



Meeting of the SCF Trust Fund Committee

Washington, D.C. (Hybrid)

Friday, June 14, 2024

FIP OPERATIONAL AND RESULTS REPORT



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SCF/TFC.18/02.1
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PROPOSED DECISION

The Committee:

- (i) Reviewed the document, *SCF/TFC.18/02.1, FIP Operational and Results Report*, and welcomed the progress made in advancing the work of FIP in participating countries.
- (ii) Welcomed the analysis conducted by the CIF Secretariat, in collaboration with the MDBs, on achievements and results, resource availability, pipeline review, and portfolio updates.
- (iii) Recognized the increasing number of FIP countries reaching the conclusion phase of their investment plans—whereby all constitutive projects in the investment plan have been fully implemented—and welcomed the pilot Investment Plan Close-Out that was conducted in Indonesia (FIP).
- (iv) In emphasizing an ongoing commitment to CIF's unique programmatic approach and the strategic importance of ensuring its effective application throughout the full program cycle, requested the CIF Secretariat, in coordination with the MDBs, to develop and implement an *Investment Plan Close-Out Strategy*. The strategy should determine modalities for capturing countries' final achieved results, based on each SCF program's approved monitoring and reporting system, to provide deliberate operational closure to the investment plans; while seeking to maximize country ownership; promote inclusive, multi-stakeholder engagement; ensure lessons learned; and strengthen synergies with CIF's transformational change and gender priorities.

List of Abbreviations

ADB	Asian Development Bank
AfDB	African Development Bank
CBO	Community-Based Organization
CEFDHAC	Conference on Central African Forest Ecosystems
COMIFAC	Central African Forest Commission
DGM	Dedicated Grant Mechanism
ECCAS	Economic Community of Central African States
ECD	Evaluation Capacity Development
FIP	Forest Investment Program
FMU	forest management unit
FPA	Financial Procedures Agreement
GALS	Gender Action Learning System
GAP	Gender Action Plan
GEI	Global Evaluation Initiative
GHG	Greenhouse Gas
GRM	grievance redress mechanism
ICR	Implementation Completion and Results
IDB	Inter-American Development Bank
IP	investment plan
IPLC	Indigenous Peoples and Local Communities
ISR	implementation status reports
JIM	Joint Impact Model
LIE	local implementing entity
MAP	medicinal and aromatic plant
MIF	Multilateral Investment Fund
MIS	Management Information System
MoEF	Ministry of Environment and Forestry
NTFP	non-timber forest products
PES	Payments for Ecosystem Services
PSSA	Private Sector Set Aside
RFF	Remaining Funds balance for FIP
SDG	Sustainable Development Goal
SFM	Sustainable Forest Management
SICAR	Sistema Nacional de Cadastro Ambiental Rural
SLM	Sustainable Land Management
TCLP	Transformational Change Learning Partnership
VLDG	Village Level Development Group

Contents

1.	Introduction	4
2.	Strategic Issues	4
2.1	Resource Availability.....	4
2.2	FIP Pipeline Management Update	5
2.3	Results Reporting.....	5
2.3.1	FIP Country Results Reporting	5
2.3.2	Investment Plan Close-Out for FIP Countries.....	8
3.	Status of FIP	11
3.1	Portfolio Overview.....	11
3.2	Portfolio Updates.....	20
3.2.1	Project Approvals.....	20
3.2.2	Closed Projects.....	21
4.	Cross-Cutting Themes	22
4.1	Partnership, Knowledge Management, Evaluation and Learning	22
4.2	Gender	25
4.3	Disbursement and Implementation Updates	28
4.4	Risk Management	30
4.4.1	Implementation Risk for Projects Not Yet Effective.....	30
4.4.2	Implementation Risk for Effective Projects.....	30
5.	5. Results.....	33
5.1	5.1 Introduction and Approach for 2023 Results	33
5.2	Scope and Maturity of Reporting for 2023 Results	33
5.3	Overview of Results	36
5.4	FIP Category 1 Results	37
5.4.1	FIP Theme 1.1a: GHG Emissions Reduced/Avoided or Enhancement of Carbon Stocks	37

5.4.2	FIP Theme 1.1b: Area Covered by Sustainable Forest and Land Management Practices	40
5.4.3	FIP Theme 1.2: Livelihood Co-Benefits	47
5.5	FIP Category 2 Results	56
5.5.1	FIP Theme 2.1: Biodiversity and Other Environmental Services	57
5.5.2	FIP Theme 2.2: Forest Governance.....	60
5.5.3	FIP Theme 2.3: Land Tenure, Rights, and Access.....	61
5.5.4	FIP Theme 2.4: Capacity Development.....	64
5.6	Completed FIP Projects	66
5.7	Social and Economic Development Impact Modeling Results for FIP	75
5.8	FIP’s Contribution to SDGs.....	76
6.	Progress on the DGM.....	77
6.1	DGM Project Timeline	78
6.2	Progress in the DGM Country Common Indicators	79
	Appendix 1: FIP Resource Availability.....	82
	Appendix 2: Closed FIP Projects as of December 31, 2023	83

1. Introduction

1. The Forest Investment Program (FIP) was established in 2008 to provide scaled-up financing to help countries address the drivers of deforestation and forest degradation. It started out in eight countries (Brazil, Burkina Faso, Democratic Republic of Congo (DRC), Ghana, Indonesia, Lao People’s Democratic Republic (Lao PDR), Mexico, and Peru). In 2015, FIP added six new countries with funding envelopes (Côte d’Ivoire, Ecuador, Guatemala, Mozambique, Nepal, Rwanda, and Republic of Congo), and three more in 2021 (Honduras, Tunisia, and Rwanda), plus another six without funding envelopes (Bangladesh, Cambodia, Cameroon, Guyana, Uganda, and Zambia).
2. The FIP Operations and Results Report, identifies key strategic issues, highlights decisions taken intersessionally by the FIP Technical Committee, and provides an update on the status of FIP-funded programs and projects under the endorsed investment plans and related activities. This report also includes projections on future approvals and provides an update on the results achieved by the FIP pilot countries.
3. This report provides an update of the entire FIP portfolio through December 31, 2023, as well as the disbursements for projects under implementation as of December 2023 (with additional updates to March 31, 2024, on resource availability). Results reporting of projects under implementation covers the period from January 1 to December 31, 2023.

2. Strategic Issues

2.1 Resource Availability

4. As of March 31, 2024, the FIP trust fund has reached a total of USD 641.17 million¹ in cumulative funding.
5. As of March 31, 2024, the FIP trust fund has a total potential available resource of USD 39.4 million, comprising USD 34.3 million in capital and USD 5.1 million in grant funding. This 39.4 million USD includes 39.1 million in available resources and 0.3 million in potential future resources. Table 1 summarizes available resources under FIP, and Appendix 1 provides a more detailed information.

¹ Including contributions, pledges, and investment income earned.

**Table 1: FIP resource availability schedule
(USD million, as of March 31, 2024)**

	Total	Capital	Grant
Unrestricted Fund Balance after Reserves (i)	50.3	43.8	6.5
Anticipated Commitments (ii) Program/Project funding and MPIS costs	11.3	9.5	1.8
Available Resources (i-ii)	39.1	34.3	4.8
Potential Future Resources (iii)	0.3	-	0.3
Pledges	0.3	-	0.3
Release of Currency Risk Reserves	-	-	-
Potential Available Resources (i-ii+iii)	39.4	34.3	5.1

2.2 FIP Pipeline Management Update

6. As of December 31, 2023, FIP has a total of 58 projects in its portfolio, including 15 projects under the Dedicated Grant Mechanism (DGM) for Indigenous Peoples and Local Communities (IPLC). Out of the 58 projects, 54 are MDB-approved, while 55 were approved by the FIP Technical Committee.

2.3 Results Reporting

2.3.1 FIP Country Results Reporting

7. The [FIP M&R System](#) has two components: country-led results reporting and MDB project-level reporting. They complement each other by providing different types of information on program results over time and by serving the M&R needs of different FIP stakeholder groups. However, the roles and functions of these two components continue to be recalibrated according to the FIP M&R System’s evolving value proposition for recipient countries, overall FIP objectives, M&R implementation challenges, and feasibility at different phases of the program. For mature FIP countries, the approach is now being phased out with comprehensive IP close-outs (see Section 2.3.2).
8. **Background on FIP M&R System:** The country-led results reporting component of the FIP M&R System has a unique design that puts in-country stakeholders at the center of efforts to track and assess implementation progress and results. The system was developed more than a decade ago—before the Paris Agreement—as an innovative approach to incorporating REDD+ issues into national monitoring and evaluation systems, in coordination with national MRV systems (if present) and relevant sectoral planning processes. FIP countries would organize an annual, multi-stakeholder M&R workshop to build a shared evidence base across all projects

within the FIP investment plan and report progress on FIP reporting themes.² This approach was adopted to promote country ownership over IPs, sustain the programmatic approach across projects and MDBs throughout the implementation phase of IPs, engage multiple stakeholders, foster countries' accountability, and facilitate learning over time. Initially, this component was the only M&R approach used for the program.

9. In 2017, upon request of the FIP Sub-Committee, a comprehensive [stocktaking review](#) of the FIP M&R System was conducted. The review demonstrated substantial value addition from FIP's country-led monitoring and reporting, such as participatory learning, capacity-building, knowledge generation, multi-stakeholder engagement, support for the programmatic approach during implementation, and more. It also underscored the need for better optics on project delivery outputs and a more coherent track record of quantitative indicators. As a result, a two-component M&R system was approved, combining the demonstrated value of country-led reporting on FIP reporting themes³ with the specific advantages of using project-level data reported by MDBs. This version of the FIP M&R System was implemented from 2017–2019.
10. **FIP Country Results Reporting Since 2020:** In 2020, the country-led component of the FIP M&R System was temporarily suspended due to implementation challenges related to the COVID-19 pandemic. From 2021–2024, the CIF Secretariat began requesting countries to resume reporting (in a full or adapted manner) as feasible. This included significant efforts to support both mature FIP countries, who had stopped reporting, and new FIP countries who had never reported. Efforts have included country-specific M&R consultations, virtual M&R training support (Guatemala), MDB-led M&R workshops (AfDB and World Bank in Ghana), and an in-person, three-day FIP M&R Capacity-Building Workshop for the Republic of Congo and Francophone Africa, held in Brazzaville in January 2023.
11. **Commendably, all active FIP countries have resumed reporting as of 2024.**⁴ FIP's country-led results reporting builds M&E capacity related to climate finance, REDD+, and sustainable forestry at the country level. The approach enhances programmatic coordination for FIP IPs, ensuring that FIP country focal point teams and other in-country FIP stakeholders maintain a clear line of vision across the various FIP projects being implemented. It strengthens country ownership over FIP results and implementation narratives, as an important opportunity for the countries themselves to assess and report results directly to the CIF Secretariat (rather

² There are four categories of FIP reporting themes: Common Themes (Category 1), Other Relevant Co-Benefit Themes (Category 2), Additional National-Level Impacts (Category 3), and Other Reporting Types (Category 4). See the [FIP M&R Toolkit](#) for more information.

³ Note that the FIP national stakeholder workshop was made optional for FIP countries following the stocktaking review. Although countries were strongly encouraged to convene a national workshop, they were also given the option to fill out the FIP reporting template directly. This was a different outcome from PPCR, where the M&R system continued to necessitate in-person scoring workshops after the stocktaking review.

⁴ Only Lao PDR did not report, since their IP has effectively reached its conclusion, and the projects have already closed.

than relying solely on MDB-led reporting).

