



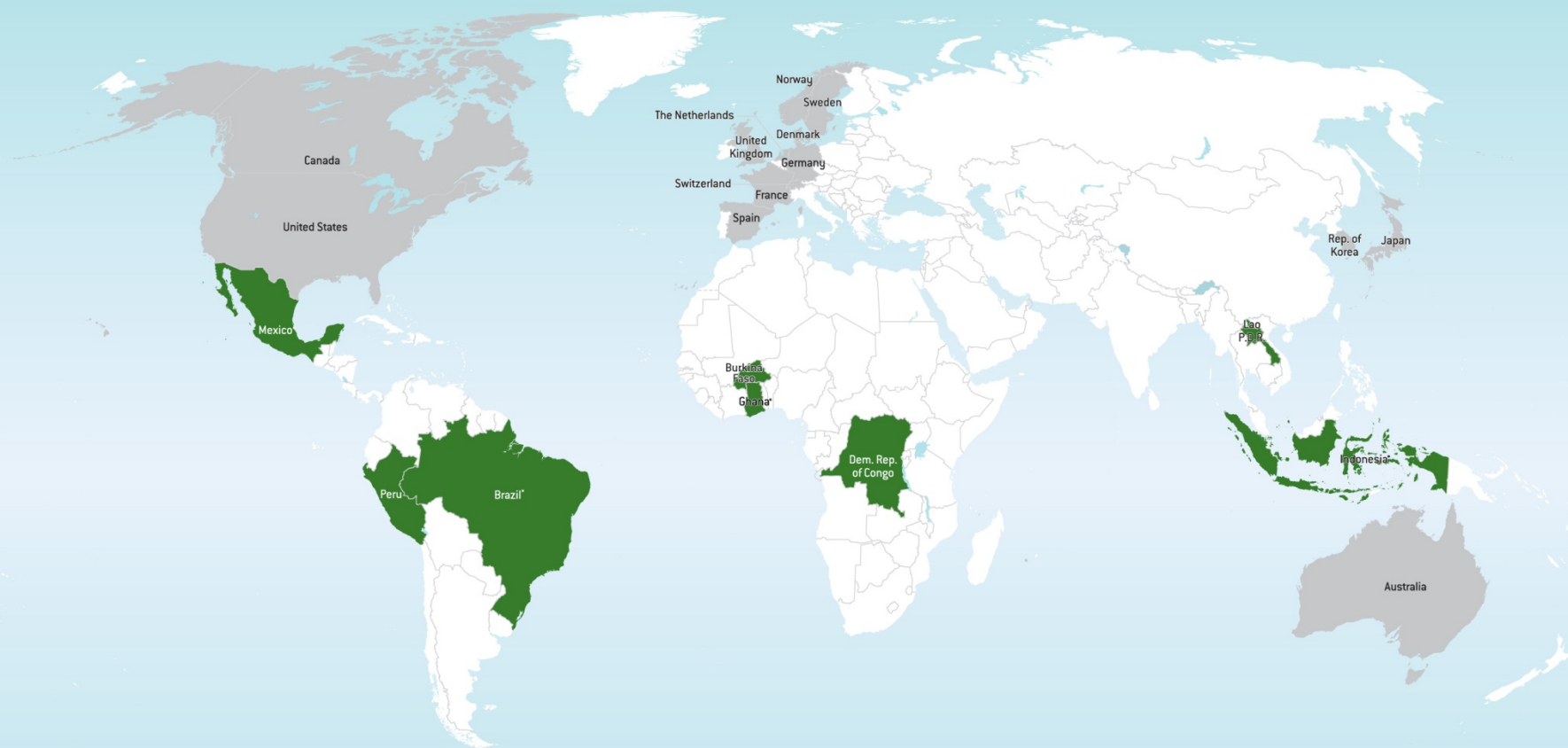
CLIMATE
INVESTMENT
FUNDS

Semi-Annual Report on FIP Operations

Mafalda Duarte, Program Manager
November 19, 2014



FIP IN ACTION



MDB PARTNERS



CIF CONTRIBUTOR

* Project(s) being supported by CIF dedicated private sector funding.

