings: The ratings for progress towards PDO and overall implementation prog</p>

Project ID	Project Title	MDB	Investment Type	Funding	Expected Co-financing	Status	Reason/s for Disbursement Deviation	Planned Actions to Expedite Disbursements	Implementation Highlights
XFIPBR012A	Forest Information to Support Public and Private Sectors in Management Initiatives	IDB	Public	16.55	8	Disbursing	Government Approval Process,Lack of experience of the executing entity on IDB's bidding process ,The Government approval process for setting up a special account to receive FIP funding experienced some delay. The Bidding process for services contracted in the context of the Project, representing approximately 60% of the total amount of the TC, were launched in 2016 and it was the first experience the executing agency was having with these kind of procurement methods.	Regular meetings have taken place with the executing entity and IDB. IDB's procurement specialist have been working very closely with the project leader and execution agency in order to define and put in place an 'acceleration plan' for TC execution.	<p>The Project execution is on track. Please see below the description of activities carried out, per component: Component 1 – National Forest Inventory (IFN)- Cerrado</p> <p>Data collection</p> <p>The implementation of the National Forest Inventory in the Cerrado (Component I of the Project) implies collecting data in each of the eleven states that are part of the biome.</p> <p>For starting the data collection, priority was given to areas under greater deforestation pressure, mainly due to the expansion of agriculture. Six target areas were identified for data collection in the states of Maranhão, Tocantins, Piauí and Bahia (totalizing 70.3 million hectares - 34% of the biome) where data will be collected at 1,640 sampling points. The hiring process was completed and in April 2017 six companies were hired for the field work. The team currently working is composed by:</p> <ul style="list-style-type: none"> - 06 field coordinators - Forest engineers; - 06 supervisors of field teams - Forest engineers; - 18 field team leaders - Forest engineers; - 36 higher-level technicians (Biologists, Foresters, Agronomists, Botanists); - 06 supervisory assistants; - 36 field assistants. <p>The training course was held in May 2017 and 60 technicians were trained for the IFN-Cerrado activities. Field data collection began in June 2017 and data were collected in 450 sample units by August of this year.</p> <p>Botanical identification</p> <p>To carry out the botanical identifications of the samples collected in these areas, technical cooperation agreements are being negotiated with two research institutions in Brasília-DF; i) the CEN Herbarium of Embrapa Genetic Resources and Technology and the UNB Herbarium at the University of Brasília. The proposal is that these two institutions remain responsible for the identification of most of the botanical collections of the IFN Cerrado.</p> <p>In order to carry out these identifications, 12 individual consultants have been hired (August 2017): 2 PhD taxonomists, who will coordinate the identification work in each herbarium, 4 master taxonomists who will perform the identification and 6 herbarium technicians who will be responsible for different activities such as quality control of samples received, confection of exsiccates and filling of the database. In addition to the consultants hired by the project, the technical staff of both institutions will also make contributions to the work of identifying the IFN botanical samples.</p>
									<p>Soil</p> <p>The laboratory - SAFRAR ANALISES AGRICOLAS LTDA - was hired in July 2017 for the analysis of all soil samples collected under IFN. The company will receive up to 20,000 soil samples for analysis, including soil carbon analysis. To date (August 2017) 1,652 soil samples have already been collected.</p> <p>Component 2- National System of Forest Information (SNIF)</p> <p>Priority information</p> <p>With regard to Component II of the Project - Consolidation of the National System of Forest Information, a consulting company - STCP Engenharia de Projetos Ltda- was hired (December 2016) to organize workshops to gather different stakeholders acting in the Cerrado biome, with the objective of identifying priority information to be disseminated through SNIF. In 2016, the total number of accesses to the System's site was 230,623 (www.florestal.gov.br/snif). The main database is in an advanced stage of development and has already been used to produce information on various aspects of Sustainable Forest Management, not only in the Cerrado biome, but also in all the other biomes.</p> <p>Workshops</p> <p>For the execution of this survey, 5 workshops were organized (March and April 2017), with 89 attendants representing the Public sector, NGOs, Associations and Committees, Rural Producers, Representatives of Rural technical assistance institutions and Representatives of Universities and Research Centers that raised the demands for information for the sustainable forest management of the Cerrado and identified sources for the provision of this information.</p> <p>A Workshop to Consolidate Priority Information gathered during the Workshops was organized in August 2017 and was attended by 60 people from the different groups mentioned above.</p>
XFIPBR013A	Development of systems to prevent forest fires and monitor vegetation cover in the Brazilian Cerrado	IBRD	Public	9.25		Disbursing			Key actions have been agreed to speed up project implementation. A full report will be filed following the next implementation support mission, scheduled for September 2017.