12. It is also important to note the ongoing challenges related to FIP's country-led M&R component. In some countries, projects have closed, and the project teams have dissolved, making it challenging to organize IP-level M&R workshops or reporting. DGM projects and private sector projects are often managed outside the FIP country focal point unit established for the investment plan and may not be involved in all country-level FIP activities.⁵ There are sometimes budgetary, human resources, technical capacity,⁶ or temporal barriers to carrying out the reporting. It can also be challenging for FIP countries to continue implementing FIP's unique M&R approach when national focal point teams or MDB project teams change over time.
13. **The Way Forward for FIP Country Results:** Strong support and buy-in for country-led FIP M&R among all major FIP stakeholder groups (including CIF Secretariat, MDBs, country focal points, and in-country stakeholders) is necessary to enable this mechanism to function as designed. Based on demand, the CIF Secretariat remains available to support FIP countries who are early to mid-implementation with:
 - (a) Online M&R training sessions: The FIP M&R online training module is available for country focal point teams, MDBs, and other interested parties. It is available in two versions, self-paced or instructor-led, and three languages: English, French, and Spanish.
 - (b) Targeted capacity-building opportunities and country support for M&R: The CIF Secretariat offers targeted FIP M&R capacity-building opportunities for recipient countries and local stakeholders. These opportunities can entail in-person workshops, training, consultations, or general problem-solving on FIP M&R issues.
14. Another important aspect of the FIP M&R System is that it was designed at inception to be an adaptable system. Since it was put in place as a *pilot approach* to measuring sustainable forestry and REDD+, the intention was that the system could evolve over time in line with the evolution of programming needs and CIF's principle of "learning by doing." At the current juncture, FIP countries are broadly distributed in terms of implementation maturity: some countries are still early in implementation, a few countries are mid-implementation, and several countries are reaching or have already reached the end of FIP implementation.
15. FIP's country-led M&R component can continue to play a critical role in building the evidence base for investment plan progress, if applied flexibly in a manner that best suits each FIP country. The approach has recognized strengths in providing country-specific qualitative insights across FIP reporting themes, especially where multiple stakeholders are involved in

⁵ Although FIP-DGM coordination for M&R appears to be improving in the newest set of FIP countries.

⁶ Notably on GHG accounting.

the M&R process. On the other hand, CIF has now established a strong track record of annual quantitative reporting on FIP Category 1 themes since 2019, using MDB project-level data, which will continue fulfilling this function moving forward. The policy landscape for sustainable forestry and REDD+ in FIP countries, including metrics and M&E systems, have also evolved significantly since the pre-Paris time of FIP's design. Yet, the unique approach of the FIP M&R System has also provided a template that some countries may continue following for sustainable forestry and REDD+ monitoring beyond the scope of FIP projects.

16. Based on these many developments and the future strategy of the program, the CIF Secretariat is now building on the country-led M&R approach to devise and implement a comprehensive IP close-out strategy for FIP countries.

2.3.2 *Investment Plan Close-Out for FIP Countries*

17. **IP Close-Out Concept:** FIP is reaching a new frontier with the programmatic approach business model. An increasing number of FIP countries' IPs are reaching a stage where *all projects* in the IP are either completed or will reach completion soon. Despite the importance placed on FIP's country-led, programmatic approach, there has not yet been a mechanism in place to close out IPs from both operational- and results-oriented perspectives. In FY24, CIF piloted an important, first-of-its kind approach for CIF, MDBs, and recipient countries to implement such a mechanism.
18. IP close-out workshops present an opportunity to convene key, in-country stakeholders involved in FIP design and implementation; collect and validate final results data; collate insights; take stock of the final results achieved on results themes related to the FIP reporting themes; build consensus on the most salient takeaways from each country's IP; and formally conclude national FIP programming. This approach is intended to serve as the logical endpoint of the country-led component of the FIP M&R System, bookending the multi-stakeholder investment planning approach utilized prior to and throughout implementation.
19. Other objectives include: compiling key lessons and challenges to inform countries' involvement in new CIF programs (e.g., NPC) or other follow-on investments; integrating transformational perspectives into a participatory assessment of country results for learning purposes; enhancing the role of a gender, social inclusion, and stakeholder engagement lens to deepen the understanding of results and fill important knowledge gaps; and collecting, developing, and disseminating strategic communications materials from the countries involved.

20. **Pilot IP Close-Outs Conducted:** In the spring of FY24, the CIF Secretariat rolled out a series of IP close-outs to pilot the mechanism in select country cases. Indonesia served as the first pilot close-out for FIP (held in Jakarta in March 2024). This IP close-out drew the active participation of more than 60 participants from across the country with particularly strong collaboration demonstrated between the CIF Secretariat, the World Bank, the Asian Development Bank, and the Ministry of Environment and Forestry (MoEF) in the government of Indonesia (See Box 1 for more information).
21. **IP Close-Out Plans for FY25:** A CIF-wide strategy paper on close-outs will be developed in FY25 for submission to the CIF Joint Trust Fund Committee. This paper will be based on the experience of the IP close-out pilot in Indonesia and similar investment plan close-out pilots that were conducted in FY24 for PPCR and SREP. It will focus on options for the institutionalization of close-outs, including program-specific considerations. The M&R toolkits for each CIF program will then be updated accordingly.
22. In tandem, the CIF Secretariat expects to develop prioritization criteria (e.g., total investment volumes, number of projects implemented per country, robustness of the programmatic approach, geographic and sectoral diversity, implementation maturity, coordinated timing of project closures, strategic importance, etc.) that will be used to inform high-, medium-, and low-intensity modalities and program-specific strategies.
23. For FIP, three tentative priority close-outs have been pre-identified: the Democratic Republic of Congo, Ghana, and Brazil.⁷ The CIF Secretariat also plans to assess appropriate options for countries that have already completed implementation of their IPs (Mexico, Lao PDR, Mozambique, etc.).
24. **Communications:** Several video products are being developed to share with the CIF Trust Fund Committee and other key audiences, alongside blogs, photos, and other communications products specific to the IP close-out mechanism.

⁷ While some FIP projects in Brazil are ongoing, the FIP Investment Plan Coordination Project (WB) will be coming to a close, thereby marking an appropriate opportunity to assess IP-level achievements in the country.

Box 1: FIP IP Close-Out in Indonesia⁸



Activity: FIP Investment Plan Close-Out for Indonesia

MDBs: World Bank and ADB

Other Key Partners Involved: CIF Secretariat, Ministry of Environment and Forestry, Samdhana Institute (DGM-Indonesia)

Funding: USD 48.6 million across three projects

Indonesia is home to some of our planet's richest ecosystems, contributing major climate and biodiversity benefits. However, in the early 2000s, millions of people in Indonesia and the region were affected by high levels of deforestation, forest degradation, and smoke pollution. The country acted, including through the development of an investment plan for CIF's Forest Investment Program (FIP). With USD 48.6 million in funding implemented through the World Bank (WB) and the Asian Development Bank (ADB), Indonesia became one of the first countries globally to partner with FIP, starting in 2012. As of 2024, Indonesia's investment plan has reached completion, making it an opportune time to take stock of the results achieved.

Building on Indonesia's strong track record of country-led monitoring and reporting on FIP projects, the inaugural "Investment Plan Close-Out" held for FIP took place in Jakarta on March 5–8, 2024. This mechanism drew the participation of more than 60 participants from multiple levels of government within the Ministry of Environment and Forestry (MoEF), project implementers, MDBs, civil society members, and other FIP stakeholders from across the country. The pilot IP close-out approach used the FIP M&R System as a framework not only to validate the results achieved but to widen and deepen understanding of FIP's priority results areas; build consensus on the main takeaways from the FIP IP; and inform the way forward for Indonesia's forests and climate action.

FIP has led to **1.8 million tons CO₂ eq. reduced or avoided** in Indonesia, primarily achieved through community-based forest management approaches, with additional effects achieved through community forest fire prevention and minor impacts through agroforestry pilots. This is equivalent to taking almost 430,000 gas-powered passenger cars off the road for one year. Several additional key results and insights emerged based on Indonesia's experience implementing a FIP investment plan. For instance:

1. FIP played a **catalytic role in transforming forest management** in the forest management units (FMUs) it targeted and operationalized.
2. FIP has directly contributed to a **broad range of diverse livelihood benefits** in Indonesia (income, employment, entrepreneurship, access to finance, education, health, climate resilience, access to knowledge assets), which has demonstrated to many communities the

⁸ Adapted in part from <https://cif.org/news/people-forests-measuring-cifs-legacy-indonesia>

positive linkages between sustainable forest and land management practices and their own lives.

3. Another of FIP's main achievements in Indonesia was to **strengthen the enabling environment** for sustainable forest management (e.g., institutional capacity-building, clear stakeholder roles, forest management regulations, knowledge management and information system, etc.) based on enabling policies at national, provincial, and FMU levels.
4. The models for **agroforestry and assisted natural regeneration** supported through FIP demonstrate a viable path forward for REDD+ interventions across Indonesia, although additional efforts are needed to ensure community-level uptake and sustainability, and to scale up these approaches in new areas.
5. FIP/DGM support to the **social forestry scheme** helped increase access to forest resources, strengthen alternative livelihoods, provide land security, and reduce tension between stakeholder groups.

The close-out also highlighted several areas needing additional efforts, such as community support, capacity-building, economic incentives, local business opportunities, and improved market access to ensure the sustainability of livelihood benefits. It also emphasized the importance of scaling up the agroforestry and assisted natural regeneration approaches piloted, as well as operationalizing significantly more FMUs around the country. The CIF Secretariat would like to thank the government of Indonesia for serving as FIP's first IP close-out country and all the hard work that went into developing and executing this mechanism.

3. Status of FIP

3.1 Portfolio Overview

25. As of December 31, 2023, USD 641.17 million has been endorsed by the FIP Technical Committee as indicative allocations to the participating countries, totaling 58 projects across investment plans, the Dedicated Grant Mechanism (DGM) for Indigenous Peoples and Local Communities (IPLC), and the Private Sector Set Aside (PSSA). Table 2 provides a summary of the portfolio status. The portfolio under implementation consists of 54 projects in MDB-approved funding, reaching USD 602.77 million, and USD 469.20 million in cumulative disbursements.

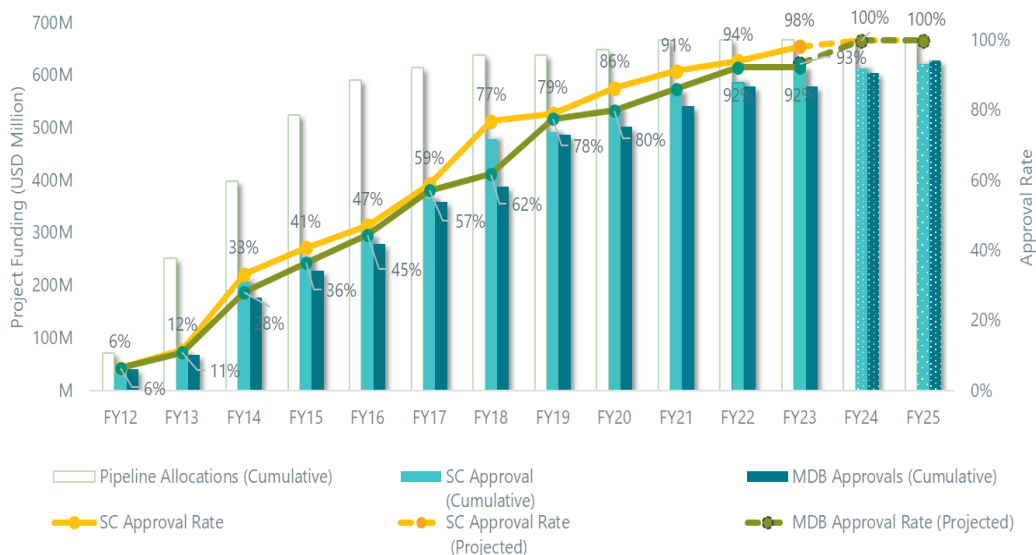
**Table 2: Overview of FIP portfolio
(USD Million as of December 31, 2023)**

	Indicative Pipeline Allocation					Approved Funding		Disbursement
	Total	IP	DGM	PSSA	RFF	Committee	MDB	
FIP Funding	641.17	489.97	70.50	17.30	63.40	613.27	602.77	469.20
Number of Projects	58	33	15	3	7	55	54	52

Note: PSSA: Private Sector Set Asides, DGM: Dedicated Grant Mechanism, RFF: Remaining Funds balance for FIP

