

# CLIMATE INVESTMENT FUNDS

FIP/SC.11/Inf.4  
October 1, 2013

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Meeting of the FIP Sub-Committee  
Washington, D.C.  
October 30, 2013

**PROPOSED MODIFICATIONS BY FIP PILOT COUNTRIES TO THE  
REPORT OF THE FIP SUB-COMMITTEE WORKING GROUP  
ON ANNUAL REPORTING ON THE IMPLEMENTATION OF THE FIP INVESTMENT PLANS  
(SEPTEMBER 24, 2013)**

## **I. INTRODUCTION**

1. The FIP pilot countries meeting took place on September 24-26, 2013 in Yogyakarta, Indonesia. A full day was dedicated to discuss and provide views on the proposal prepared by the FIP Sub-Committee working group.
2. The FIP pilot countries suggested modifications to the proposed approach for monitoring and reporting prepared by the FIP Sub-Committee working group to reflect the potential of the pilot countries to report on the themes.
3. The modifications to the original report of the working group are highlighted in track-changes.

**REPORT OF THE FIP SUB-COMMITTEE WORKING GROUP  
ON ANNUAL REPORTING ON THE IMPLEMENTATION OF THE FIP INVESTMENT PLANS**

**I. INTRODUCTION**

1. During its meeting in May 2013, the FIP Sub-Committee reviewed document FIP/SC.10/5, *Approaches to Measuring and Reporting Results in endorsed FIP Investment Plans*, took note of the report's findings and requested the CIF Administrative Unit to:

- a) organize, as soon as possible, a virtual meeting of FIP pilot countries to discuss, after internal consultations in each pilot country, emerging common indicators for measuring progress at the level of the FIP investment plan, taking into account the findings of the report;
- b) organize a meeting or meetings, as necessary, by teleconference, videoconference, or in person, of a working group comprised of representatives from interested FIP pilot countries and contributor countries, the CIF Administrative Unit and the MDBs, to propose a few core indicators to be measured at the level of the investment plan, taking into account the results from the discussion among FIP countries;
- c) organize, during the next meeting of the FIP pilot countries scheduled to be held in October 2012, a session on FIP monitoring and reporting so as to allow further discussion and a recommendation of the proposed core indicators to the FIP Sub-Committee; and
- d) with inputs from the working group and taking into account the comments received during the meeting of FIP pilot countries, to prepare for approval by the FIP Sub-Committee at its meeting in November 2013, core indicators to be measured at the investment plan level. In presenting the core indicators, the proposal should include a description of how project level indicators would relate to the core indicators.

2. Further to this decision, the CIF Administrative Unit consulted with the Co-Chairs of the Sub-Committee, and they agreed that the working group should consist of 8 representatives:

- a) two Sub-Committee members from the FIP pilot countries group;
- b) two Sub-Committee members from the contributor countries group;
- c) two representatives from the MDBs, and
- d) two representatives from the CIF Administrative Unit.

3. Each of the groups identified above were invited to identify two representatives to participate in the working group.

4. The working group met on August 29-30, 2013, in Washington D.C., and the following representatives participated in the meeting:

- Mr. Victor Agyeman, Representative of the Government of Ghana
- Ms. Berenice Hernández Toro, Representative of the Government of Mexico
- Ms. Gaia Allison, Representative of the Government of the United Kingdom
- Ms. Katie Berg, Representative of the Government of the United States
- Mr. Juan Alberto Chang, Inter-American Development Bank
- Mr. Gerhard Dieterle, World Bank
- Ms. Andrea Kutter, CIF Administrative Unit (FIP Coordinator)
- Ms. Christine Roehrer, CIF Administrative Unit (M&E Specialist)

5. The working group requested the CIF Administrative Unit to chair the meeting.

6. The working group agreed that the foundation for its work to develop a proposal on core indicators/themes is the *FIP Design Document*<sup>1</sup> which provides:

*“The main purpose of the FIP is to support developing countries’ REDD-efforts, providing up-front bridge financing for readiness reforms and public and private investments identified through national REDD readiness strategy building efforts, while taking into account opportunities to help them adapt to the impacts of climate change on forests and to contribute to multiple benefits such as biodiversity conservation, protection of the rights of indigenous peoples and local communities, poverty reduction and rural livelihoods enhancements. The FIP will finance efforts to address the underlying causes of deforestation and forest degradation and to overcome barriers that have hindered past efforts to do so.”*