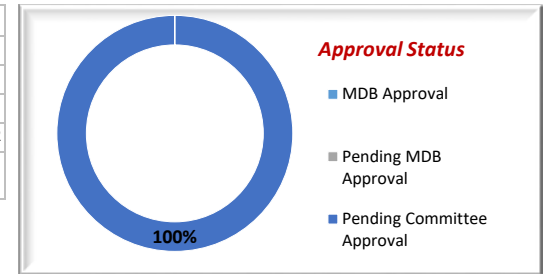
Project ID	Project Title	MDB	Investment Type	Funding	Expected Co-financing	Status	Reason/s for Disbursement Deviation	Planned Actions to Expedite Disbursements	Implementation Highlights
XFIPBR010A	Environmental Regularization of Rural Lands in the Cerrado of Brazil	IBRD	Public	32.48	26.43	MDB Approved			<p>The Brazil Investment Plan (BIP), endorsed by the Forest Investment Program Subcommittee in May 2012, seeks to promote sustainable land use and forest management improvement in the Cerrado, contributing to reducing pressure on the remaining forests, reducing GHG emissions and increasing CO2 sequestration. The BIP comprises coordinated actions by three Ministries (Environment; Science, Technology and Innovation; and Agriculture and Livestock and Food Supply) 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 Cadastro Ambiental Rural (CAR) is currently being implemented by the Brazilian Government. This policy aims to geo-reference all properties and promote monitoring of, and compliance with, natural vegetation conservation requirements. The CAR is primarily expected to enhance the ease of monitoring and enforcement of the Forest Code and other environmental legislations.</p> <p>According to information provided by National Forest Service (SFB), as of April 30, 2017, 4,104,247 private rural landholding had already registered the CAR system. This number covers an area of 409 million hectares and represents 97% of all rural area in Brazil. Nevertheless, besides the enrollment process, States become responsible for the processes of analyses, surveys and resolution of disputes for validation in the CAR system. Thus the CAR process still needs to be supported in order to help small rural landholders to be in compliance with the national environmental law and, consequently, enable them to access government rural credit and technical assistance services, which may lead to improvements in land use and natural resource management systems which their livelihood, food security, income, and quality of life mostly rely on. (see: http://www.florestal.gov.br/cadastro-ambiental-rural/)</p> <p>Furthermore, the Government is carrying out of a communications campaign and mobilization in the selected Municipalities. https://www.youtube.com/watch?v=5wvHwKH5VU</p> <p>The FIP: CAR Project will act in synergy with the ongoing efforts and other BIP projects, and will contribute to the achievement of objectives of both the National Policy on Climate Change and the Plan to Prevent and Control Deforestation and Fires in the Cerrado.. The Ministry of Environment, through Forest Service will conduct overall coordination. The SFB is working on the necessary documents in order for the Project to be declared effective.</p>

Projects/Programs Pending MDB/Committee Approval

Project ID	Project Title	MDB	Investment Type	Funding	Expected Co-financing	Status	Reason/s for Delay in MDB/Committee Approval	Brief Summary of the Situation	Planned Remedial Actions to Expedite MDB/Committee Approval
XFIPBR026A	Investment Plan Coordination Project	IBRD	Public	1.00	0.2	Pending MDB Approval	Project Design Phase	The project is currently being reviewed by the WB management for approval	30-Nov-17
XFIPBR027A	Integrated Landscape Management in the Cerrado Biome	IBRD	Public	25.00		Pending SC Approval		The team is currently working on project preparation and hoping to finalize by end of November 2017.	

Investment Plan	COTE D'IVOIRE
Endorsement Date	Jun-16
No of Projects	2

Indicative Pipeline Allocation (\$M)	24.0
SC Approvals (\$M)	-
Approval Rate	
MDB Approval (\$M)	-
Expected Cofinancing (\$M)	9.2
Disbursement as of June 2017 (\$M)	



MDB Approved Projects/Programs

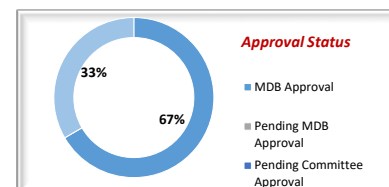
Project ID	Project Title	MDB	Investment Type	Funding	Expected Co-financing	Status	Reason/s for Disbursement Deviation	Planned Actions to Expedite Disbursements	Implementation Highlights
N/A									

Projects/Programs Pending MDB/Committee Approval

Project ID	Project Title	MDB	Investment Type	Funding	Expected Co-financing	Status	Reason/s for Delay in MDB/Committee Approval	Brief Summary of the Situation	Planned Remedial Actions to Expedite MDB/Committee Approval
XFIPCI029A	Forest Cover Restoration Project (FCRP)	IBRD	Public	20.70	9.23	Pending SC Approval		The team plans to submit the document for the FIP SC approval in October 2017.	A proposal for the reallocation will be submitted for approval to the FIP SC.
XFIPCI030A	Tai National Park Management Support Project (PAGT)	AfDB	Public	3.30		Pending SC Approval		AfDB has agreed with the World Bank to reallocate certain project components among themselves to ensure more efficiency in the implementation of FIP activities in the country.	A proposal for the reallocation will be submitted for approval to the FIP SC.

Investment Plan	GHANA
Endorsement Date	Nov-12
No of Projects	4

Indicative Pipeline Allocation (\$M)	60.0
SC Approvals (\$M)	39.97
Approval Rate	67%
MDB Approval (\$M)	39.97
Expected Cofinancing (\$M)	7.0
Disbursement as of June 2017 (\$M)	17.5