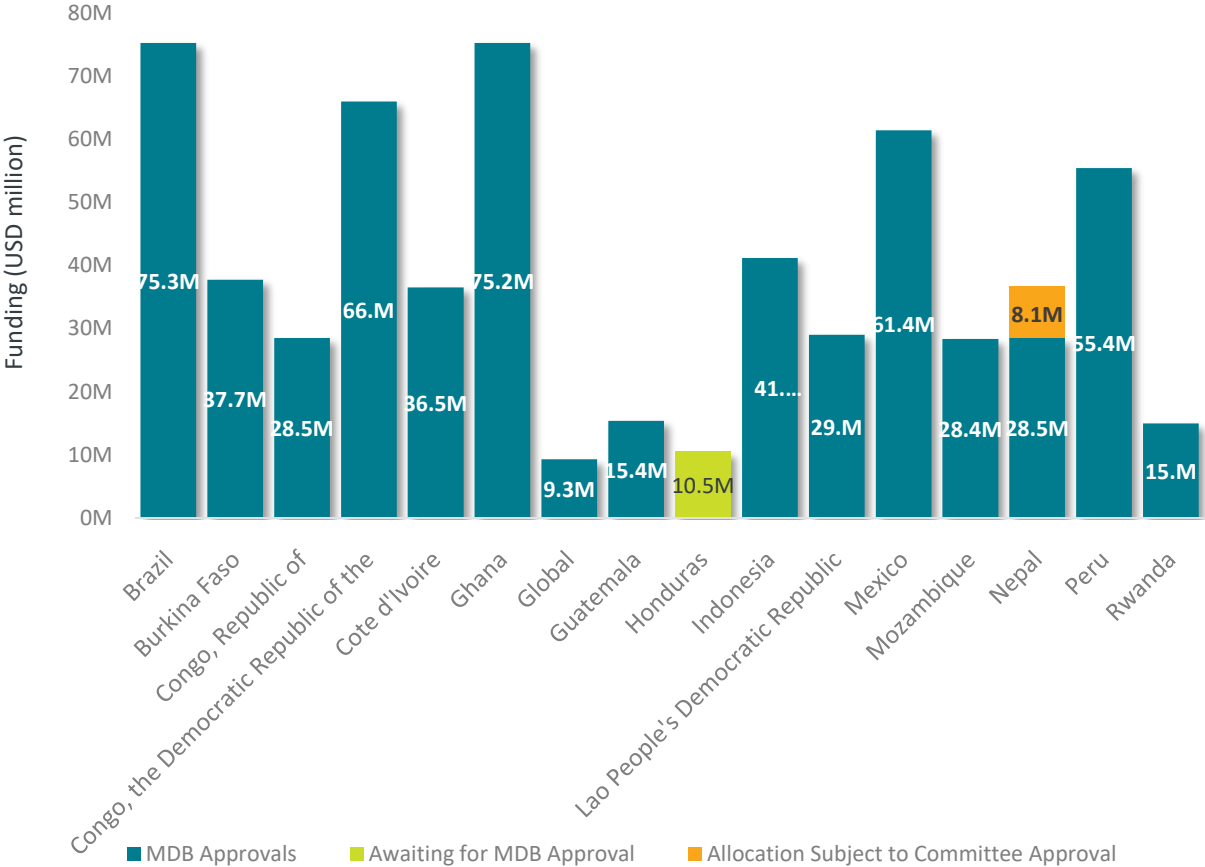
26. Compared to the previous FIP ORR (June 2023), the total portfolio has been reduced by USD 7.91 million due to the fact that the indicative pipeline allocation of IPs has been reduced by USD 1.12; DGM has been reduced by USD 690,000; and RFF has been reduced by USD 6.1 million.
27. Figure 1 shows that while sub-committee funding approvals have increased from 94 percent to 98 percent, the percentage of MDB approvals has remained the same, at 92 percent in the last two years. Approval of the entire endorsed FIP portfolio by both the FIP Technical Committee and the respective MDB Boards is expected by FY25.

**Figure 1: Cumulative FIP funding approval rates by fiscal year
(Projections until FY25)**



28. Figure 2 shows the approval levels of FIP pipeline projects by pilot country and the DGM Global Project. Fourteen of the 19 pilot countries with a project pipeline have achieved 100 percent FIP Technical Committee and MDB Board approval of their indicative funding allocation, with Honduras awaiting MDB approval and Nepal awaiting the allocation, which is subject to Committee approval.

Figure 2: FIP funding approval of project pipeline by country (as of December 31, 2023)



29. Figure 3 presents the cumulative distribution of FIP Technical Committee-approved projects by region, MDB, theme, and public/private sector. Africa represents the largest part of the FIP portfolio, with a total of USD 287.3 million, followed closely by Latin America and the Caribbean (USD 218 million), then Asia (USD 98.7 million). The allocation for DGM Global project is USD 9.3 million. The World Bank has the largest FIP portfolio, implementing USD 396 million of FIP Technical Committee-approved funding. The FIP Technical Committee-approved private sector projects total only USD 37.1 million (six percent of total funding).

30. The thematic focus of the portfolio of FIP Technical Committee-approved projects reflects FIP's objective of working to address the drivers of deforestation and forest degradation. The largest portion of funding focuses on landscape approaches, followed by sustainable forest management and Indigenous Peoples/Local communities. Box 2 shows how FIP, via the DGM, prioritizes community empowerment through knowledge exchange in Brazil.

Box 2: Empowering Community Voices: Insights from the 2nd Targeted Bilateral Exchange in Lago do Junco, Maranhão



Project: DGM Global and DGM Brazil

MDB: World Bank

DGM Funding: USD 6.5 million (Brazil) and USD 2.3 million (Global)

Objective: Knowledge exchange and learning in topics related to Natural Resource Management and Sustainability, Environmental Conservation and Community Development, as well as Indigenous Participation and Climate Change.

The 2nd Targeted Bilateral Exchange, a collaborative effort between DGM Global and DGM Brazil, unfolded from November 8 to 13 2023 in Lago do Junco, Maranhão, signifying the inaugural DGM Global activity in this locale. Attendance encompassed participants from Guatemala (6), in addition to two (2) from Ecuador, representing non-FIP countries within the DGM network, and five (5) from Brazil, converging to facilitate knowledge exchange and discourse on pivotal themes, including Natural Resource Management, Sustainability, Environmental Conservation, Community Development, Indigenous Participation, and Climate Change.

Central to the event's agenda was an exploration of the Brazilian Cerrado region, a significant biome spanning multiple Brazilian states. Participants engaged deeply with the challenges and triumphs experienced by Indigenous Peoples and Local Communities inhabiting this terrain. Noteworthy discussions revolved around historical land conflicts, collective efforts among Cerrado residents to safeguard territorial rights, and the crucial role of women in the management of the babassu coconut, a cornerstone resource in the region, from which multiple products, such as soap and charcoal, are produced to generate income for their communities.

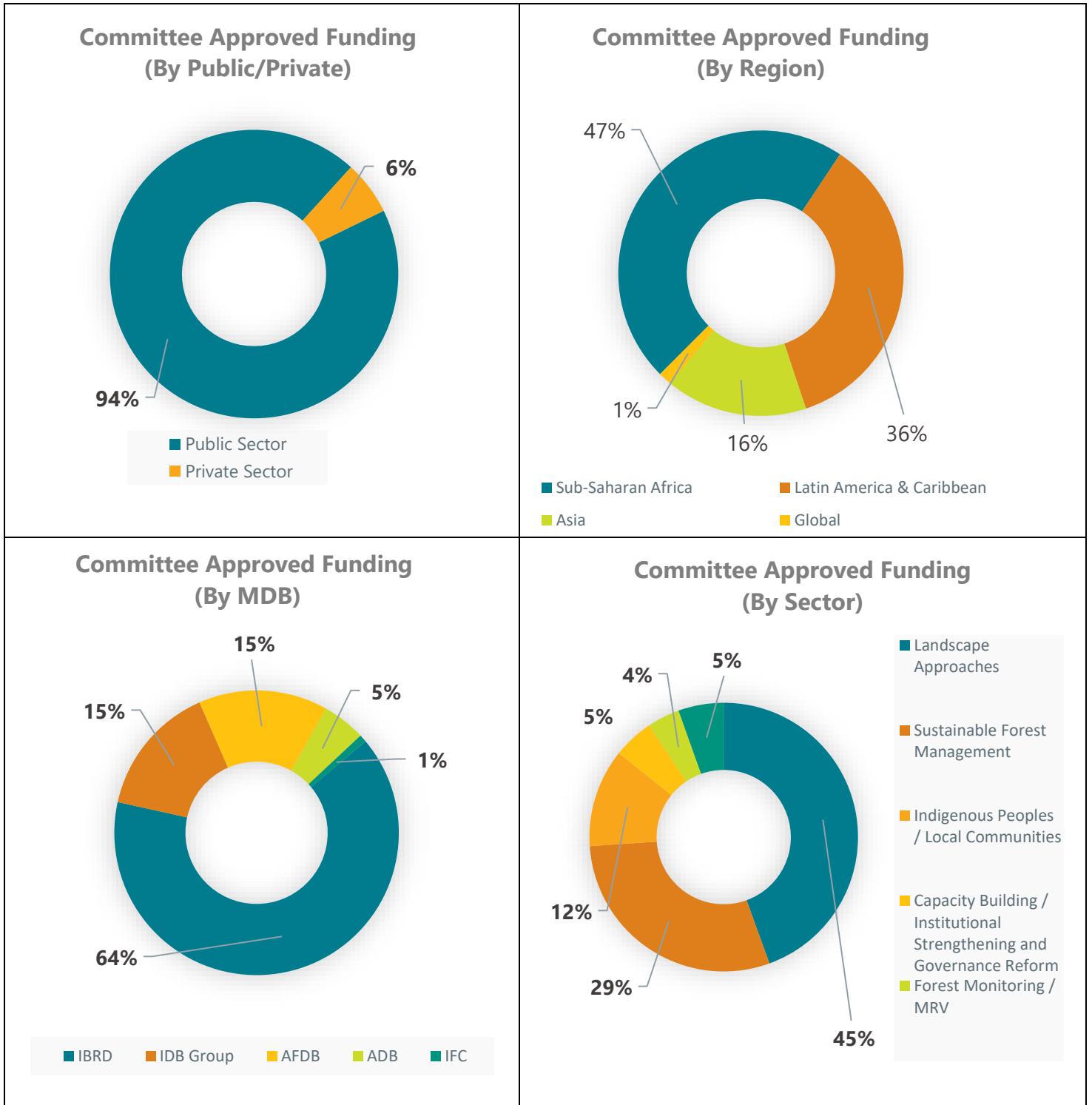
The program encompassed immersive visits to cooperative centers, women's associations, and Babassuais areas, allowing participants firsthand exposure to the daily activities and practices integral to community sustainability and livelihoods.

Complementing these experiential components were workshops meticulously crafted to elucidate climate issues through an indigenous lens within the Brazilian context. Presentations by notable figures, such as Lucia Alberta Andrade, the Director of Promotion and Development at FUNAI, provided invaluable insights. Additionally, updates on DGM Brazil's ongoing phase 2 implementations were presented by representatives from the national implementing agency, CAA/NM. Deliberations also included illuminating contributions from Guatemala, shedding light on their DGM operations and latest developments.

The event spanned four enriching days, fostering a vibrant atmosphere of collaborative learning and strategic discussions aimed at fortifying the Dedicated Grant Mechanism for Indigenous Peoples and Local Communities.

Source: The DGM Website

Figure 3: FIP portfolio overview
 (Approved by FIP Technical Committee, as of December 31, 2023)



31. Figure 4 shows that the co-financing ratio of FIP Technical Committee–approved projects is 1:2.0, totaling USD 1,212.4. MDBs and beneficiary governments are the main sources of co-financing.

Box 3: Nepal Forest for Prosperity Project Establishes an Award to Select Best Performing Municipalities



MDB: World Bank

Implementing Agency: Ministry of Forests and Environment

Objective: To improve sustainable forest management; increase benefits from forests and contribute to net Greenhouse Gas Emission (GHG) reductions in selected municipalities in 2 provinces in Nepal.