7. The working group recognized that investments to be financed by the FIP under the investment plans are consistent with, and will contribute to, the overarching objectives of the FIP. While investment plans elaborate on diverse investments and approaches across the FIP pilot countries in recognition of differing country circumstances and contexts, based on the FIP objectives, there are probably a few themes suited for [annual/biannual](#) monitoring and reporting emerging that could become the most salient themes to be adopted by all eight pilot countries, taking into account country’s capacities and the strategy presented in the investment plan. These themes lend themselves to both quantitative and qualitative measurements and may be appropriate common reporting categories regardless of the nature of the country program and its investments.

8. The working group further clarifies that the positioning of biodiversity and ecosystem services indicators as optional co-benefit indicators to report on where relevant, is not a reflection on the importance of this co-benefit, but rather a reflection of how difficult it is for countries to find the right means of measurement, and also how difficult it is to find a common indicator when the issues are very context specific. Additional support would be needed to explore cost-effective indicators and means of measurement for biodiversity and ecosystem services co-benefits, and that the methodologies envisaged in the FIP results framework may need to be re-examined accordingly.

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<sup>1</sup> Approved in July 2009

9. The working group agreed that there are mutual benefits to agreeing on limited but focused number of themes for measurement and [annual/biannual](#) reporting in the context of the existing FIP results framework across all FIP investment plans. It was underscored that any proposal for core indicators/themes does not strive for perfect measures; it is important that FIP pilot countries start reporting on progress at the country-level.

10. The working group considered a number of options for common themes that could be included in the pilot countries' [annual/biannual](#) reports on their investment plan, and agreement was reached on the proposal presented in the annex to this report. The proposal seeks to clarify the role of the FIP results framework<sup>2</sup> in the FIP results agenda and to provide further focus on a few themes for measurement and [annual/biannual](#) reporting across all FIP investment plans.

11. The proposal aims to align the FIP [annual/biannual](#) report with the FIP results framework. The [annual/biannual](#) FIP report should be harmonized with the expected results identified in each country program results framework which is the basis for the future mid-term and final evaluation of FIP country programs.

12. The working group also noted the importance of opportunities for knowledge sharing between pilot countries. For example, if one FIP pilot country has already developed a useful methodology to carry out measurements in one or more of the agreed themes, it could usefully share the experience and practice with other interested FIP pilot countries.

13. The working group also recommends the following:

- a) Based on the clarification that the current FIP results framework and its adoption in the endorsed investment plans is the basis for mid-term and ex-post evaluation in the FIP pilot countries, the FIP Sub-Committee should invite pilot countries to revisit their results frameworks and decide as to whether they wish to revise it in order to reflect a more realistic set of expected results from FIP investments. Any revised results framework should be submitted to the FIP Sub-Committee for endorsement;
- b) Once the [annual/biannual](#) reporting outline has been agreed on, the CIF Administrative Unit should be invited to provide further guidance on the reporting for each category, guidelines for reporting and a calendar for submissions of the [annual/biannual](#) reports; and
- c) FIP pilot countries should be invited to identification capacity development needs for complying with the [annual/biannual](#) reporting.

## II. NEXT STEPS

14. As agreed by the FIP Sub-Committee in its decision, the working group's report and proposal will be submitted for discussion to the meeting of FIP pilot countries (September 24-26, 2013). Based on the discussions, the CIF Administrative Unit will finalize the proposal for review and discussion in the meeting of the FIP Sub-Committee on November 1, 2013.

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<sup>2</sup>Approved by the FIP Sub-Committee on May 13, 2011.