MDB Approved Projects/Programs

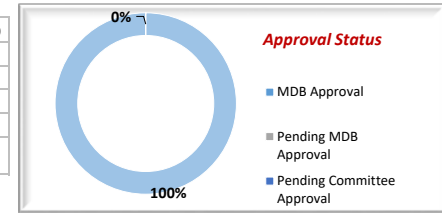
Project ID	Project Title	MDB	Investment Type	Funding	Expected Co-financing	Status	Reason/s for Disbursement Deviation	Planned Actions to Expedite Disbursements	Implementation Highlights
XFIPGH016A	Enhancing Natural Forest and Agroforest Landscapes Project	IBRD	Public	29.97		3 Disbursing			<p>Sustainable forest management and community engagement in natural resource management continues to be of high importance to the Ministry of Lands and Natural Resources. The ENFAL Project maintains emphasis on the continuing need to ensure that target communities are proactively involved in project activities and are aware and welcome the benefits of the project. A safeguards system and Grievance Redress Mechanism are in place to protect stakeholders from negative impacts from the Project and to provide a channel for complaints to be heard and responded to.</p> <p>On the ground, the Project consulted farm owners to raise awareness of the need to prevent expansion of farms and encroachment into forest reserves, and performed interventions including trainings on climate smart cocoa, consultations, sensitizations of admitted farmers and radio sensitization programs, as well as trainings in the incorporation of trees onto cocoa farms and seed production techniques for genetically superior tree species. The Project has benefited from robust cross-agency coordination with COCOBOD, which has introduced hand pollination of cocoa trees on admitted farms as a method to improve productivity and has allowed the Project to demonstrate to CREMAs in pilot areas the benefits of climate smart agriculture as an alternative to forest encroachment. In reserve areas the Forestry Commission has begun systematically conducting enrichment planting, as well as the planting of trees around reserve borders.</p> <p>There are also areas where the project can improve. Attention is needed to accelerate action on the ground to ensure that project timelines and results can be achieved within the current project period. Other areas for improvement include in inter-agency coordination, ensuring that safeguards are a tool for engaging communities, and in promoting legal and policy reforms, such as the Wildlife Resource Management Bill, including its component on CREMA awareness creation, and the Wood Procurement Policy, both of which need to be considered by Parliament and Cabinet. The Bank team and the PMU have discussed these issues and agreed on actions to remediate them. Overall, ENFAL progress has been encouraging. This has been recognized by the FIP Subcommittee, which has approved two elements of additional financing to expand the scope of activities under the Enhancing Natural Forest and Agroforest Landscapes Project to include: 1) rehabilitation of areas affected by illegal mining and 2) engaging the private sector to invest in tree plantations. FIP forms an integral part of Ghana's REDD+ agenda where FIP investments are seen as pilots for the larger-scale Emissions Reductions Program, currently under preparation (the Ghana Cocoa Forest REDD+ Program).</p>
XFIPGH017A	Engaging Local Communities in REDD+/Enhancement of Carbon Stocks	AFDB	Public	10.00	4.012	Disbursing	Procurement/Bidding Issues, Staff turn over on the Project Management Unit, The project implementing agencies have had difficulties in submitting disbursement requests and proper justifications on time. These issues have been caused mainly by the staff turnover in the accounting team and the lack of knowledge in AfDB's procurement procedures.	The new accountants joined the project team during the second quarter of 2016 and a training course in Financial Management was organized. AfDB expects that this training will lead to improvements in the overall implementation of the project and allow the team to catch up on delays.	The project is making good progress with respect to the implementation of all planned activities. However, the disbursement ratio is now at 34.30%, a percentage lower than the target of 50%.

Projects/Programs Pending MDB/Committee Approval

Project ID	Project Title	MDB	Investment Type	Funding	Expected Co-financing	Status	Reason/s for Delay in MDB/Committee Approval	Brief Summary of the Situation	Planned Remedial Actions to Expedite MDB/Committee Approval	Additional Comments
PFIPGH018A	Engaging the Private Sector in REDD+	IFC	Private	9.96	26	Pending SC Approval	Main reasons for the delay is robust due diligence process to identify investable projects and sponsors that meet IFC fiduciary requirements, Social and Environmental Performance Standards and FIP criteria	The technical preparatory work for project identification and discussions with potential clients are currently advancing and the project team has also identified an innovative additional element to possibly be included in the project design. Although sponsor identification has been a challenge, IFC is currently performing due diligence on a potential firm to identify an investable project and sponsor that meets IFC fiduciary requirements, Social and Environmental Performance Standards and FIP criteria.	In order to accelerate the execution of FIP resources in Indonesia and create incentives for private sector investments, IFC is finalizing an advisory services program that is expected to create the enabling environment and pre-conditions for successful investments to happen. The advisory services program aims to engage with private sector enterprises to address market barriers and validate the viability of business concepts that were identified during project preparation phase. IFC is also currently designing a possible new component that could be further developed under the advisory services and aiming to raise additional funds for forestry activities in Indonesia. The program will also work with the World Bank project to provide advisory support to private sector engagement by selected Forest Management Units (KPH). A program proposal is currently under preparation and IFC expects to submit it for approval to the FIP Sub-Committee by November 30, 2017.	2 following projects will be merged into one project : Engaging the Private Sector in REDD+ (PFIPGH018A); PFIPGH018A(XFIPGH028A)
XFIPGH028A	Reducing Degradation and Deforestation due to Mining in Forest Landscapes	IBRD	Public	10.00	Pending SC Approval		The team is currently working on project preparation and will finalize it by end of November 2017.			

Investment Plan	GUATEMALA
Endorsement Date	Jun-17
No of Projects	3

Indicative Pipeline Allocation (\$M)	24.0
SC Approvals (\$M)	
Approval Rate	
MDB Approval (\$M)	
Expected Cofinancing (\$M)	
Disbursement as of June 2017 (\$M)	



MDB Approved Projects/Programs

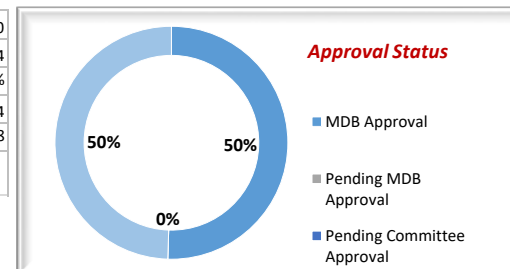
Project ID	Project Title	MDB	Investment Type	Funding	Expected Co-financing	Status	Reason/s for Disbursement Deviation	Planned Actions to Expedite Disbursements	Implementation Highlights
N/A									

Projects/Programs Pending MDB/Committee Approval

Project ID	Project Title	MDB	Investment Type	Funding	Expected Co-financing	Status	Reason/s for Delay in MDB/Committee Approval	Brief Summary of the Situation	Planned Remedial Actions to Expedite MDB/Committee Approval
XFIPGT033A	Sustainable Forest Management	IDB	Public	9.70		Pending SC Approval	Project design under preparation		
XFIPGT034A	Strengthening governance and livelihood diversification	IBRD	Public	11.80		Pending SC Approval	IP development stage		
XFIPGT035A	Access to funding (public and private)	IDB	Public	2.50		Pending SC Approval	Project design under preparation		