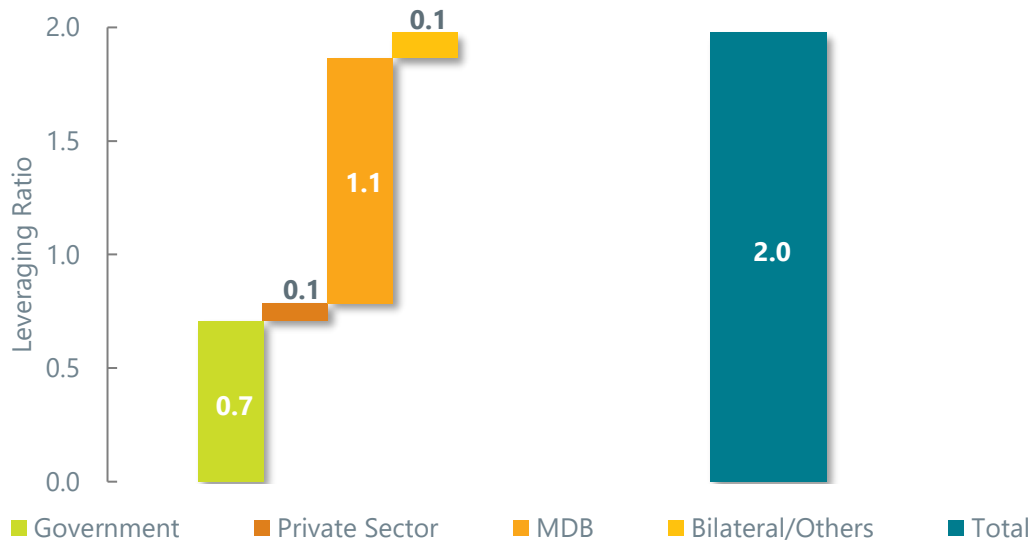
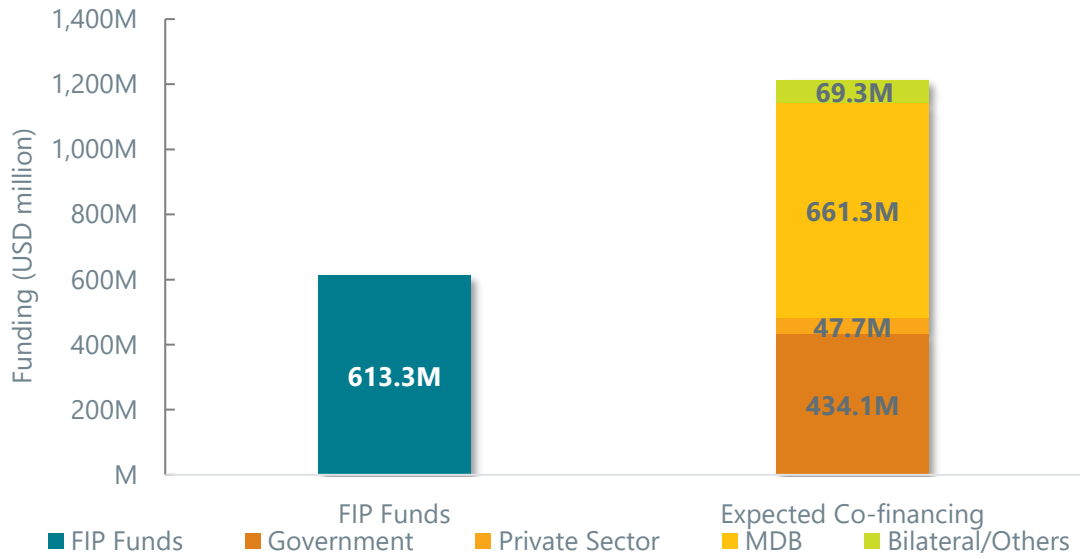
The project, run by the Ministry of Forests and Environment with support from the World Bank, aims to improve sustainable forest management, increase benefits from forests, and contribute to net Greenhouse Gas (GHG) emissions reductions in selected municipalities in Madhesh and Lumbini provinces. It is implemented in 50 municipalities of two provinces, which were selected for project implementation according to agreed criteria, including their potential for community-based sustainable forest management; potential for new plantation establishment; location for forest-based enterprises; currently low levels of rural employment and incomes; and willingness and basic capacity to participate in the project.

The REDD Implementation Center and the WB jointly awarded the “Forest for Prosperity Project Award” to six municipalities (3 in Madesh and 3 in Lumbini province), out of the 50 participating in the project, for their outstanding performance in the FY22/23 in enhancing sustainable forest management.

The municipalities were chosen for actively implementing their forest sector rights, internalizing forest development programs, and demonstrating effective implementation of project funded activities. “Planting activities on public and private lands have provided both monetary and non-monetary benefits to communities, as 200 marginalized and displaced families have benefited from the agro-forestry plantation in river-eroded lands,” said Ramesh ‘Kamal’ Budhathoki, Mayor of Harion Municipality, and added: “This has further motivated us to expand the forest coverage area.” Nabaraj Pudasaini, Chief of REDD IC, stated that the Forests for Prosperity project is a landmark initiative involving all three tiers of government to achieve sustainable forest management in both provinces.

Source: WB Forest Landscape Program for Nepal Newsletter

**Figure 4: Co-financing total for FIP Technical Committee–approved projects
(USD million, as of December 31, 2023)**



Box 4: Building a Sustainable Macauba-Based Silvopastoral System and Value Chain in Brazil



MDB: IDB

Implementing Agency: INOCAS (private sector)

FIP Funding: USD 3 million

Objective: This project aims to build the first value chain for vegetable oil production without deforestation and land use change.

The Climate Investment Funds' (CIF) Forest Investment Program (FIP) through the Multilateral Investment Fund of the Inter-American Development Bank (MIF/IDB) Lab and a partnership with a private start-up company, INOCAS, invested USD 3 million in a world's first macauba agroforestry project in the Cerrado region in Brazil. The Macauba is an indigenous palm to Brazil, more drought-resistant than the African oil palm. It is the ideal plant in sustainable agro-forestry, as it can be integrated into vast existing pastures to produce plant oil without decreasing the pasture's yield and can produce plant oil without deforestation or land use change.

While it is still underway, this FIP-funded project has established the first sustainable macauba-based silvopastoral agroforestry value chain in the world. Presently, the project has produced 735,696 macauba palm trees within sustainable agro-forestry systems, achieving approximately 123 percent of its target of 600,000 macauba palm trees for this indicator.

Much is at stake in the Cerrado biome, a savanna ecosystem covering more than two million square kilometers. A biodiversity hotspot, it stocks nine gigatons of carbon in its primary vegetation and hosts 4,200 species. Two-thirds of Brazil's hydrographic regions originate there. Yet the region suffers higher deforestation rates than the Amazon. Nearly half the area has been converted to pasture or cropland.

In this project, to surmount the barriers posed by local financial institutions, the FIP took an unprecedented and innovative step. It converted a loan of USD 3 million into equity shares of INOCAS. Other investments turned into equity shares came from local partners, including a nursery, an agricultural product company, and an entrepreneur with extensive experience in organic farming.

INOCAS already plans to scale up beyond the FIP investment. Planting the first 2,000 hectares is slated for completion by the sixth year of the project. After that, using its own cash, INOCAS expects to grow by 1,000 hectares per year, and raise additional finance of USD 4 million to build its own processing factory.

Source: IDB

3.2 Portfolio Updates

3.2.1 Project Approvals

32. As shown in Table 3, during the reporting period, the FIP Technical Committee approved two projects for USD 28.2 million and the MDB Boards approved these same two projects totaling USD 28.2 million. Box 3 highlights one of these approved projects.

**Table 3: FIP project approvals by FIP Technical Committee and MDB Boards
(January to December 2023)**

Country	Project	Programming	MBD	Grant	Non-Grant	SC Approval Date	MDB Approval Date
Rwanda	Development of Agroforestry for Sustainable Agriculture	RFF	AFDB	3,750,000	11,250,000	06/12/2023	07/14/2023
Global	RFF - Additional Financing to Phase 2 of The Dedicated Grant Mechanism (DGM) Global Project	RFF	IBRD	2,000,000	-	12/19/2023	12/21/2023
			Total	5,750,000	11,250,000		

3.2.2 Closed Projects

33. As shown in Table 4, five projects for a total of USD 62.5 million were closed during the reporting period. The returned funds were integrated in the resource availability of FIP as of March 2023.

Table 4: FIP projects closed (January to December 2023)

Country	Project	Programming	MBD	Final Disbursement Date (Financial Closure)	Total Financing—MDB-Approved Projects/Programs
Burkina Faso	Dedicated Grant Mechanism for Indigenous Peoples and Local Communities in Burkina Faso	DGM	IBRD	07/17/2023	4,263,074.52
Indonesia	Strengthening Rights and Economies of Adat and Local Communities Project	DGM	IBRD	08/31/2023	6,034,587.52
Indonesia	Promoting Sustainable Community-Based Natural Resource Management and Institutional Development	IP	IBRD	09/01/2023	17,458,909.68
Lao People's Democratic Republic	Protecting Forests for Sustainable Ecosystem Services	IP	ADB	09/05/2023	12,737,162.28
Mozambique	Mozambique Forest Investment Project (MozFIP)	IP	IBRD	04/08/2023	21,938,607.91
				Total:	62,432,341.8

34. From January 1, 2023, to December 31, 2023, five FIP projects reached completion, bringing the total number of closed projects to 20. These are:

- Promoting Sustainable Community-Based Natural Resource Management and Institutional Development (WB).
- Strengthening Rights and Economies of Adat and Local Communities (DGM) (WB).
- Protecting Forests for Sustainable Ecosystem Services (ADB)
- Mozambique Forest Investment Project (MozFIP) (WB)
- DGM for Indigenous Peoples and Local Communities – Burkina Faso (WB).

35. Key lessons from newly completed projects are included in Section 5.6, and a list of closed FIP projects as of December 31, 2023, is in Appendix 2.

4. Cross-Cutting Themes

4.1 Partnership, Knowledge Management, Evaluation and Learning

36. During July 2023–June 2024, CIF organized 10 forestry-related events, reaching over 486 participants. This included a South-South learning event in Cambodia; two NPC learning platform events; a FIP investment plan close-out workshop in Indonesia; five NPC investment plan workshops; and one forestry/nature-based solutions session at COP28.
37. **Independent Evaluations:** One independent evaluation and a FY23 independent evaluation work plan related to FIP took place in FY24.
- The independent **Midterm Evaluation of the Forest Investment Program** was conducted by Indufor North America and ICF and published in June 2024. It assessed FIP and DGM performance, and generated lessons for new CIF programs, including on how climate finance can better support Indigenous Peoples and Local Communities' (IPLC) voices and better engage the private sector in forestry and nature-based programming.
 - As a supplement to the [independent evaluation on development impacts](#) published in FY23, a workbook was published in FY24 to provide a step-by-step guide to planning and designing climate programs that generate social, economic, environmental, and market benefits, beyond the program's core objectives. The [workbook](#) helps put the key lessons from the evaluation into action and provides tools for project planners and implementors to maximize development impacts in climate projects.
38. **Maximizing Transformational Impacts Toolkits for new CIF Programs:** In June 2024, the E&L Initiative produced toolkits for the new CIF programs, including one for the NPC Program. These toolkits provide guidance for each program on how to incorporate evaluation and learning considerations related to transformational change, just transition, and other elements into the investment plan development process.
39. **Climate Delivery Initiative:** In FY24, in response to a new Call for Proposals for CDI cases studies, CIF fielded a longlist of 11 MDB project nominations, of which six were finalized for completion as part of the current cohort (two from CTF, one from FIP, two from PPCR, and one from SREP). Of these, the “Integrated REDD+ Project in the Mbuji-Mayi/Kananga and Kisangani Basins” project case study in DRC (AfDB) has completed initial desk research, with the primary data collection research mission scheduled for May 2024. All cases are expected to be completed and published, in line with a staggered launch timeline, by late summer, with a cohort-wide and cumulative CDI learning event slated for early fall of 2024. The selection process for the next cohort of case studies will also commence at the beginning of the next fiscal year.

