

# FOREST INVESTMENT PROGRAM (FIP)

Working Group Proposal  
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Co-Chairs:

Alhassan Attah(**Ghana**)

Per Fredrik Ilsaas Pharo(**Norway**)

# Structure of Presentation (I)

- Task and output of Working Group
- Objectives and Purpose of FIP
- FIP Principles
- Eligibility

# Structure of Presentation (II)

- Governance structure
- FIP Programming Process
- Dedicated Initiatives
- Monitoring and Evaluation
- Conclusions

# Task and output of Working Group

- Task
  - Review draft design document prepared by the Co-Chairs
  - Prepare a preliminary design document for consideration by the Second Design Meeting
- Output
  - Proposal on the Forest Investment Program to serve as a working document for the Second Design Meeting

# Objectives and Purpose of FIP

- Purpose
  - Supporting developing countries' REDD efforts, taking into account adaptation and multiple benefits
- Specific Objectives
  - A vehicle to finance the implementation of policies and measures
  - Promote transformational change
  - Generate understanding and learning
  - Pilot replicable models to leverage additional and sustained financial resources for REDD

# FIP Principles (I)

- In addition to the SCF principles:
  - National ownership and national strategies
  - Inclusive processes involving participation of key stakeholders and including Indigenous Peoples and Local communities
  - Cooperation with other actors and processes
  - Coordination with other REDD demonstration initiatives and efforts
  - Measurable outcomes/results based
  - Forest related governance

# FIP Principles (II)

- In addition to the SCF principles:
  - Support pilot programs to achieve transformational change
  - Climate change mitigation potential
  - Contribute to Sustainable Development
  - Address drivers of deforestation and ensure holistic national approach to REDD
  - Investment need/integration
  - Learning opportunities integrated into FIP programming

# Eligibility and Criteria

- Country Eligibility
  - ODA-eligibility
  - Active MDB country program
- Criteria for Pilot Program Selection
  - Program potential
  - Country preparedness and ability
  - Country distribution across regions



# Governance

- FIP Sub-Committee
  - 6 representatives from donors
  - 6 representatives from recipient countries
  - ***[2 representatives each from IPGs, NGOs and Private sector]***
- Observers
  - International Organizations, initiatives and processes
  - Civil Society

# Functions of FIP-Sub-Committee

- Appoint the Expert Group and provide guidance to group
- Select pilot programs
- Approve programming priorities
- Ensure complementarity between developing countries and development partners
- Ensure lessons learned are transmitted through the SCF Trust Fund Committee to the UNFCCC/other stakeholders

# Expert Group

- Recommendations on selection of pilot programs
- Composed of up to 8 individuals from both developing and developed countries selected on the basis of:
  - expertise
  - Strategic and operational experiences
  - Diversity of perspectives

# FIP Programming Processes

- Tendering of proposals
- Governments to develop investment strategy proposals (ISP) building on existing planning frameworks
- Governments to specify implementing agency/organisation
- Group of countries may propose regional or sub-regional investment strategy proposal
- Expert Group to evaluate ISP, however, FIP-SC makes final decision

# FIP program areas

- Potential types of investment to be revised before the Second Design meeting include (refer to Attachment 1):
  - Investments in institutional capacity, forest governance and information
  - Increasing forest benefit yields by forest resource investments
  - Investments outside the forest sector

# Dedicated Initiatives

- Effective participation of IPs and Local Communities critical to success of the pilot programs
- Direct grants available through the Initiative
- Operational, funding and governance modalities of mechanism have to be developed

# Monitoring and Evaluation

- FIP-SC will report regularly to SCF Trust Fund Committee using monitoring systems of MDBs
- Independent joint evaluation of FIP operations and activities to be carried out after three years using independent evaluation departments of MDBs
- Results to be published and made publicly available

# Conclusions

- The proposal seeks to :
  - Attract resources to make transformation change that can result in reductions in emissions from deforestation and forest degradation
  - Promote sustainable forest management
  - Generate understanding and learning between investments and outcomes through pilot programs
  - Build on existing initiatives and avoid duplication
  - Provide a working document for Second design meeting.

**Secretariat to highlight next steps**



**Thank you**