Investment Plan	INDONESIA
Endorsement Date	Nov-12
No of Projects	4

Indicative Pipeline Allocation (\$M)	70.0
SC Approvals (\$M)	35.4
Approval Rate	51%
MDB Approval (\$M)	35.4
Expected Cofinancing (\$M)	6.8
June 2017 (\$M)	1.3



MDB Approved Projects/Programs

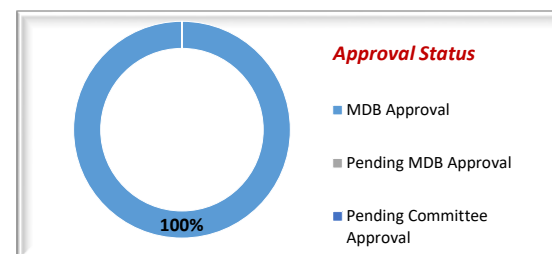
Project ID	Project Title	MDB	Investment Type	Funding	Expected Co-financing	Status	Reason/s for Disbursement Deviation	Planned Actions to Expedite Disbursements	Implementation Highlights
XFIPI019A	Community-Focused Investments to Address Deforestation and Forest Degradation(CFI-ADD+)	ADB	Public	17.50	1.7	MDB Approved	Not applicable	Regular meetings have taken place with the executing agency and ADB. ADB appointed a start-up procurement specialist to help the executing agency in preparing withdrawal applications to expedite the disbursement process. Training on using the ADB client portal for disbursement has been conducted.	Training of executing agency staff on ADB procurement and disbursement was conducted in March 2017. Delays were experienced in recruitment of grant implementation consultants (GIC). The contract with GIC is expected in early October 2017. Inception mission is expected in November 2017.
XFIPI020A	Promoting Sustainable Community-Based Natural Resource Management and Institutional Development	IBRD	Public	17.50	5.07	MDB Approved			Although initial progress has been slower than expected, the project is still at a relatively early stage of implementation and the delays to date do not significantly affect the likelihood of achieving the project objectives.
XFIPI020B	Promoting Sustainable Community-Based Natural Resource Management and Institutional Development	IBRD	Public	0.35		MDB Approved			Institutional and capacity strengthening activities are expected to begin in the first two KPHs selected for direct project support. Formal announcement of the selection of the remaining eight KPHs is expected shortly.

Projects/Programs Pending MDB/Committee Approval

Project ID	Project Title	MDB	Investment Type	Funding	Expected Co-financing	Status	Reason/s for Delay in MDB/Committee Approval	Brief Summary of the Situation	Planned Remedial Actions to Expedite MDB/Committee Approval
PFIPID021A	Strengthening Forest Enterprises to Mitigate Carbon Emissions	IFC	Private	34.65	99	Pending SC Approval	Main reasons for the delay are 1) Robust due diligence process to identify investable projects and sponsors that meet IFC fiduciary requirements, Social and Environmental Performance Standards and FIP criteria; 2) Challenges to survey, identify and engage with profitable private sector forestry and wood product enterprises that have robust growth plans and projects to utilize the FIP investment and advisory financing; and 3) Organizational changes in the Gol in early 2015 (new Ministry and FIP focal point).	The technical preparatory work for project identification and discussions with potential clients are advancing. IFC is performing due diligence on six potential firms to identify an investable project and sponsor that meets IFC fiduciary requirements, Social and Environmental Performance Standards and FIP criteria. Sponsor identification continues to be a challenge, especially in the context of the Indonesian forestry sector. Progress is steady, but slow, and will likely be that way to ensure that there are no compromises on the required due diligence for this work. A separate proposal will be presented for investment at a later stage	In order to accelerate the execution of FIP resources in Indonesia and create incentives for private sector investments, IFC is developing an advisory services program that is expected to create the enabling environment and pre-conditions for successful investments to happen. The advisory services program aims to engage with private sector enterprises to address market barriers and validate the viability of business concepts that were identified during project preparation phase. The program will also work with the World Bank project to provide advisory support to private sector engagement by selected Forest Management Units (KPH). IFC is developing a program proposal and expects to submit an proposal to FIP SubCommittee for advisory serviced by June 2017.

Investment Plan	MEXICO
Endorsement Date	Oct-11
No of Projects	3

Indicative Pipeline Allocation (\$M)	60.0
SC Approvals (\$M)	60.0
Approval Rate	100%
MDB Approval (\$M)	60.0
Expected Cofinancing (\$M)	687.0
Disbursement as of June 2017 (\$M)	38.17