40. **The M&R Results Deep Dive series** provides granular and in-depth thematic/topical analysis of key results areas and serves as a supplement to CIF’s annual results reports. Where the annual M&R documents provide a systematic synthesis of portfolio performance vis-à-vis program-specific core indicators or reporting themes, the deep dives provide in-depth reviews of these results within specific thematic or developmental dimensions of climate change, offering crucial detail, insights, and lessons regarding various performance characteristics. A total of six deep dives were published in FY24 (CTF – Governance & Policy; SREP – GHGs; FIP – Land Tenure; PPCR – People; PPCR – Infrastructure; and CTF – Energy Access), with the FIP [deep dive](#) focusing on results in the FIP portfolio related to land tenure, resource rights, and benefit-sharing. Two additional FIP deep dives focused on “Biodiversity” and “Sustainable Land and Forest Management” were published in June 2023, following publication of the previous FIP ORR. Findings and insights from the three FIP deep dives are incorporated in the results section of this report (see Section 5).
41. **COP28:** The CIF Secretariat organized and/or participated in 37 events at [COP28](#) in December 2023, including this nature-based solutions related event:
- [“How Smart Finance Can Empower Indigenous Peoples for Climate and Nature”](#): Co-hosted with the government of Zambia, this session brought together champions of indigenous leadership from across the developing world to discuss innovative ways to mobilize new sources of financing for nature and the role that climate finance can play in empowering local leaders.
42. **Support for the Design of the New DGM Program:** CIF E&L Initiative is supporting the design of the operational guidelines for the new DGM program based on the findings from the midterm evaluation of the FIP and DGM. The CIF updated the guidelines to include recommendations, case studies, and guidance to improve DGM outcomes across a range of impact indicators to ensure gender balance in governance, sustain DGM projects beyond CIF funding, improve operational efficiency, and reduce timelines to launch.
43. **Transformational Change Learning Partnership (TCLP):** CIF’s [TCLP](#) continues to engage partners and practitioners in learning on diverse topics that span current and future CIF programming, including themes related to forestry.
- The TCLP conducted its annual [workshop](#) in October 2023 to highlight the work of the E&L Initiative and deepen the role of the TCLP for transformational climate action. The workshop included sessions on cross-cutting themes related to sustainable forest management, including transformational climate finance, evaluation for transformational change, building a community of practice, and catalyzing climate action for the years ahead.

- The TCLP launched regular virtual [working sessions](#) designed to share and gather feedback and suggestions around knowledge products and activities currently under development. They covered topics, such as [how to increase the allocation of climate finance to local actors and communities](#), [diagnostic evaluations for transformational change](#), [toolkits for maximizing transformational intent in new CIF programs](#), and how to further enhance the reach and impact of the TCLP community of practice.
- The TCLP also launched two new guidance notes series. The Evaluation for Transformational Climate Action Guidance Series is aimed at supporting evaluation of, and for, transformational change in CIF programs, projects, and related activities. The Transformational Climate Finance Guidance Series is aimed at exploring priority themes identified by the TCLP community of practice, which includes cross-cutting themes relevant to forestry.

44. **Just Transition:** In July 2023, CIF’s E&L Initiative launched its [Just Transition Planning Toolbox](#), an interactive online guide that provides practical guidance for planning and implementing just transitions across sectors. The Toolbox includes five modules that cover a range of topics from mobilizing stakeholders and jointly agreeing on visions and principles for transitions, to the wide range of analysis needed to inform planning decisions and bringing this all together within a just transition plan. The Toolbox contains over 250 real-world examples and “how to” resources. The Toolbox was launched during a [webinar](#) in July 2023 that brought together over 100 participants and a team of experts to share insights from transition planning in different contexts around the world. Along with the Toolbox, six just transition pilot projects implemented by MDB partners progressed in their activities, including a project aimed at reskilling and upskilling workers in Colombia’s Amazon region affected by the low-carbon transition. Project completion is expected in FY25.
45. Currently, as part of Phase 3 development co-benefit modelling actions, CIF serves as a Development Panel member of the Joint Impact Model (JIM), within which CIF is leading a workstream to enhance the model’s treatment employment, economic, and GHG impacts of energy sector investment—i.e., of the GHG, employment, value-added, and forward effects based on varied technology types (say onshore wind vs. offshore vs. solar), the stratum of investment (generation vs. transmission vs. distribution), and the locus of generation (say grid vs. off-grid vs. mini-grid) to enhance ex-ante diagnostics and decision making, and ex-post stocktaking. Deployment of model updates is slated to be completed in late fall of 2024. As part of Phase 3, the M&R team is re-assessing each program’s portfolio impacts via the JIM’s new 3.1 model issuance. It is also testing a new and broader suite of models to add to CIF’s regular portfolio analyses, including models that look at agri-resilience, crop yields, air quality, and the related quantification of health impacts.

46. **In FY24, the CIF Stakeholder Engagement team, Evaluation and Learning team, and the Global Evaluation Initiative (GEI) collaborated to launch an Evaluation Capacity Development (ECD) program.** This initiative is dedicated to enhancing the evaluation skills of CIF Observers across various climate projects, with a particular focus on nature-based solutions, resilience strategies, and the assessment of Dedicated Grant Mechanisms and just transition efforts. This partnership aims to empower CIF Observers to produce and leverage evidence-based knowledge, facilitating transformative climate action within their communities.

4.2 Gender

FIP Portfolio Performance on Gender

47. The CIF Secretariat continues to use the gender scorecard as the tool for monitoring the quality of gender integration at entry (i.e., design stage) across the portfolio of CIF-financed projects. The scorecard reviews gender-specific analysis, women-targeted activities, and gender-disaggregated indicators. Since the start date of the CIF Gender Action Plan (GAP) Phase 3, the bar has been raised for gender integration, with an expectation for all projects to include all three indicators and demonstrate a clear results chain between them. These expectations are outlined in the [Gender Integration Guidance Note](#), which was developed based on lessons learned from the upstream advice provided on gender integration, as well as the review of MDB's own gender integration requirements.
48. The CIF Gender team continued to provide direct upstream support to MDBs at the project design stage to improve the quality of gender integration at entry. In FY24, a total of eight projects were reviewed, and recommendations were provided to strengthen the gender gap and social impact analysis. Recommendations included increasing the focus on structural barriers to gender equality issues through activities that aim to enhance women's climate leadership in project design and improving the integration of gender-disaggregated indicators. Four of these projects were approved by the TFC during the reporting period, all incorporating three scorecard indicators: gender analysis, women-specific activities, and gender-disaggregated indicators. Please see Box 5 featuring a case-study on a strong gender-integration approach in a newly approved project.

Box 5: Promoting Agroforestry and Restoration of Degraded Forest Landscapes in Tunisia



Project: Addressing gender gaps in Tunisia's agro-forestry sector

MDB: AfDB

FIP Funding: USD 17 million

Objective: To promote the socio-economic security of populations through the restoration of forest landscapes in the public domain and agroforestry in the private domain to facilitate the development of rural areas and the restoration of landscapes for carbon sequestration in Tunisia.

Implemented by the African Development Bank

(AfDB), with a total amount of financing (co-financing + CIF funding) of USD 25,1 million, this project will restore and/or rehabilitate a total of 39,350 ha of degraded land with NTFP-producing forest/tree species, agroforestry, and medicinal and aromatic plant (MAP) species. It will also support the small and medium-sized installation, transformation, and commercialization of medicinal and aromatic products, including honey and beeswax. The project will also contribute to the construction and rehabilitation of feeder-roads, fire-lookout or surveillance posts, firebreaks, and water capturing structures, among others. Consequently, 42,852 Tunisians (both male and female), who will adopt better forestry and agroforestry production practices, and contribute to the sequestration of 1,006,809tCO₂e in five years and 32,189,572 tCO₂e in 25 years, will benefit from the project. Project design includes a sector-specific gender analysis, women-specific activities, and gender-specific indicators, while establishing a clear linkage between each step:

A sector-specific gender analysis was conducted and identified key gender gaps. While, in Tunisia, women represent 50.4% of the total rural population, they are less present in cereal-related production due to difficulties in accessing land and credit. Women are also involved in work associated with agricultural production chains as agricultural labor; they represent 46% to 51% of the family agricultural workforce, and 38% of the entire sector's workforce. However, only 5% of women are promoters of agricultural projects and 8.2% are farmers. In 2017, the Ministry of Agriculture estimated the number of women working in the agricultural sector at around 550,000, including 43,000 running a production unit and nearly 100,000 temporary and permanent employees.

Based on findings from the analysis, the project developed specific activities to address the following gender gaps. (a) The project will collaborate with the National Forest Development Agency (SODEFOR) to increase women's access to secure lands. This will be done by granting targeted, long-term, gazetted forest concessions to women for reforestation using the taungya method of intercropping food crops within reforestation plots in GFs. Food crops sale will provide direct revenues to women and improve food security. To increase women's access to water, (b) the project will finance the purchase of motorized water pumps for irrigation of tree nurseries, and (c) purchase appropriate transportation means to help bridge the gender gap in mobility. Finally, (d) the project will allocate

funds to capacity-building interventions on taungya techniques and finance the provision of biopesticides and biofertilizers to women.

The following gender-disaggregated indicators have been developed to track gender-related outcomes: (i) number of new jobs created for women in local communities (11,100); (ii) number of women trained in agroforestry, private forestry, and value chain development (15,000); and (iii) number of staff in the technical department applying new gender-sensitive methods of management and supervision of forestry and agroforestry as a result of the project (180 women).

49. Table 5 below presents an updated overview of the FIP project portfolio, demonstrating an increase in the quality of the FIP project portfolio from the June 2014 baseline in all three scorecard indicator areas (i.e., presence of sector-specific gender analysis, women-targeted activities, and sex-disaggregated monitoring indicators).

Table 5: Updated FIP project gender scorecard performance

Indicators	Projects approved before June 2014 % (n) (Gender Action Plan (GAP) Baseline	Projects approved in July 2014– December 2023 (% and n) ¹	—of them, projects approved in January 2023– December 2023	Cumulative: All projects approved from inception till December 2023 % (n)
Sector-specific gender analysis	53% (8 of 15 projects)	83% (34 of 41 projects)	100% (2 of 2 projects)	75% (42 of 56 projects)
Women-targeted activities	73% (11 of 15 projects)	85% (35 of 41 projects)	50% (1 of 2 projects)	82% (46 of 56 projects)
Sex-disaggregated M&E indicators	73% (11 of 15 projects)	88% (36 of 41 projects)	100% (2 of 2 projects)	84% (47 of 56 projects)
All 3 scorecard indicators positive	40% (6 of 15 projects)	78% (32 of 41 projects)	50% (1 of 2 projects)	68% (38 of 56 projects)

50. The gender team provided several rounds of input to the independent mid-term evaluation of CIF’s forestry portfolio [Forest Investment Program (FIP) and Dedicated Grant Mechanism (DGM)]. The feedback provided by the gender team helped refine the evaluation’s focus on gender and social inclusion aspects, with particular attention to providing country-specific examples on the gender-differentiated impact of interventions on men and women. The evaluation features several case studies that demonstrate evidence of gender-transformative

change through positive shifts in gender norms.

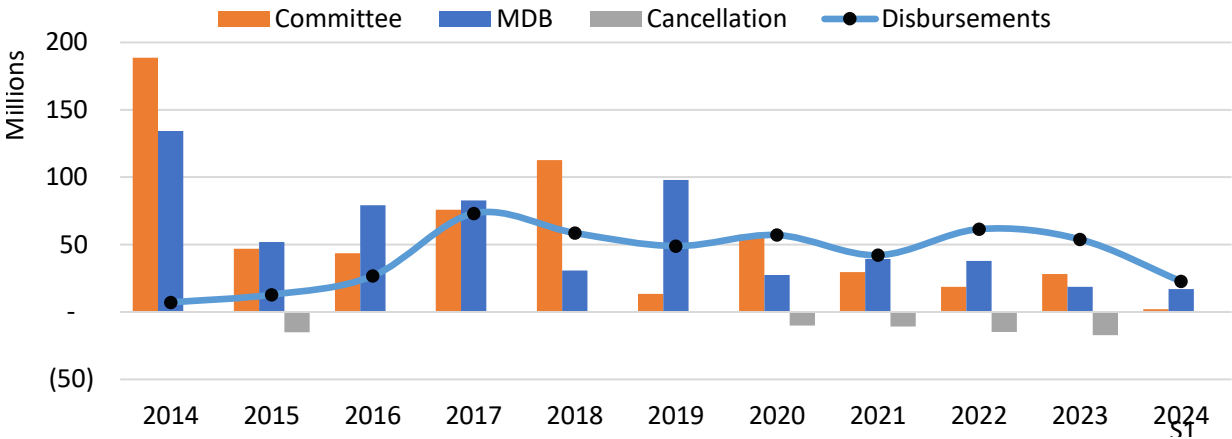
51. During FY24, the gender team collaborated closely with MDB Gender Focal Points to develop proposals and facilitate implementation of activities under the CIF Country Engagement Budget. As a result, 10 out of the total of 16 projects approved for the country engagement budget had a strong gender focus. One of these projects, submitted by the World Bank, aims to support gender mainstreaming in FIP-funded activities in Mexico, and to evaluate, systematize, and reward the innovations implemented to enhance gender inclusion in such activities. In doing so, the proposed activity will apply the W+ Standard developed by Women Organizing for Change in Agriculture and Natural Resource Management (WOCAN). More specifically, the activity will:
- Provide quantitative evidence of the impact of forest sector investments on female leadership, increased income opportunities, and knowledge improvement among beneficiary women and communities of FIP funded activities in Mexico;
 - Enhance the capacity of forest-dependent and community leaders in identifying and bringing forward impactful and measurable gender responsive actions in their forest projects; and
 - Assign a monetary value to results and create a new channel to direct financial resources to women.