† Fund pledges are based on exchange rates in September 2014.

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FOREST INVESTMENT PROGRAM (FIP)

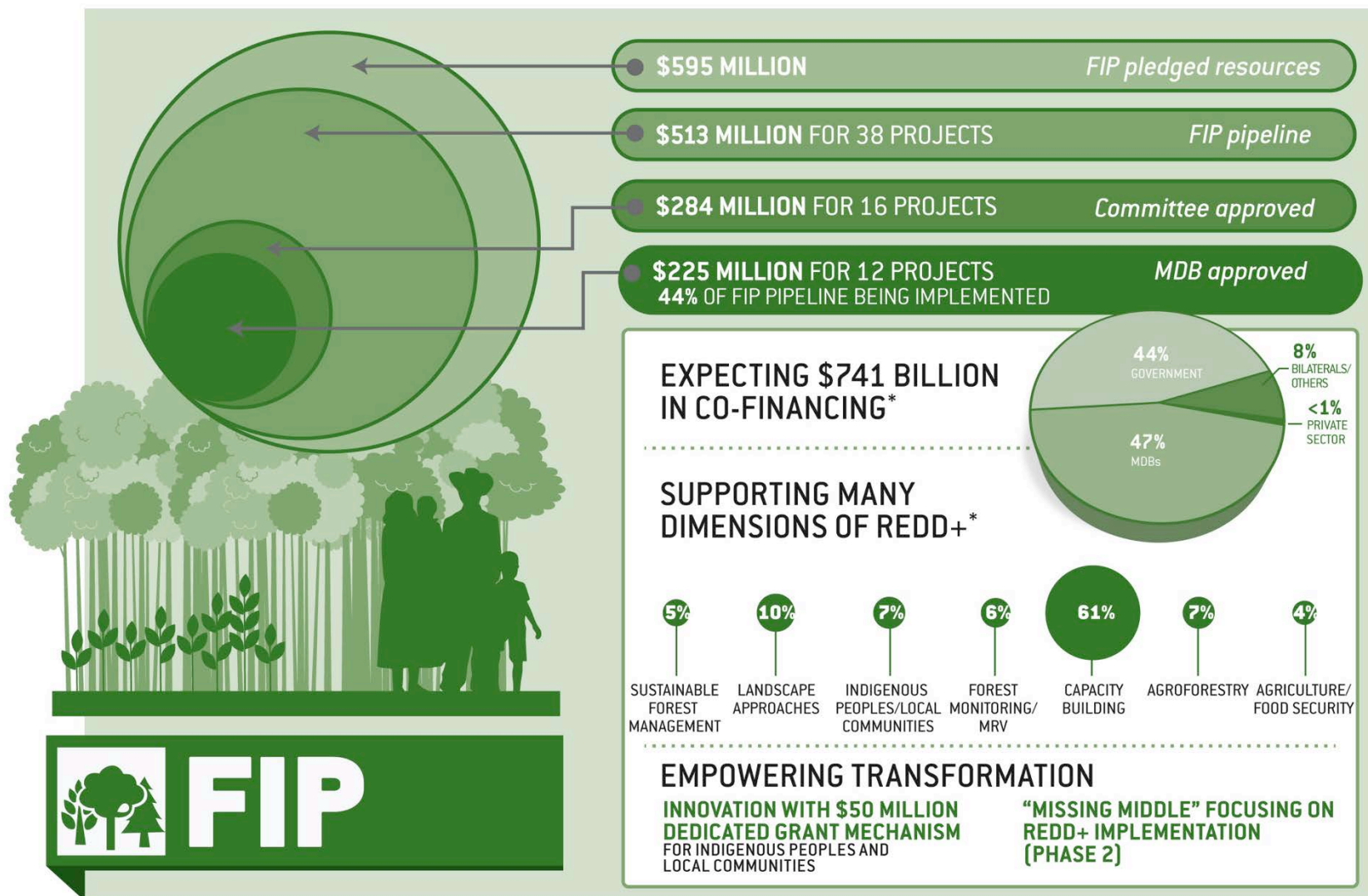
Strategic Issues

- 1) FIP has completed the programming process for the eight FIP pilot countries and a significant number of projects is under implementation;
- 2) Considerable progress with the implementation of the Dedicated Grant Mechanism for Indigenous Peoples and Local Communities (DGM);
- 3) Emerging findings from the study on Linkages between the Forest Investment Program and REDD+ Performance-based Mechanisms which further clarify the role of the FIP in the phased approach to REDD+;
- 4) Understanding current delivery rates for FIP funding approval
- 5) The FIP reporting agenda is now in implementation - first reports on baseline and targets were submitted.





FIP funding





FOREST INVESTMENT PROGRAM (FIP)