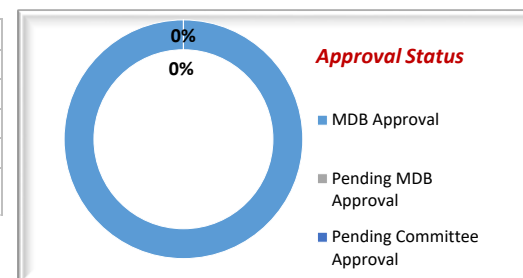


MDB Approved Projects/Programs

Project ID	Project Title	MDB	Investment Type	Funding	Expected Co-financing	Status	Reason/s for Disbursement Deviation	Planned Actions to Expedite Disbursements	Implementation Highlights
XFIPMX007A	Forests and Climate Change Project	IBRD	Public	42.00	683	Disbursing			<p>Progress in achieving the Project Development Objective (PDO) is rated Satisfactory, and significant advancements in reaching PDO targets can be reported:</p> <ol style="list-style-type: none"> 2.4 million additional hectares managed by Communities and Ejidos benefitting from conservation and sustainable management practices as compared to the outset of the project (from 2.05 million hectares in 2011 [baseline] to 4.45 million hectares by the end of 2016, which represents an increase of about 117%) Number of Communities and Ejidos benefitting from CONAFOR programs increased by more than 1,279 (from 1,923 in 2011 [baseline] to a total of 3,202 by the end of 2016, which represents an increase of 67%). Substantial progress can also be reported at the Component-level, such as for Component 1 (Policy Design and Institutional Strengthening), including: (i) the strengthening of M&E systems, including the MRV system; (ii) the establishment of a cohort of certified private technical service providers (924 technicians, who have received certification to offer beneficiaries advisory services); and (iii) CONAFOR, SEMARNAT, and SAGARPA linking electronic database information to support and improve agency planning. Under Component 2 (Consolidation of Priority Community-Based Programs), the project has led to a significant expansion in the reach of CONAFOR's programs to Communities and Ejidos (as shown by PDO indicators). Major progress can also be reported on Component 3 (Innovation for REDD+ in Early Action Areas), which had experienced some initial delays but is now being implemented in a satisfactory manner: this component is establishing a new form of support to Communities and Ejidos, focusing on a more integrated, territorial approach. Also, the results of Component 3 are providing inputs toward the overall REDD+ readiness process, supported under the FCPF readiness window, and the preparation of the Emission Reduction Program (ER-P) that CONAFOR is developing under the FCPF Carbon Fund framework.
XFIPMX008A	Financing Low Carbon Strategies in Forest Landscapes	IDB	Public	15.00		Disbursing	There have been multiple changes in the management of the executing entity, which have delayed the bidding process related to the technical assistance bidding process and the disbursement of loans; Limited disbursement to date	Various missions took place the first half of the year to agree on next steps to agilize the process. Disbursements of both technical assistance and loan are expected for the second half of the year.	A request to remove the Project from the pipeline has been sent to the CIF AU on September 18th.

Investment Plan	MOZAMBIQUE
Endorsement Date	Jun-16
No of Projects	2

Indicative Pipeline Allocation (\$M)	24.0
SC Approvals (\$M)	24.0
Approval Rate	1%
MDB Approval (\$M)	24
Expected Cofinancing (\$M)	28.8
Disbursement as of June 2017 (\$M)	2.0



MDB Approved Projects/Programs

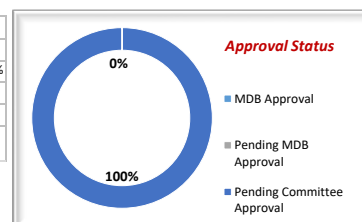
Project ID	Project Title	MDB	Investment Type	Funding	Expected Cofinancing	Status	Reason/s for Disbursement Deviation	Planned Actions to Expedite Disbursements	Implementation Highlights
XFIPMZ031A	Mozambique Forest Investment Project (MozFIP)	IBRD	Public	22.00	12	MDB Approved			The project is at the very early stages of its implementation.
PFIPMZ032A	Emissions Reductions in the Forest Sector Through Planted Forests with Major Investors	IFC	Private	2.00	2.117366	MDB Approved	Due diligence on the project took a bit longer than anticipated, but a proposal will be submitted to the FIP SubCommittee in March/April 2017		

Projects/Programs Pending MDB/Committee Approval

Project ID	Project Title	MDB	Investment Type	Funding	Expected Cofinancing	Status	Reason/s for Delay in MDB/Committee Approval	Brief Summary of the Situation	Planned Remedial Actions to Expedite MDB/Committee Approval
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Investment Plan	PERU
Endorsement Date	Oct-16
No of Projects	2

Indicative Pipeline Allocation (\$M)	50.0
SC Approvals (\$M)	
Approval Rate	3%
MDB Approval (\$M)	
Expected Cofinancing (\$M)	
Disbursement as of June 2017 (\$M)	0.3



MDB Approved Projects/Programs

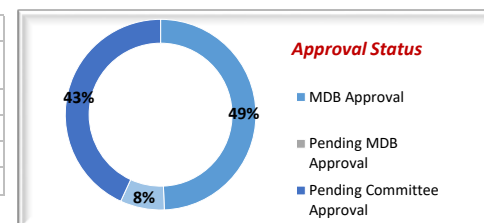
Project ID	Project Title	MDB	Investment Type	Funding	Expected Co-financing	Status	Reason/s for Disbursement Deviation	Planned Actions to Expedite Disbursements	Implementation Highlights
N/A									