4.3 Disbursement and Implementation Updates

52. For the first half of FY2024,⁹ MDB board approvals, including committee approvals for preparation grants, totaled USD 17.0 million, while cancellations totaled USD 0.3 million. This resulted in a net increase of USD 16.9 million (2.8%) in cumulative MDB board approvals for the first half of FY2024. Further, MDB approvals now equal committee approvals, which is why there is only a modest increase in MDB approval. Disbursements increased by USD 22.8 million to USD 469.2 million, representing an increase of 5.1 percent from FY2023. The small increase of net approvals and similar disbursements resulted in an overall increase of 1.6 percent in the disbursement ratio to 75.5 percent.

⁹ Data included in this section does not include MPIS or guarantees, but includes PPG, IPPG, and TAF.

Figure 5:1 FIP annual approvals, disbursements, and cancellations over the last 10 years



4.4 Risk Management

4.4.1 Implementation Risk for Projects Not Yet Effective

4.4.1.1 Criteria 1A

53. The following table represents projects where funds were committed at least four years ago by the TFC, but the projects are still not effective.

Table 6 Criteria 1A FIP implementation risk project table

Total Funding Flagged	Total MDB Co-Financing	Total Cumulative Disbursement	Average Disbursement Ratio
9.2M	0.0M	0.0M	0%

In millions of USD as of December 31, 2023

Criteria 1A											
Country	Project Title	MDB	Funding	Committee Approval Date	Effectiveness Date	Final Date of Disbursement	MDB Co-Financing	Cumulative Disbursement	Disbursement Ratio	Effectiveness	Years since Committee Approval
Guatemala	Sustainable Forest Management	IADB	9.2	11-Jul-19	-	1-Apr-20	-	-	0.0%	Not Effective	4.5 years

4.4.2 Implementation Risk for Effective Projects

4.4.2.1 Criteria 2

54. The following table represents projects that have been effective for at least 36 months but have disbursed less than 20% of program funds.

Table 7 Criteria 2 FIP implementation risk project table

		Total Funding Flagged	Total MDB Co-Financing	Total Cumulative Disbursement	Average Disbursement Ratio
		9.0M	10.4M	1.1M	12.2%

In millions of USD as of December 31, 2023

Criteria 2										
Country	Project Title	MDB	Funding	Committee Approval Date	Effectiveness Date	Final Date of Disbursement	MDB Co-Financing	Cumulative Disbursement	Disbursement Ratio	Years since Effectiveness
Côte d'Ivoire	Forest Cover Recovery and Resilience Improvement Project in the Center of Côte d'Ivoire	AFDB	9.0	22-Aug-18	7-Nov-18	31-Dec-25	10.4	1.1	12.2%	5.2 years

4.4.2.2 Criteria 3

55. The following table represents projects that are within 15 months of their anticipated date of final disbursement but have disbursed less than 50% of program funds.

Table 8 Criteria 3 FIP implementation risk project table

		Total Funding Flagged	Total MDB Co-Financing	Total Cumulative Disbursement	Average Disbursement Ratio
		36.3M	0.0M	11.9M	32.8%

In millions of USD as of December 31, 2023

Criteria 3												
Country	Project Title	MDB	Funding	Committee Approval Date	Effectiveness Date	Final Date of Disbursement	MDB Co-Financing	Cumulative Disbursement	Disbursement Ratio	Years since Effectiveness	Months to Final Disbursement	Extension Granted
Peru	Forest Investment Program Peru	IADB	36.3	6-Dec-17	8-Jan-18	8-Jul-24	-	11.9	32.8%	6.0 years	16 months	No

4.4.2.3 Criteria 4

56. The following table represents projects with extensions on their anticipated date of final disbursement but have disbursed less than 50% of program funds.

Table 9 Criteria 4 FIP implementation risk project table

Total Funding Flagged	Total MDB Co-Financing	Total Cumulative Disbursement	Average Disbursement Ratio
21.2M	12.7M	6.6M	31.3%

In millions of USD as of December 31, 2023

Criteria 4													
Country	Project Title	MDB	Funding	Committee Approval Date	Effectiveness Date	Extended Date of Final Disbursement	MDB Co-Financing	Cumulative Disbursement	Disbursement Ratio	Years since Effectiveness	Months to Final Disbursement	Extension Granted	
Côte d'Ivoire	Forest Cover Recovery and Resilience Improvement Project in the Center of Côte d'Ivoire	AFDB	9.0	22-Aug-18	7-Nov-18	31-Dec-25	10.4	1.1	12.2%	5.2 years	61 months	Yes	1 months
Peru	Integrated Land management in Atalaya, Ucayali Region	IBRD	12.2	23-May-18	8-May-19	28-Feb-25	2.3	5.5	45.3%	4.7 years	35 months	Yes	6 months

5. Results

5.1 Introduction and Approach for 2023 Results

57. This section describes the annual results that were achieved in FIP during the reporting period from January 1, 2023, to December 31, 2023, and cumulatively through December 31, 2023. It includes achieved and expected results from 54 MDB-approved FIP projects that are either under implementation or closed.¹⁰ The results span 14 countries: Brazil, Burkina Faso, Côte d'Ivoire, Democratic Republic of Congo (DRC), Ghana, Guatemala, Indonesia, Lao People's Democratic Republic (PDR), Mexico, Mozambique, Nepal, Peru, and the Republic of Congo, Rwanda, in addition to the DGM global project.
58. All FIP countries¹¹ with projects under implementation as of 2023 were requested to submit a country results report for this reporting cycle.¹² These country results reports are expected to cover the FIP results reporting themes, with an emphasis on investment plan-level achievements, FIP Category 2 reporting themes, multi-stakeholder analyses of results achieved, and qualitative insights that are not well captured through MDBs' project-level reporting. In turn, the increasingly robust longitudinal track record of reporting from MDBs' project-level data has become the primary source of quantitative information for FIP Category 1 reporting themes (see Section 2.3.1 for more information).
59. **Ten FIP countries submitted a results' report this year:** Brazil, Burkina Faso, Republic of Congo, Côte d'Ivoire, Democratic Republic of Congo, Ghana, Guatemala, Mozambique, Nepal, and Peru. In addition, Indonesia was the first FIP country to conduct a FIP Investment Plan Close-Out workshop, thereby reporting the final results achieved and concluding their annual monitoring and reporting requirement to CIF. Information from FIP country results reports is integrated throughout Section 5 (especially in Sub-Section 5.5) to highlight key country-specific results related to the reporting themes.

5.2 Scope and Maturity of Reporting for 2023 Results

60. **Forty FIP projects have reported achieved results as of 2023 out of a total of 54 MDB-approved FIP projects** (34 under FIP investment plans; 15 under DGM; three under FIP PSSA; and two under the RFF, totalling USD 611 million in FIP funding). Ten projects have reported targets but no actual progress towards these targets (six are investment plan

¹⁰ Projects identified as "closed" reflect their current status as reported in the CCH.

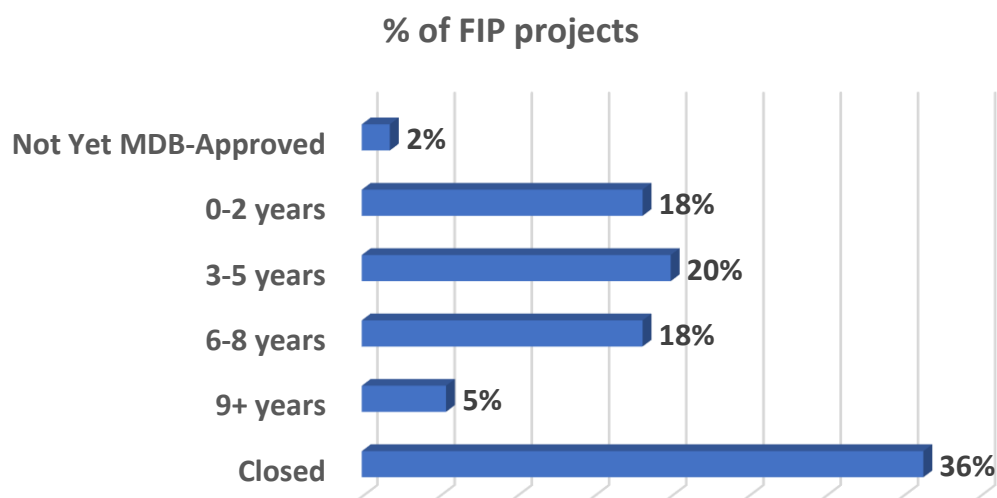
¹¹ Mexico completed all FIP projects in 2021 and was not contacted.

¹² Including planning a multi-stakeholder country M&R workshop, if feasible.

projects and four are DGM projects).¹³ This report also incorporates results achieved from DGM projects in the totals reported under the FIP Category 1 reporting themes—an update to the FIP M&R System that was put into place last year to ensure that DGM results are appropriately captured within FIP as a whole.¹⁴

- 61. Among all FIP projects, 40 percent of the portfolio is not yet MDB-approved or has been under implementation for less than five years. Twenty projects are reported as closed,¹⁵ representing approximately 36 percent of the portfolio by project count. The remaining 23 percent of MDB-approved projects in the portfolio are now at least six years old. In terms of total FIP funding, 61 percent of the portfolio has either surpassed five years of maturity or closed, whereas 40 percent falls within the 0–5-year range, including the two percent of allocated project funding that has not yet reached MDB approval (see Figures 6a and 6b).

Figure 6a: MDB-approved portfolio maturity for FIP (% projects)

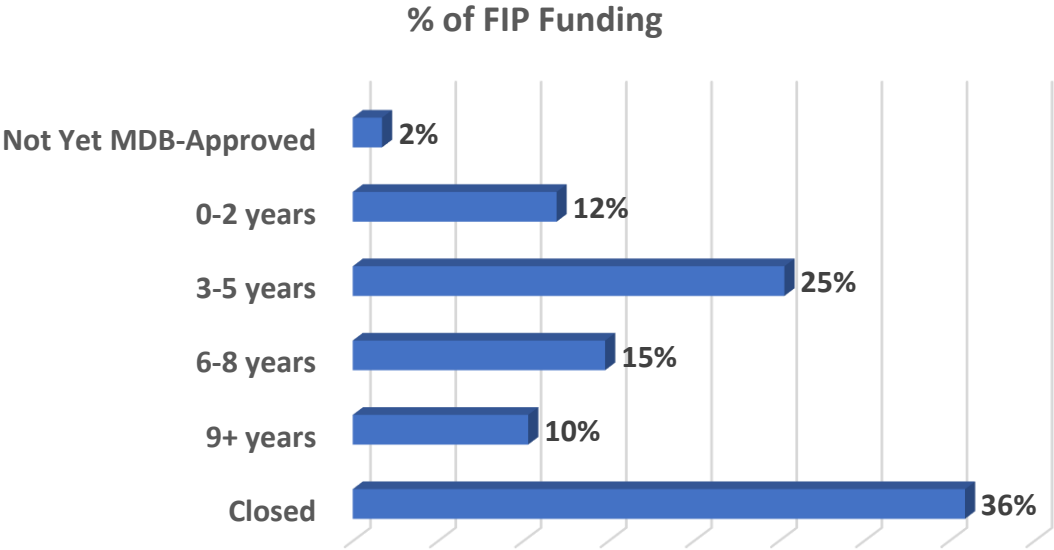


¹³ The ten projects are: investment plan projects from Guatemala, Peru, Republic of Congo, and Rwanda, and DGM projects from Brazil, Guatemala, Nepal, and Republic of Congo. The three DGM global projects (Phase I and Phase II) do not currently contribute to FIP’s main reporting themes. One project in Ghana is treated as a parent project and does not report on indicators independently.