## **Annex: Proposal for AnnualBiannual Reporting on the Implementation of the FIP Investment Plans**

### **General Principles**

1. The implementation of the FIP results agenda is based on the following principles.
  - a) The current FIP results framework and its adoption in the endorsed investment plans is the basis for mid-term and ex-post evaluation in the FIP pilot countries.
  - b) FIP pilot countries will report annualbiannually to the CIF Administrative Unit on progress in implementing their endorsed investment plans, consistent with the FIP results framework and the annualbiannual reporting outline presented in paragraphs 4 and 5 below. The annualbiannual report should provide status and progress data and information for country investment plans and the FIP as a whole.
  - c) AnnualBiannual reports will consist of a mix of qualitative and quantitative information. Some of the measures in agreed themes will be developed around quantitative data but, for others, qualitative measures might be more appropriate.
  - d) The pilot country's annualbiannual report should also include a narrative reflecting on programmatic aspects such as the validity of the theory of change presented in the investment plan which was the basis for the agreed investments.
  - e) Results measurement and reporting is an iterative and learning process. FIP pilot countries are encouraged in their annualbiannual reporting to identify challenges with measuring data and collecting information as they relate to the agreed common themes, so that the CIF Administrative Unit can provide guidance and support and explore opportunities for South-South learning.

### **FIP results framework and Investment Plan results frameworks**

2. Some FIP pilot countries have integrated the approved FIP results framework in full into their investment plans, while others have chosen to integrate only selected elements, based on the scope of their respective investment plans. Given that the investment plans and their results frameworks were completed before any of the FIP projects had been fully designed, it has now become clear that some or most of the results frameworks in the endorsed FIP investment plans may not fully reflect the proposed theory of change for using allocated FIP resources, resulting in difficulties with measuring some of the listed indicators. Even if fully developed, some projects will not necessarily generate the type of results that could be reported on through the indicators originally included in the investment plan.
3. In that context, FIP pilot countries may consider revising, streamlining and adapting the results framework in their endorsed investment plans to bring them in line with the results that would actually be achieved through the implementation of the investments on the ground.

**Annual/Biannual reporting at the level of FIP investment plans**

4. It is proposed that an annual/biannual report by FIP pilot countries (represented by the office of the FIP country focal point) includes data and information on three categories, when possible:

- a) ***common themes*** to be reported on by all FIP pilot countries;
  - i. GHG emission reductions / enhancement of carbon stocks; and
  - ii. livelihoods co-benefits;
- b) ***other relevant co-benefit themes*** as they apply to the country investment plan:
  - i. biodiversity and other environmental services;
  - ii. governance;
  - iii. tenure, rights and access; and
  - iv. capacity development; and
- c) ***a narrative*** presenting information on:
  - i. five common topics to be annual/biannually reported on by all FIP pilot countries; and
  - ii. other potential themes as agreed by the FIP Sub-Committee (not on an annual/biannual basis)<sup>3</sup>.

5. The following matrix presents the proposed annual/biannual reporting outline on FIP country program implementation by category and themes:

<b>Category 1: Common themes (to be reported on by all FIP pilot countries)</b>			
<b>Theme</b>	<b>Measurement</b>	<b>Methodology</b>	<b>Clarifications</b>
<u>Carbon Benefit:</u> GHG emission reductions/ enhancement of carbon stocks	Tons CO2e/yr (estimate)	Methodology is self-reported by country; description of how values were estimated	Provide context and brief description of intervention (reduced/avoided/enhanced) (net/gross); <u>Identify actions to reduce displacement of emissions outside</u>

<sup>3</sup> Every year, one or two other themes would be selected by the FIP Sub-Committee. Pilot countries may want to report on these additional themes using creative reporting tools such as blogs, videos or webinars.

			<u>FIP target areas;</u>
<u>Non-carbon co-benefit:</u> Livelihood co-benefits	Number of people <u>directly supported benefited</u> by FIP out of total number of people targeted  <u>Estimate of number of people indirectly benefiting from FIP</u>	Methodology is self-reported by country	Describe key monetary and non-monetary benefits received by beneficiaries through the FIP, where possible, this information may be disaggregated <u>by direct and indirect beneficiaries</u> , by sex, by vulnerability and other criteria such as indigenous or ethnic groups etc. where possible

**Category 2 – Non-carbon co-benefits: Other relevant co-benefit themes (to be reported on by FIP pilot countries if they apply to the country investment plan and if data is available)**