Projects/Programs Pending MDB/Committee Approval

Project ID	Project Title	MDB	Investment Type	Funding	Expected Co-financing	Status	Reason/s for Delay in MDB/Committee Approval	Brief Summary of the Situation	Planned Remedial Actions to Expedite MDB/Committee Approval	Additional Comments
XFIPPE022A	Integrated Forest Landscape Management Along the Main Route Between Tarapoto and Yurimaguas in the Regions of San Martin and Loreto	IDB	Public	12.57	7.3	Pending SC Approval	The proposed coordinator of the consulting team had to be replaced due to unexpected circumstances. Finding a suitable replacement with the desired qualifications took longer than expected. The participation of different ministries and representatives of indigenous federations and regional governments in the TOR approval and selection process took longer than a regular process. A new coordinator was finally accepted. Change in Government focal points took place in the Fall of 2016 after country elections.	Expected to be presented to the FIP SubCommittee by September 30th	A more efficient execution scheme is currently being coordinated with the Ministry of the Environment and her team, in order to make faster decisions and improve coordination with the Ministry of Economy and Finance. Discussion with the Government, including a mission at the end of January 2017, took place in order to illustrate the new Management Policy Pipeline for the FIP.	3 following projects will be merged into one project: Forest Investment Programme= (XFIPPE033A) Integrated Forest Landscape Management Along the Main Route Between Tarapoto and Yurimaguas in the Regions of San Martin and Loreto (XFIPPE022A); Integrated Landscape Management Along the Main Route Between Puerto Maldonado and Inapari and in the Amaraeri Communal Reserve (XFIPPE024A) Strengthening National Forest Governance and Innovation (XFIPPE025A)
XFIPPE024A	Integrated Landscape Management Along the Main Route Between Puerto Maldonado and Inapari and in the Amaraeri Communal Reserve	IDB	Public	12.37	14.3	Pending SC Approval	The proposed coordinator of the consulting team had to be replaced due to unexpected circumstances. Finding a suitable replacement with the desired qualifications took longer than expected. The participation of different ministries and representatives of indigenous federations and regional governments in the TOR approval and selection process took longer than a regular process. A new coordinator was finally accepted. Change in Government focal points took place in the Fall of 2016 after country elections.	The consulting team is working at speed under the coordination of IDB Team Leader and Government focal point. Some changes in the national approval system (SNIP) took place and should make the overall process faster. The Government and IDB specialists are aware of the new management Pipeline Policy for FIP and, in the course of a IDB technical mission in January 2017, a timetable has been prepared to aim at the deadlines presented in the Policy.	A more efficient execution scheme is currently being coordinated with the Ministry of the Environment and her team, in order to make faster decisions and improve coordination with the Ministry of Economy and Finance. Discussion with the Government, including a mission at the end of January 2017, took place in order to illustrate the new Management Policy Pipeline for the FIP.	
XFIPPE025A	Strengthening National Forest Governance and Innovation	IDB	Public	12.46	11	Pending SC Approval	The proposed coordinator of the consulting team had to be replaced due to unexpected circumstances. Finding a suitable replacement with the desired qualifications took longer than expected. The participation of different ministries and representatives of indigenous federations and regional governments in the TOR approval and selection process took longer than a regular process. A new coordinator was finally accepted. Change in Government focal points took place in the Fall of 2016 after country elections.	The consulting team is working at speed under the coordination of IDB Team Leader and Government focal point. Some changes in the national approval system (SNIP) took place and should make the overall process faster. The Government and IDB specialists are aware of the new management Pipeline Policy for FIP and, in the course of a IDB technical mission in January 2017, a timetable has been prepared to aim at the deadlines presented in the Policy.	A more efficient execution scheme is currently being coordinated with the Ministry of the Environment and her team, in order to make faster decisions and improve coordination with the Ministry of Economy and Finance. Discussion with the Government, including a mission at the end of January 2017, took place in order to illustrate the new Management Policy Pipeline for the FIP.	
XFIPPE023A	Integrated Land management in Atalaya, Ucayali Region	IBRD	Public	12.60	5	Pending SC Approval	Government Restructuring	The team is currently working on project preparation and hoping to finalize by end of November 2017.	The work is ongoing.	

DEDICATED GRANT MECHANISM	DGM
Endorsement Date	Nov-13 Oct-15
No of Projects	16

Indicative Pipeline Allocation (\$M)	80.0
SC Approvals (\$M)	
Approval Rate	45.5%
MDB Approval (\$M)	41%
Expected Cofinancing (\$M)	39.5
Disbursement as of June 2017 (\$M)	-
	6.4



MDB Approved Projects/Programs

Project ID	Country	Project Title	MDB	Investment Type	Funding	Expected Co-financing	Status	Reason/s for Disbursement Deviation	Planned Actions to Expedite Disbursements	Implementation Highlights
XFIPDG201A	Brazil	Dedicated Grant Mechanism for Indigenous Peoples and Local Communities: Funding Proposal for the DGM Project for Brazil	IBRD	Public	6.50		Disbursing			<p>The first call of proposals for community subprojects for financing by the project was a great success. The expectation was surpassed as a consequence of an effective dissemination strategy. A total of 41 proposals have been selected for funding by the National Steering Committee.</p> <p>In January and February 2017, the NEA organized three workshops convening 2 representatives from each of the preselected proponents and provided the technical training and guidance needed to detail their subprojects, present the Operational Manual for the Subprojects and all of their responsibilities once the Sub-Grants are signed.</p> <p>During the evaluation of the pre-selected proposals, the NEA realized that: (i) the beneficiary Indigenous Peoples and Traditional Community (IPTC) Organizations would incur in incremental operational costs for implementing their subprojects – these would include inter alia: (i) operation and maintenance of vehicles and fuel; and (ii) travel and field work costs (including accommodations, transportation costs and per diem).</p> <p>As a result, the NEA requested the Bank to include this type of expense to cover reasonable Indigenous Peoples and Traditional Communities organization’s incremental operating costs under Category 1 of the Disbursement Categories (up to 10 percent of each subproject costs).</p> <p>The Bank team started the process for a level 2 project restructuring, during which the team and the NEA identified and agreed that the following changes were needed in the Grant Agreement: (i) to revise the definition of operational costs, distinguishing “incremental operating costs”, “IPTC Operating Costs” and “In house costs”; (ii) to include the “in house costs” disbursement category under components 1 and 2; and (iii) to revise one of the intermediate indicators, replacing the original indicator “vulnerable/marginalized people in project area that are project beneficiaries (Percentage, Core)” by the new indicator “share of project beneficiaries that are members of vulnerable or marginalized families (Percentage, Custom)”, which is defined as percentage of project beneficiaries who are beneficiaries of the Brazilian Government’s flagship “cash transfer Program” for families under extreme poverty, called Bolsa Família (BF).</p> <p>The agreed changes align Project implementation with the guidelines and principles that have been previously discussed and approved by the NSC during project preparation and the approval of the call of expression of interest for community subprojects. These changes were submitted to the NSC during its Third Ordinary Meeting, which occurred March 8-10, in Brasília, and ratified by unanimous decision of NSC members.</p> <p>Sub-grant agreements could not be signed until project restructuring was approved (May 18, 2017), delaying project implementation. A specific Manual of Subproject Implementation was developed and disseminated among the beneficiary organizations. All 41 sub-grant agreements will be signed until June 30, 2017, launching the implementation of the community subprojects.</p>