(1) Completion of FIP Country Programming Process and Advances in the Approval Process

- By the end of 2014, all eight FIP pilot countries had completed their programming process.
- Four FIP countries have received FIP funding approval for more than 85% of their allocated FIP resources
 - Brazil
 - Burkina Faso
 - DRC
 - Mexico





FOREST INVESTMENT PROGRAM (FIP)

Implementation Status of FIP

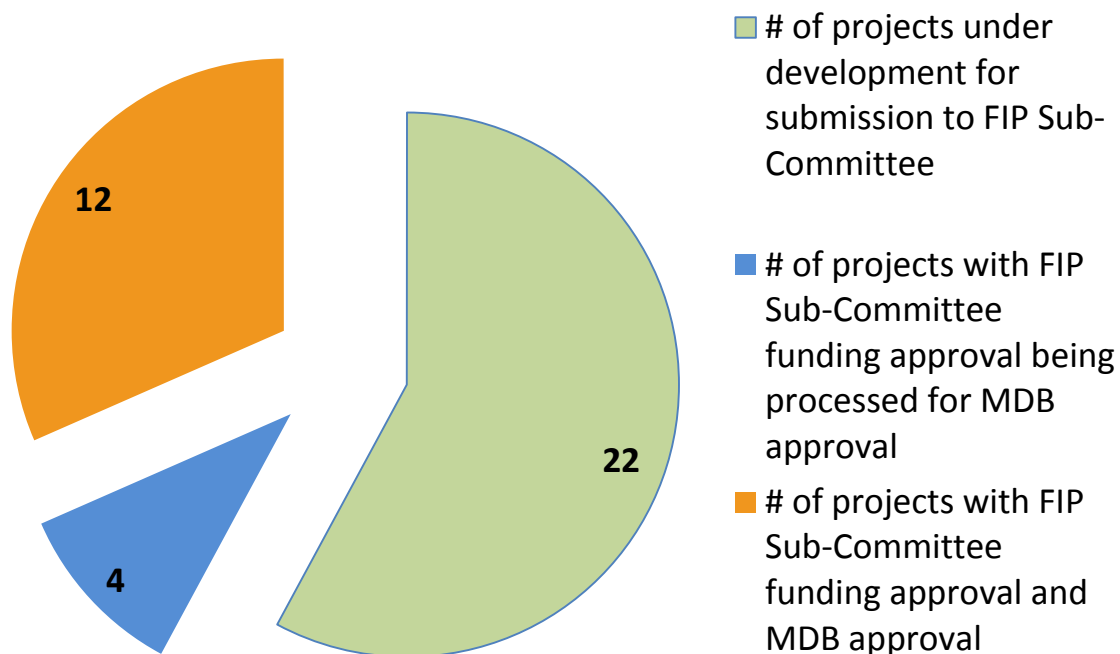
	Endorsed IPs (8)	Endorsed DGM concepts	Endorsed FIP PSSA concepts	Total endorsed	Approved FIP Funding	MDB Approved
USD million	420	50	31.3	501.3	267.2 (53%)	208.05 (42%)
Number of projects and programs	25	9	4	38	16	12





FOREST INVESTMENT PROGRAM (FIP)

Implementation Status of FIP



- ✓ All FIP Investment Plans endorsed
- ✓ 3 projects under implementation and disbursing
- ✓ Pipeline is active, FIP funding approval request steadily flowing in