¹⁴ This was not the case in the past, since DGM was established as a separate mechanism from country-led M&R in the FIP M&R System. However, as FIP results on Category 1 reporting themes now come primarily from MDBs at the project level, the CIF Secretariat, World Bank DGM/FIP focal points, and Conservation International determined that results from DGM projects should also be reflected in the official program-level totals (in addition to the more detailed results reporting on DGM undertaken by Conservation International).

¹⁵ Projects identified as “closed” reflect their current status as reported in the CCH. Additional projects may have completed implementation on the ground and/or reported final project results, although they have not yet been reported as “financially closed” within the CCH.

Figure 6b: MDB-approved portfolio maturity for FIP (% funding)



5.3 Overview of Results

WHERE DO WE STAND? FIP Results as of December 31, 2023

Total FIP investments of



have mobilized



in co-financing, resulting in:






tons CO2 eq. reduced, avoided, or sequestered



hectares of land covered through sustainable forest and land management activities, and



people receiving livelihood co-benefits.

 <p>FIP has covered over 36.29 million hectares of land through avoided deforestation, increased afforestation/reforestation, and other sustainable land management activities, equating to more than the land area of Tunisia, Nepal, Sri Lanka, and Mauritius combined.</p>	 <p>More than 3.14 million people (56.3% men, 43.7% women) have received livelihood co-benefits from FIP, which is slightly more than the population of Djibouti, Eswatini, and Guyana combined.</p>	 <p>FIP investments have resulted in over 28.10 million tons CO₂ equivalent reduced or avoided, the equivalent of taking more than 6 million cars off the road in a year.</p>
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5.4 FIP Category 1 Results

5.4.1 FIP Theme 1.1a: GHG Emissions Reduced/Avoided or Enhancement of Carbon Stocks

62. Based on MDB-reported results data from 14 FIP projects in eight countries, **FIP has achieved a cumulative total of 28.10 million tons of CO₂ eq. (Mt CO₂ eq.) reduced, avoided, or from enhanced carbon stocks as of December 31, 2023** (see Table 10). This figure represents a 27.24 percent achievement against the cumulative target, which stands at 103.13 Mt CO₂ eq. reduced, avoided, or sequestered, based on the expected results from 25 FIP projects in 12 FIP countries. Results are not reported from Brazil or available from Mozambique, and projects are not expected to report on greenhouse gas (GHG) emissions every year.¹⁶ DGM projects have not reported any contribution to FIP Theme 1.1a due to their differing objectives.

Table 10: FIP reporting theme 1.1a: GHG emissions reduced/avoided/enhanced carbon stocks (as of December 31, 2023)

Country	Cumulative achieved by end of 2023 (MtCO ₂ eq.)	Target	Percent achieved (Cumulative)
Brazil	Not reported	Not reported	Not reported
Burkina Faso	5.30	11.82	45%
Côte d'Ivoire	0.35	25.47	1%
DRC	6.55	15.50	42%
Ghana	6.00	8.94	67%
Guatemala	0.20	0.59	34%
Indonesia	1.82	3.70	49%
Lao PDR	2.21	4.03	55%
Mexico ¹⁷	5.66	2.70	210%
Mozambique	Not reported	Not reported	Not reported

¹⁶ Timelines for GHG accounting vary among MDBs. Typically, projects report to CIF on GHG emissions reduced/avoided at mid-term review and completion.

¹⁷ IDB confirmed a target change for the “Financing Low Carbon Strategies in Forest Landscapes” project in Mexico. No new achieved results were reported.

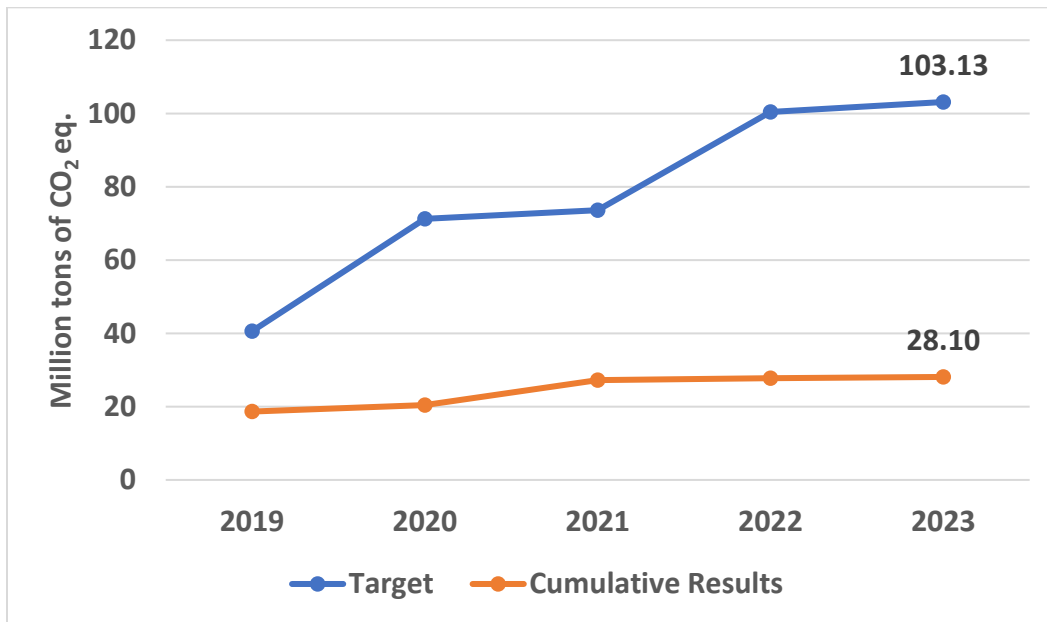
Nepal	0	17.74	0%
Peru	0	4.91	0%
Republic of Congo	0	6.60	0%
Rwanda	0	0.83	0%
Total	28.10	103.13	27.24%

63. **Country Results:** At the country level, four countries are leading contributions toward cumulative GHG emissions reduced/avoided and enhanced carbon stocks, namely, DRC (6.55 Mt CO₂ eq.), Ghana (6.00 Mt CO₂ eq.), Mexico (5.66 Mt CO₂ eq.), and Burkina Faso (5.30 Mt CO₂ eq.). The majority of cumulative results achieved from FIP projects stem from Africa, which has contributed 18.21 Mt CO₂ eq. of emissions reduced/avoided as a region, accounting for almost 65 percent of the total emissions reductions achieved by FIP projects as of December 31, 2023.
64. In relative terms, FIP countries in Africa (i.e., Burkina Faso, Côte d'Ivoire, DRC, Ghana, and Republic of Congo) have collectively reached 26 percent of the total GHG emissions they aim to reduce/avoid/sequester through FIP projects (18.21 Mt CO₂ eq. against a collective target of 69.16 Mt CO₂ eq.). In Asia, cumulative GHG emissions reduced/avoided/sequestered through FIP projects in Indonesia and Lao PDR account for almost 16 percent of the total target for the region (4.03 Mt CO₂ eq. against a collective target of 25.47 Mt CO₂ eq.).
65. **Project Results:** At the project level, the main project driving the increase in cumulative emissions reductions in 2023 is Guatemala's "Green Guarantee for Competitive Landscapes" (IDB). The project reported an annual result of 0.20 Mt CO₂ eq. in 2023. The project that contributed the second highest mitigation of GHG emissions in 2023 is DRC's "Integrated REDD+ Project in the Mbuji-Mayi/Kananga and Kisangani Basins" (AfDB) with 0.15 Mt CO₂ eq.
66. **Completed FIP projects are, on average, meeting approximately 2/3 of their GHG targets.** When considering only the nine completed projects reporting on this theme,¹⁸ cumulative GHG results have reached 16.24 Mt CO₂ eq. (or 66 percent) out of 24.74 MtCO₂ eq. collectively targeted by these projects.

¹⁸ Burkina Faso's "Decentralized Forest and Woodland Management Project" (WB) and "Gazetted Forests Participatory Management Project" (AfDB); DRC's "Integrated REDD+ Project in the Mbuji-Mayi/Kananga and Kisangani Basins" (AfDB); Ghana's "Engaging Local Communities in REDD+/Enhancement of Carbon Stocks" (AfDB); Indonesia's "Community-Focused Investments to Address Deforestation and Forest Degradation" (ADB); Lao PDR's "Scaling-Up Participatory Sustainable Forest Management Project" (WB) and "Protecting Forests for Sustainable Ecosystem Services" (ADB); and Mexico's "Forests and Climate Change Project" (WB) and "Financing Low Carbon Strategies in Forest Landscapes Project" (IDB).

67. **Annual Trends:** As shown in Figure 7, both GHG emissions targets and cumulative achievements reported have continued to increase each year from 2019 to 2023. **From 2022 to 2023, cumulative emissions reductions increased modestly by 0.37 Mt CO₂ eq. (27.73 to 28.10 Mt CO₂ eq.),** whereas the targeted emissions reductions increased by 2.67 Mt CO₂ eq. (100.46 to 103.13 Mt CO₂ eq.). The achievement rate¹⁹ decreased slightly between 2022 and 2023 (by 0.36 percentage points, from 27.61 percent to 27.25 percent). This is because the program target grew faster than the cumulative results, especially due to the new project-level target reported for the “Development of Agroforestry for Sustainable Agriculture” project in Rwanda (AfDB), which was MDB Board-approved in 2023. Cumulative achieved results are expected to continue growing steadily as more projects reach mid-term and completion,²⁰ the points in time when projects typically report on their GHG emissions.

Figure 7: Cumulative GHG emissions reduced/avoided, or enhanced carbon stocks from 2019–2023 (Mt CO₂ eq.)



68. **Methodological Note:** The cumulative achievement reported for FIP’s GHG emissions reductions since 2019 is an estimate based only on data reported to the CIF Secretariat through MDBs at the project level. The estimate relies on a harmonized framework of MDBs’ project-level GHG reductions/sequestration results, formulated within diverse indicators and reported on only as projects’ reporting timeframes allow. In some cases, for example, a

¹⁹ The achievement rate is defined as the cumulative achieved result divided by the target. This metric illustrates the percent achieved to date in comparison to what is expected to be achieved over the lifetime of the program or project.

²⁰ It should be further emphasized that due to constraints from COVID-19 reporting years and the changing role of FIP MDB data in results reporting over time, methodologies have shifted somewhat across reporting years. Caution is therefore recommended when interpreting longitudinal trends.

project-level indicator may only capture a cumulative reduction in net annual emissions at the time of project completion (as opposed to the gross cumulative emissions reductions achieved by a project over its entire implementation period). The framework also does not systematically capture all ongoing GHG emissions reductions/sequestration from FIP interventions beyond the project completion date. More targeted analytical work and resource allocation would be required to more robustly assess country investment plan-level results related to mitigation.

5.4.2 FIP Theme 1.1b: Area Covered by Sustainable Forest and Land Management Practices

69. **As of 2023, twenty-seven FIP projects have contributed to the sustainable management of more than 36,290,451 ha of forests and other land area.** This achievement represents 86 percent of the expected results from 35 projects (a target of 41,981,047 ha). The majority of these results are from Brazil (74 percent), distantly followed by Lao PDR (14 percent), Burkina Faso (1.6 percent), and Ghana (1.4 percent). The cumulative target for area covered increased to 41,981,047 ha from the previous target of 41,021,526 ha (an increase of 2.3 percent). This change in target was driven by the newly MDB-approved project, “Development of Agroforestry for Sustainable Agriculture in Rwanda” (AfDB), along with some adjustments that MDBs reported for current project targets. The adjustments include a mixture of increases and decreases, but they have led to a net increase overall.²¹

²¹ Projects where the target was revised downwards since the last reporting year are: IBRD - Sustainable Production in Areas Previously Converted to Agricultural Use Project in Brazil (from 147,166 ha to 66,225 ha); AfDB - Gazetted Forests Participatory Management Project for REDD+ in Burkina Faso (from 16,300 ha to 2,862 ha); and the AfDB - Integrated REDD+ Project in the Mbuji-Mayi/Kananga and Kisangani Basins in DRC (from 6,500 ha to 5,545 ha). Projects where the target was revised upwards since the last reporting year are: IBRD - Enhancing Natural Forest and Agroforest Landscapes Project in Ghana (from 113,633 ha to 417,518 ha); and the IBRD - Scaling-up Participatory Sustainable Forest Management in Lao PDR (from 2,680,000 ha to 3,380,170 ha).