XFIPDG202A	Burkina Faso	Dedicated Grant Mechanism for Local Communities	IBRD	Public	4.50		Disbursing			<p>The project was declared effective on September 16, 2014. The project is about 18 months behind schedule but is making good progress especially at the strategic level.</p> <p>Partnerships between the FIP and specific government agencies or other ministries – SP CNDD, Decentralization (MATD), rural land tenure management (DGFOMR)), cadaster, tax office (DGI) have been identified and greater collaboration is being fostered to leverage more action.</p> <p>The creation of a General Directorate on Green Economy and Climate Change integrating REDD+ now provides the Ministry of Environment with an adequate body to implement and supervise the project's REDD+ activities.</p> <p>Regarding the REDD+ Readiness agenda, the project is moving on several fronts; the local consultations have been prepared and will be carried out in September. The recruitment of the Measurement, Reporting, and Verification (MRV) team has been completed and work is on-going with the support of national technical agencies (BUNASOL and IGB). Finally, 3 experts have been recruited to coordinate the studies on "factors of deforestation and strategy". The studies will then have to be procured and implemented before December. Regarding the local development component, the local participatory diagnostics in each of the 32 communes using an innovative methodology ("Territories" from a French research institute, CIRAD) has been completed. The development of communal REDD+ investment projects aligned with the land use plans, as opposed to sporadic micro-projects, is operational and the design of the financing scheme has been confirmed during a high level workshop. Firms/NGOs in charge of helping communities develop their REDD+ investment projects are about to be hired.</p> <p>Positive linkages were made with private investors seeking to develop "carbon" projects in Burkina Faso. This could pave the way for a future program on carbon emission reduction that would integrate such "carbon" projects as champions and be based on the investments at the communal level.</p>
XFIPDG209A	Global Component	Dedicated Grant Mechanism for Indigenous Peoples and Local Communities: Program Framework and Funding Proposal for the DGM Project for the Global Component	IBRD	Public	5.00		Disbursing			No updates
XFIPDG208A	Peru	Dedicated Grant Mechanism in Peru	IBRD	Public	5.50		Disbursing			<p>Concrete results from the 2 proposal rounds:</p> <p>Round 1 (benefitting 5000 families): Recognition and Registration = 124/147 native community registration processes have been completed and the community formally registered on the Public Registry. The rest are in progress.</p> <p>Land Titling = 1/21 has been registered in SUNARP. Remaining 20 have completed all the steps but are waiting on soil classification which is a responsibility of the government. National Steering Committee and National Executing Agency are following this closely.</p> <p>Community Forestry: 9 subprojects are under implementation with technical assistance from the NEA.</p> <p>Round 2 (approved in July 2017): Recognition and Registration = 120 subprojects approved and are in process. Land Titling = 84 subprojects approved and are in process.</p> <p>Community Forestry: 56 subprojects approved and will be under implementation with technical assistance from the NEA as soon as the sub-grant agreements are signed.</p> <p>This will bring the total approved proposals to 167 for recognition and registration, 105 for land titling and 65 for community forest subprojects which is consistent with the results agreement for Year 3 of implementation.</p> <p>Next supervision mission is planned for October 9-12, 2017. This mission will focus on land titling component and how to better regulate disbursements.</p>

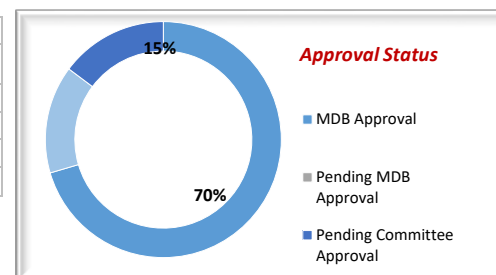
XFIPDG203A	DRC	Forest-Dependent Community Support Project	IBRD	Public	6.00		Disbursing			<p>The project became effective on June 21, 2016. The Implementation Agency has received its initial advance.</p> <p>The Steering Committee approved the first Annual Work Program and Budget (PTBA) and its subsequent revisions. The project implementation slowed down in 2017 due to its inherent innovative nature and the weak capacities of the stakeholders - including the Steering Committee members, the Implementing agency and the potential contractors.</p> <p>The main weakness identified is the reporting and evaluation. Without proper reporting, the project is unable to present its progress and is unable to communicate properly with the deciders and the public. Considering the high risks of the project and its innovative nature, lack of communication may cause concerns and make the project appear as if it is not moving forward with satisfaction.</p> <p>However, following the latest supervision mission (August 2017), the implementing agency, CARITAS Congo had identified and addressed the main challenges and has already started improving project management.</p>
XFIPDG204A	Ghana	DGM for Indigenous Peoples and Local Communities	IBRD	Public	5.50		MDB Approved	MDB Approval/Review Process		<p>The project is slated to become effective August 19th. The required documents include a) evidence of recruitment of a procurement specialist; b) a grants manual; c) an operational manual. Currently the procurement specialist is recruited and the team is awaiting finalization of the contract document; the grants manual is being revised and the operational manual is cleared. It is expected that barring unforeseen circumstances effectiveness will be attained without delay.</p>
XFIPDG205A	Indonesia	DGM for Indigenous Peoples and Local Communities	IBRD	Public	6.50		MDB Approved	MDB Approval/Review Process		<p>The project became effective as of June 9, 2017</p>

