

October 22, 2013

**Approval by Mail: Brazil: Forest Information to Support Public and Private Sectors in Management Initiatives (IDB)**

Dear Patricia,

Many thanks for providing us with the opportunity to comment on Brazil's proposal to the **Forest Investment Program (FIP): Forest Information to Support Public and Private Sectors in Management Initiatives (FIP) - IDB** and for facilitating our discussions with IDB and Brazilian Government Officials.

We very much appreciate the work that has gone into preparing this project document, and welcome the streamlined reporting approach taken by Brazil. Thank you also to the IDB for helping to inform our decision-making by providing additional annexes, and offering to translate those that are of specific relevance to our questions which we have outlined below. We hope that many of these will be clarified in a call, as you suggest, as we do not wish to delay this process any further.

Firstly we would like to note that we welcome the project, which has great potential for improving the generation of adequate and sufficient information on forest resources in Brazil, through the enhanced implementation of Brazil's National Forest Inventory (NFI) – with a special focus on the Cerrado. The Benefits of implementing such an inventory are likely to include the future calculation of emission reductions, and more accurate monitoring of land-use change. As such we welcome the project as one that has the potential to add considerable value to international understanding, quantification and monitoring of the Cerrado ecosystem.

We do however have a number of points of clarification from reading over the project document. These are detailed below. We have also indicated which supplementary annexes referred to in the project document), that these questions may link to.

**Background and project overview:**

- permanence of information availability (page 3), will this data collection, analysis and dissemination continue after this FIP funding has ceased? How will the long term maintenance, management and update of the NFIS Portal be managed/funded. *Related to this:* in Annex 2, data collection at sampling points stops in Year 3, and processing stops in Year 4. What happens after this?
- Wider context /background to the existing NFIS and its existing success – it would be great to get a greater articulation of the success and world leading status of the existing NFIS system, and how this new Cerrado

focuses module will fit into the existing NFIS. How robust is the current system and how will this be carried into this new module for the Cerrado?

- Understanding how the NFIS is being used at the moment – to answer what questions – this is helpful for us to understand the climate change mitigation potential and also VFM
- How does the / will the NFIS be linked to the current Brazilian forest / land-use satellite-data system (through INPE and similar)? What are / from whom are the sources of satellite data for this new module?
- How does this project link to other FIP project proposals within Brazil's FIP Investment Plan? (no reference currently really given?)
- Links to the: "Theory of Change" Diagram (currently unable to access)

### **Expected Results:**

- **Results matrix: Component 2, 2.2.** Outputs are measured in downloads, please could further clarification be provided on who the project anticipates will be downloading documents, which sector etc. What level / degree of analysis has been done on this?
- Also there is a potential amendment or clarification required in the table component 2.2. Point 1.3 indicates that in Year 1 there will be 0 number of sampling points with data processed and analysed, yet in point 2.2 in Year 1, 5,000 downloads are estimated. Does this download figure need to be moved on by a year (e.g. 0 in Year 1; 5,000 in Year 2? Or.....?)
- Overall, it would be good to get a more explicit idea of how the information generated will be used; this would make it easier to obtain an idea of the economic facet of the impacts. The project does make clear what the causal pathway is, but there is no attempt to subsequently quantify the outcomes or impact in terms of emissions savings, avoided deforestation or improved income generation: *"This Technical Cooperation (TC) is part of Brazil's Investment Plan (IP) for the Forest Investment Program (FIP), which seeks to promote the sustainable use of land and the improvement of forest management in the Cerrado Biome, thus helping to reduce pressure on remaining forests, decrease greenhouse gas (GHG) emissions and increase carbon sequestration. It finances the generation and dissemination of forest information to support public and private sectors in management initiatives aimed at the conservation and enhancement of forest resources in the Cerrado biome."* (from paragraph 2.2 of the main document, on page 3).
- **Outcomes:**
- It would be good to get a (better) sense of who the beneficiaries are (what sectors, how many) and how this may lead to indirect income for beneficiaries in the future?
  - Can further information / clarity / detail be provided on the Enabling conditions created through information generation for future policies and norms / number of policies outcome. How does this link to outcome 1?
- Link to: "stakeholder consultation report" and "Theory of Change" (currently unable to access)

**Cost effectiveness:**

- It is very difficult for us to assess the cost effectiveness of the project based on the information currently provided, because of the nature of the project (e.g. no direct reductions in emissions expected). Would it be possible to share with us any analysis that has been undertaken on cost-effectiveness? (even if that is on a comparable unit cost basis for the technology or plot sampling – e.g. for both components of the project). Understanding more clearly what assumptions have been made would be useful. Also clarity on how (and if) there is a good understanding (or not) of how this intervention will change the behaviour of users would be useful.

**Safeguards:**

- Page 4: there could be an explicit mention of “**ecosystem services**” and “**biodiversity**” here, and it would be good to get an idea of **who the local population is** (mentioned in para 3.2)?
- Link to: “Safeguard Policy filter Report”/ Stakeholders Consultation Report (currently unable to access)

Thank you once again for the opportunity to comment and ask questions. We look forward to receiving any clarifications IDB/Brazilian officials can provide and discussing the project further.

Best wishes,

Gemma

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