FOREST INVESTMENT PROGRAM (FIP)

(2) Progress with the implementation of the Dedicated Grant Mechanism for Indigenous Peoples and Local Communities



- June 2014: DGM becomes operational (Endorsement DGM programming framework) and the approval of FIP funding for the **DGM global component** and the **Brazil DGM country program** in June 2014, the DGM is now operational.
 - Transitional Committee of the DGM met on September 17-19, 2014 in Washington DC: initial work plan for the DGM Global Component
-
- Discussion on operationalizing the link between the DGM country programs and the global DGM component



FOREST INVESTMENT PROGRAM (FIP)

(3) Emerging Findings from Study on Linkages between the Forest Investment Program and REDD+ Performance-based Mechanisms

- *Linkages between the Forest Investment Program and REDD+ Performance-based Mechanisms:* study is expected to be finalized in January 2015.
- Emerging findings will be presented during agenda item 4.

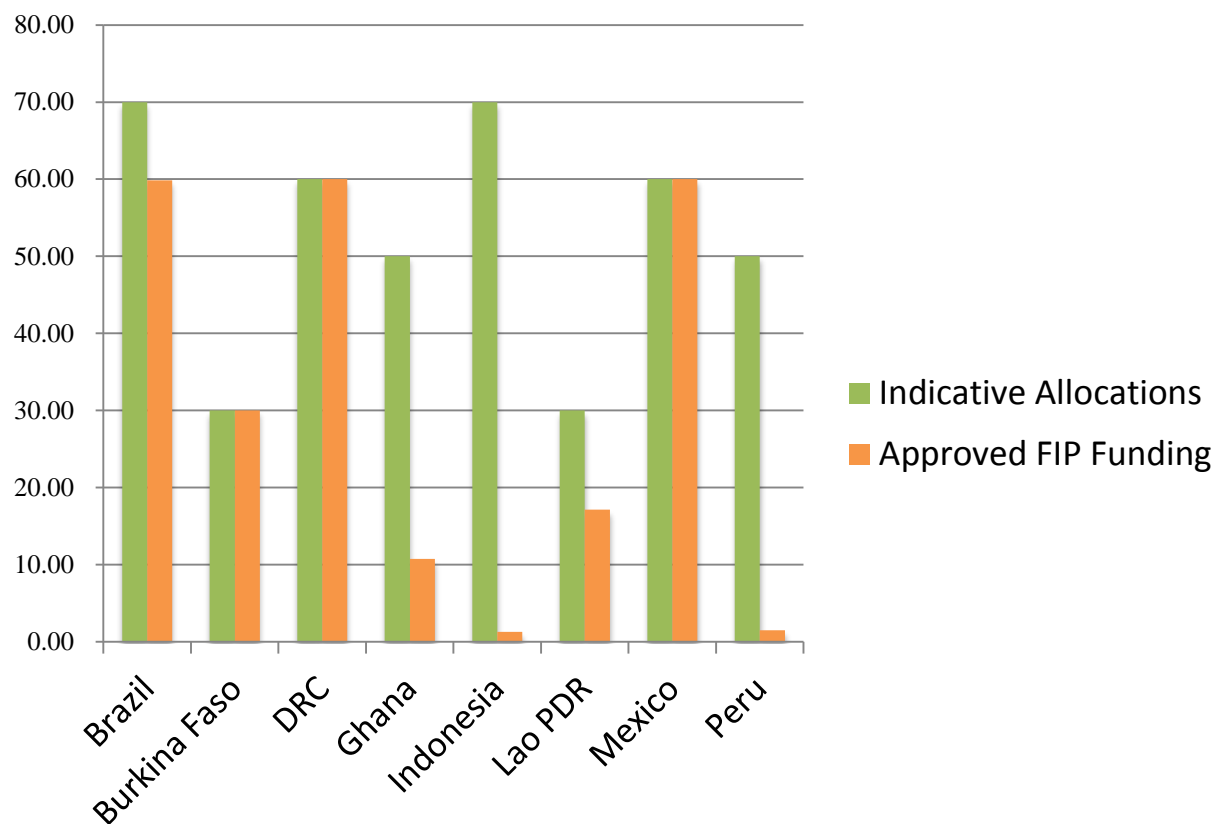




FOREST INVESTMENT PROGRAM (FIP)