Projects/Programs Pending MDB/Committee Approval

Project ID	Country	Project Title	MDB	Investment Type	Funding	Expected Co-financing	Status	Reason/s for Delay in MDB/Committee Approval	Brief Summary of the Situation	Planned Remedial Actions to Expedite MDB/Committee Approval
XFIPDG207A	Mexico	DGM for Indigenous Peoples and Local Communities	IBRD	Public	6.00		Pending MDB Approval	Stakeholder process	Stakeholder process for defining a National Steering	
XFIPDG210A	Congo	DGM for Indigenous Peoples and Local Communities	IBRD	Public	4.50		Pending SC Approval		IP development stage	
XFIPDG211A	Cote d'Ivoire	DGM for Indigenous Peoples and Local Communities	IBRD	Public	4.50		Pending SC Approval		Project preparation stage	
XFIPDG212A	Ecuador	DGM for Indigenous Peoples and Local Communities	IBRD	Public	4.50		Pending SC Approval		IP development stage	
XFIPDG216A	Global Component	DGM for Indigenous Peoples and Local Communities	IBRD	Public	3.00		Pending SC Approval	MDB Approval/Review Process	Internal processes with the CI	
XFIPDG213A	Guatemala	DGM for Indigenous Peoples and Local Communities	IBRD	Public	4.50		Pending SC Approval		Project preparation stage, the IP was endorsed in June 2017.	
XFIPDG206A	Lao PDR	DGM for Indigenous Peoples and Local Communities	IBRD	Public	4.50		Pending SC Approval	Government Approval Process	No agreement between the Government of Laos and WB on formal initiation process	
XFIPDG214A	Mozambique	DGM for Indigenous Peoples and Local Communities	IBRD	Public	4.50		Pending SC Approval		Project is going through internal processes	
XFIPDG215A	Nepal	DGM for Indigenous Peoples and Local Communities	IBRD	Public	4.50		Pending SC Approval		IP development stage	

PRIVATE SECTOR SET ASIDE	PSSA
Endorsement Date	Oct-13
No of Projects	4

Indicative Pipeline Allocation (\$M)	20.3
SC Approvals (\$M)	17.3
Approval Rate	51%
MDB Approval (\$M)	14.3
Expected Cofinancing (\$M)	8.61
Disbursement as of June 2017 (\$M)	9.2



MDB Approved Projects/Programs

Project ID	Country	Project Title	MDB	Investment Type	Funding	Expected Co-financing	Status	Reason/s for Disbursement Deviation	Planned Actions to Expedite Disbursements	Implementation Highlights
PFIPGH504A	Ghana	Public-Private Partnership for restoration of degraded forest reserve through VCS and FSC certified plantations	AfDB	Private	10.30		Disbursing			Financial Documentation is currently being negotiated with the sponsor.
XFIPBF503A	Burkina Faso	Climate change mitigation and poverty reduction through the development of the cashew sector in Burkina Faso (Wouol project)	AfDB	Public	4.00	2.497	MDB Approved			

Projects/Programs Pending MDB/Committee Approval

Project ID	Country	Project Title	MDB	Investment Type	Funding	Expected Co-financing	Status	Reason/s for Delay in MDB/Committee Approval	Brief Summary of the Situation	Planned Remedial Actions to Expedite MDB/Committee Approval
PFIPMX505A	Mexico	Guarantee Fund for financing low carbon forestry investments	IDB	Private	3.00		Pending SC Approval	Project Design Phase	Request for removal from the pipeline has been sent to CIF AU on September 18th	IADB engaged with other potential counterparts in Mexico, suitable to take the role and implement an alternative financial scheme
PFIPBR501A	Brazil	Macauba Palm Oil in Silvicultural System	IDB	Private	3.00		Pending SC Approval	Project Design Phase; Initial design of the project had to be changed given market conditions and higher risk aversion of lenders	Project approved by FIP SubCommittee and by MIF/IDB Board in July 2017.	Considering provision of equity from FIP financing, channelled through a specific purpose vehicle managed by a private equity fund. MIF/IDB is finalizing internal pre appraisal process. It is expected to be presented to the FIP SubCommittee within the deadlines defined by the FIP Management Pipeline Policy.

Annex A

BRIEF EXPLANATION OF REASONS FOR DELAY/DISBURSEMENT DEVIATION

REASONS FOR CIF TFC/SC AND MDB APPROVAL DELAY
• Natural Disaster/Epidemic: Includes earthquakes, hurricanes, disease outbreaks, etc.
• Political or Social Unrest: Includes civil wars, coup d'états, riots, etc.
• Government Restructuring: Includes changes in government (elections), or in staffing of the relevant Ministries or participating governmental institutions.
• Government Approval Process: Includes lengthy approvals processes, reviews and pre-approvals in several steps and by multiple ministries or government hierarchies.
• Project Design Phase: Includes project design development, recruitment of technical experts, consultations with different stakeholders, negotiations etc.
• Safeguards Compliance: Includes fulfilling all safeguards requirements that need to be included in the project documents.
• MDB Approval/Review Process: Includes internal delays in project approval or review processes, staffing shortages or administrative problems, etc.
• Other

REASONS FOR DISBURSEMENT DEVIATION
• Natural Disaster/Epidemic: Includes earthquakes, hurricanes, disease outbreaks, etc.
• Political or Social Unrest: Includes situations such as civil wars, coup d'états, riots, etc.
• Government Restructuring: Includes changes in government (elections), or in staffing of the relevant Ministries or participating governmental institutions, delays due to new or special processes created internally by the government, etc.
• Government Approval Process: Includes lengthy disbursements processes, approval in several steps and by multiple ministries or government hierarchies. Especially loan projects, which need approval by parliament.
• Establishment of the Project Management Unit (PMU): Includes recruitment of the PMU staff/ technical team, capacity building, legal establishment of PMU within Government, setting up funding channels, etc.
• Procurement/Bidding Issues: Includes implementation of complex and large-scale bidding processes, adhering to MDBs procurement policies, identification of suitable candidates / qualified offers, etc.
• Delayed Disbursement by Design: Includes cases where CIF funds are planned to be disbursed at a later stage of the project/program implementation (for example in the case of blended projects where disbursement is executed in phases of the co-finance).
• Project Restructuring: Includes fundamental changes in project design or other project amendments.
• Other