Theme	Measurement	Methodology	Clarifications
Biodiversity and Environmental Services	Use indicators that are available or proxy indicators <u>for example:</u>  <i>Describe interventions that enhance biodiversity and other ecosystem services</i>	Self-reported by country	Proxies may include: Area of avoided deforestation; Area of land protected or rehabilitated; Extent to which biodiversity and ecosystem services are included in natural resource management and land use plans; Improved natural resource management practices Certified forests and agricultural production systems. <u>Describe interventions that enhance biodiversity and other ecosystem services</u>
Governance	<u>Use indicators that are available or proxy indicators</u> <del>Self-reported by country</del>	<u>Self-reported by country</u> <del>Pilot countries are invited to use information derived from indicators that track data and information beyond FIP (e.g. through Voluntary Partnership Agreements or the International Governance Assessment Framework)</del>	<u>Write-up may include:</u> <u>Describe how FIP has contributed to improve</u> <del>Legal and regulatory frameworks and their implementation; institutional arrangements and processes; conflict resolution mechanisms; land use planning.</del>
Tenure, rights and access	Use indicators that measure tenure, rights, and access in your country context	<u>Self-reported by country</u> <del>If central to investment plan then appropriate indicators will apply,</del>	Clarify terminology regarding tenure, rights and access; State if it is land, tree, or carbon rights;



	<p><del>for example:</del></p> <p><i>Increase in area/number of people with clearly recognized tenure of land and resources for indigenous peoples and local communities (women and men)</i></p> <p><i>Existence of maps (cadastral maps, register of rights etc.)</i></p>	<p><del>otherwise countries are invited to use information derived from indicators that track information beyond FIP</del></p>	<p>State whether land is individually held or governed by communal rights;</p> <p>Describe benefit sharing mechanisms if applicable;</p> <p><u>Examples:</u></p> <p><u>- Increase in area/number of people with clearly recognized tenure of land and resources for indigenous peoples and local communities (women and men)</u></p> <p><u>- Existence of maps (cadastral maps, register of rights etc.)</u></p>
Capacity building	<p>Use indicators that capture human resource, <u>and technical capacity infrastructure, institutional and technical capacity</u> as well as the capacity to plan, manage, and engage in wider REDD+ activities <u>as applies to the country</u></p>	<p><u>Self-reported by country Evidence of how, where, and when capacity building has happened and its outcomes</u></p>	<p>Write-up may include:</p> <p>Cover explicit technical assistance as well as implicit learning;</p> <p>Comment on enhanced capabilities to develop and implement policies;</p> <p>Comment on the value-added of the programmatic approach;</p> <p><u>Comment on the progress of the DGM and its contribution</u></p> <p><u>Evidence of how, where, and when capacity building has happened and its outcomes.</u></p>
<p><b>(b) Category 3: Elements for Narrative <u>(if it applies to the investment plan and data is available)</u><sup>4</sup></b></p>			
<p><b><u>(a) Information to be reported annually by all FIP pilot countries</u></b></p>			
<p>1. Theory of change and assumptions (Assessment on the design, process and implementation of interventions; What is working and what is not working?)</p> <p>2. Contribution to national REDD+ and other national development strategies and uptake of FIP approaches</p> <p><u>Leverage of other resources including private sector investments</u></p> <p><u>3. Support received from other partners including the private sector.</u></p>			

<sup>4</sup> These themes may be reported on using creative media and platforms such as blogs, videos or webinars.

4. Link of DGM to investments from government's point of view. [Comment on the progress of the DGM and its contribution to the investment plan.](#)

4.5. If applicable: highlights/showcases (example of a particular outstanding achievement that you want to mention)

**~~(c) Sample of other themes to be reported as requested by the FIP Sub-Committee (if it applies to the investment plan and data is available)<sup>5</sup>~~**

~~(d)~~

~~5.6.~~ Role of program coordination and synergies between different projects

~~6.~~ Ongoing stakeholder participation/involvement

7.

~~8.~~ [Risk management at the level of the investment plan](#)

~~9.8.~~ How the investment plan is implemented in the context of broader national policies

~~10.9.~~ Knowledge exchange and management

[10.](#) Any analytical work or public communications (evaluative studies, ~~newspaper~~ articles etc.)

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<sup>5</sup> ~~These themes may be reported on using creative media and platforms such as blogs, videos or webinars.~~