(4) Variance in delivery rates for FIP funding approval

Indicative Allocation and FIP Funding Approvals by FIP Pilot
(USD Millions)



- ✓ Burkina Faso, DRC, and Mexico 100% FIP funding approval
- ✓ Mexico, Burkina Faso and DRC – 100% MDB approval as well
- ✓ FIP Funding Approval expected to increase by USD 135.09 million to a total USD 402.29 million FIP approved funding during reporting period



FOREST INVESTMENT PROGRAM (FIP)

(5) FIP reporting agenda in implementation

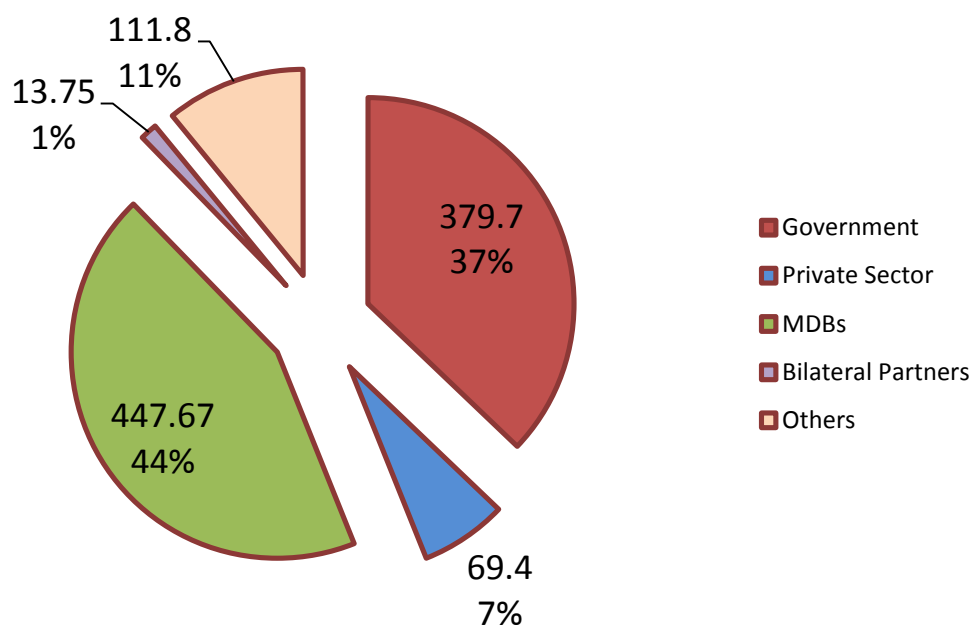
- As of September 30, 2014, 6 FIP countries have submitted their FY14 results reports: Brazil, Burkina Faso, DRC, Indonesia, Mexico and Peru.
- Brazil targets 7.8 million ha of total land area where sustainable land management practices will be adopted.
- Burkina Faso aims to achieve 13.8 million tons of CO₂e of GHG emission reductions over the lifetime of the projects in 1,3 million ha of Sudano-Sahelian dry forest.
- The Democratic Republic of Congo (DRC) aims at reducing over 18 million tons of GHG emissions over 30 years.
- Indonesia aims at 130.5 million tons of CO₂e to be reduced or avoided after the financial closure of the last project or program supported under the investment plan.
- Peru indicated a reference emission level of 61.5 million tons of CO₂e and the fact that 4.2 million ha of tropical mountain forests and wetland forests would be part of their FIP investments



FOREST INVESTMENT PROGRAM (FIP)

Co-financing in FIP

In endorsed FIP investment plans (in preparation and FIP funding approved)



Co-financing Partners:

- Governments
- MDBs
- European Commission
- Agence Francaise de Development
- GEF
- JICA
- FCPF
- KFW
- Moore Foundation

Leverage Ratios

Based on projections (IP stage)	1:2.2
Based on MDB approved projects	1:3.2



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