70. **The cumulative result was substantially revised down for 2023** due to the final results that were reported for the “Environmental Regularization of Rural Lands in the Cerrado of Brazil Project” (WB) (henceforth referred to as “Brazil CAR project”). A robust counterfactual analysis conducted as part of the project’s completion report (ICR) applied a substantial revision to the numbers reported under FIP Theme 1.1b based on the more precise calculation methodology, significantly affecting the quantum of results achieved for both Brazil and FIP as a whole. The counterfactual analysis used causal inference techniques to examine 199 municipalities supported through the project against 50 control groups and concluded that the project has directly led to the adoption of more sustainable land management practices in a cumulative total of 26,292,531 ha (revised down from the previous figure of 362,300,000).²² Despite this revision, the project still serves as the primary quantitative driver for FIP performance on Theme 1.1b, representing more than 74 percent of program-level results.

71. **In 2023, a total of eight FIP projects in six countries have reported new or additional land area covered with sustainable forest and land management practices, equating to approximately 480,933 hectares (ha).**²³ Among these projects, the “Enhancing Natural Forest and Agroforest Landscapes Project” in Ghana (IBRD) contributed 303,884 hectares, approximately 63 percent of the new land area covered. Table 11 provides a country-level overview of both the cumulative and annual results for FIP Theme 1.1b.

**Table 11: Area covered by sustainable forest and land management practices
(ha, as of December 31, 2023)**

Country	Annual 2023	Cumulative 2023	Target	Percent Achieved (Cumulative)
Brazil ²⁴	-335,962,375	26,868,765	30,475,825	88%
Burkina Faso ²⁵	-189,987	576,756	733,862	79%
Côte d'Ivoire	0	170,133	1,257,575	14%
DRC	15,501	249,091	423,645	59%
Ghana	303,884	512,598	559,318	92%
Guatemala	3,100	3,100	94,600	3%
Indonesia ²⁶	106,726	160,894	29,880	538%
Lao PDR	0	5,130,332	5,112,831	100%

Mexico	0	2,572,205	2,568,401	100%
Mozambique	0	39,949	43,000	93%
Nepal	6,628	6,628	22,250	30%
Peru	0	0	584,200	0%
Republic of Congo	0	0	24,860	0%
Rwanda	0	0	50,800	0%
Total	-335,716,524 (Net) 480,933 (Real)	36,290,451	41,981,047	86%

72. **Country Results:** Ghana also leads annual contributions to FIP Theme 1.1b in 2023 at the country level. The additional 303,884 ha covered is entirely attributed to the “area of forest in targeted landscapes” indicator under the “Enhancing Natural Forest and Agroforest Landscapes Project” (WB). This indicator includes both closed and open forest, based on the definition of a forest as “an area of land greater than or equal to 1.0 ha, with more than 15% tree canopy cover and a minimum tree height of 5 meters at maturity.”²⁷
73. **Indonesia** reported the second highest contribution to FIP Theme 1.1b in 2023, protecting an additional 106,726 ha of natural forest area through community-based forest fire management approaches under the “Community-Focused Investments to Address Deforestation and Forest Degradation” ADB project. The final cumulative result is 125,438 ha, which is 25-times greater than the target of 5,000 hectares. Three other land-based indicators have contributed to the cumulative results for this project, namely, the “area of natural forest land brought under community-based forest management” (with a cumulative

²² See Annex 7 in the Environmental Regularization of Rural Lands in the Cerrado of Brazil ICR (WB, 2024) for more information.

²³ Note: this figure on annual results only reflects *actual* achieved results for 2023. It does not reflect projects in Brazil and Burkina Faso that officially revised down figures from previously reported results. The latter are indeed reflected in FIP’s updated cumulative results and official portfolio totals.

²⁴The “Environmental Regularization of Rural Lands in the Cerrado of Brazil Project” (WB) revised down its total to 26,292,531 ha from the previous figure of 362,300,000.

²⁵ The “Gazetted Forests Participatory Management Project” for REDD+ (AfDB) confirmed the final cumulative achieved result for the surface area of gazetted forests delimited to be 94,013 ha (revised down from the previous figure of 284,000 ha).

²⁶ The Indonesia “Community-Focused Investments to Address Deforestation and Forest Degradation” project (ADB) reported an annual value of 106,726 ha for the indicator on “area of additional natural forest protected through community-based forest fire management” in 2023, leading to a cumulative result of 125,438 ha for this indicator alone. This annual value makes up over three quarters of the cumulative result for this project (160,894 ha) and represents almost a thirtyfold increase in the annual value compared to 2022, where the reported annual value was 3,695 ha.

²⁷ This definition comes from the 2023 Implementation Status & Results Report.

result of 27,196 ha against a target of 17,000 ha); the “area of degraded land rehabilitated through community-based assisted natural regeneration” (with a cumulative result of 6,010 ha against a target of 6,000 ha); and the “area of deforested land brought under improved community-based agroforestry systems” (with a cumulative result of 2,250 ha against a target of 1,880 ha). In total, the project has supported 160,894 ha by its completion.

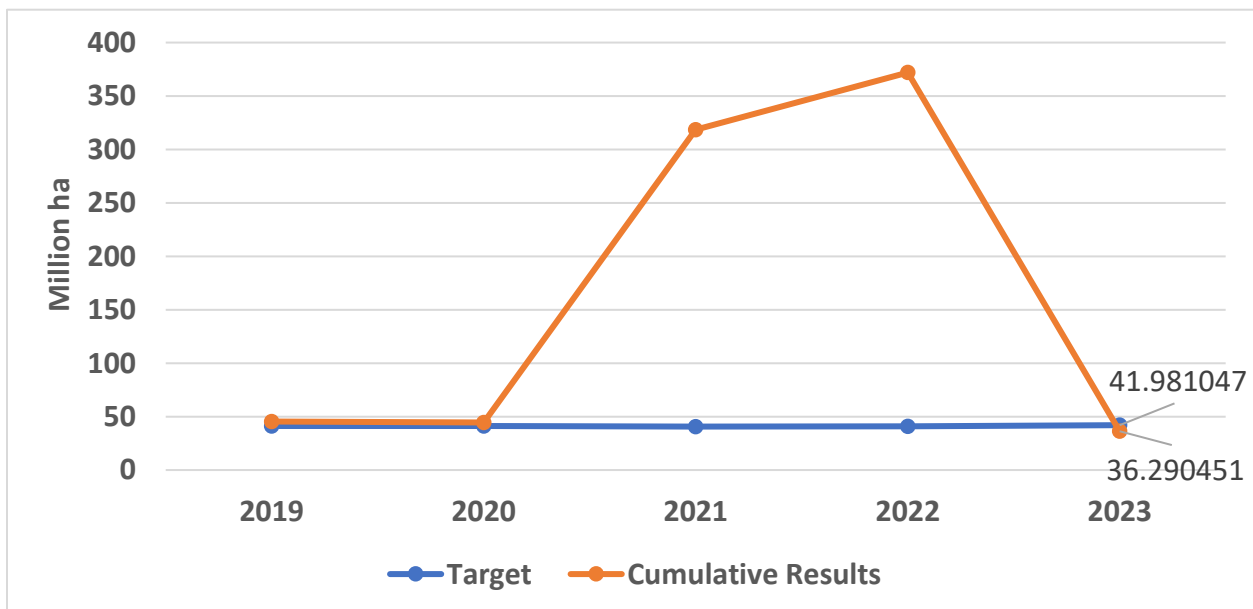
74. **Project Results:** At the project level, the “Improved Forested Landscape Management Project” (WB) in the Democratic Republic of Congo reported an additional 13,360 ha of land area where sustainable land management practices were adopted as a result of the project, as well as an additional 1,389 ha of new agroforestry plantations that received technical support. These two indicators add up to an annual result of 14,749 ha, and a cumulative result of 229,718 ha (57 percent of the project-level target of 403,000 ha).
75. The “Forests for Prosperity Project” (IBRD) in Nepal reported annual results for the first time in 2023, with 6,604 ha of forest area brought under management plans, 14 ha of private smallholder plantation areas, and 10 ha of area of public land managed by disadvantaged or poor groups for plantation or agroforestry, adding up to a total annual result of 6,628 ha for this project. With these new results, the project reached 30 percent of its target of 22,250 hectares.
76. Other significant project results for FIP Theme 1.1b in 2023 include the following:
- **Guatemala’s** “Green Guarantee for Competitive Landscapes” project (IDB) reported its first achieved result since MDB approval in 2019. The project supported 3,100 ha of land area under sustainable landscape management practices (4 percent of the project-level target of 75,000 hectares).
 - **Brazil’s** “Macauba Palm Oil in Silvicultural System” project (IDB) distinctively surpassed its target of 2,000 ha of land under sustainable management in 2023, with a cumulative result of 2,361 ha. While it had already achieved 100 percent of its target in 2022, in 2023, the project reached 118 percent of its target.
 - The “Integrated REDD+ Project in the Mbuji-Mayi/Kananga and Kisangani Basins” project in **DRC** (AfDB) reported its final results in 2023 with 11,500 ha of degraded forest covered by management plans (with an annual value of 94 ha reported in 2023), 4,800 ha of plantations established (with an annual value of 658 ha reported in 2023), and 3,073 ha of sown agroforestry areas in the project zones (with no progress reported in 2023).²⁸ The project achieved close to 94 percent of its overall target for FIP Theme 1.1b in 2023 (19,373 ha out of a project-level

²⁸ Based on the project completion report or *RAP (Rapport d’Achevement pour les Resultats)* submitted in November 2023.

target of 20,645 ha).

- 77. **DGM Results:** No new results for DGM projects were reported for 2023 under this reporting theme. Together, the DGM projects expect to contribute 9,550 ha under sustainable forest and land management practices, which they have already surpassed by 24,886 ha, thanks to contributions from the projects in Côte d'Ivoire (WB), Burkina Faso (WB), and Brazil (WB). This collective result has already been achieved without any cumulative results reported yet for the DGM projects in Guatemala and the Republic of Congo.
- 78. Eight investment plan projects—Lao PDR (1), Peru (2), Nepal (1), Guatemala (1), Republic of Congo (2), Rwanda (1)—and two DGM projects (Guatemala and Republic of Congo) are yet to make contributions toward FIP Reporting Theme 1.1b.
- 79. **Annual Trends:** Year-on-year, FIP Theme 1.1b trends are noticeably influenced by the Brazil CAR Project (WB). Both the steep increases of the cumulative results line between 2020 and 2022, and the subsequent steep decline from 2022 to 2023, seen in Figure 8, are overwhelmingly due to changes in reporting from this project. While the 2023 cumulative results for FIP appear to be close to pre-2021 levels, this is because the Brazil CAR project's final results are more than nine million hectares less than its own pre-2021 levels (before the precipitous increase in 2021). If the Brazil CAR project is treated as an outlier and excluded from the portfolio totals, **the adjusted cumulative results for FIP as of 2023 remain at nearly 10 million hectares (i.e., 9,997,920 ha).**

Figure 8: Cumulative area covered by sustainable forest and land management practices (million ha) from 2019–2023



80. The CIF Secretariat published a Results Deep Dive (see [FIP: Sustainable Land and Forest Management](#)) in June 2023²⁹ to provide a more in-depth analysis of FIP’s performance in sustainable land management and sustainable forest management. The deep dive examines these results within three major thematic areas of FIP investment: enhanced forest governance and capacities, increased carbon sequestration for climate change mitigation, and reduced forest exploitation and encroachment (see Figure 9).

Figure 9: FIP sustainable land and forest management results areas



Source: *FIP: Sustainable Land and Forest Management Results Deep Dive*

²⁹ Following the publication of the previous FIP ORR.

Box 6: IP Interventions in Ghana That Contributed to Sustainable Forest Management (SFM) and Sustainable Land Management (SLM) Practices



Source: Climate-smart cocoa farming in Ghana

Project: Enhancing Natural Forest and Agroforest Landscapes

MDB: World Bank

FIP Funding: USD 29.97 million

Objective: To improve forest and tree management practices by cocoa farmers; CREMA communities and forest reserve managers to reduce forest loss and degradation in selected landscapes in Ghana's High Forest Zone.

Two of the mechanisms FIP uses to strengthen SFM and SLM practices are carbon sequestration for climate change mitigation and reducing forest exploitation and encroachment.

In Ghana, carbon sequestration for climate change was increased by both the replenishment of carbon stocks on woodlands appropriate for agriculture, and through the establishment of plantation forests. Indeed, the implementation of climate-smart cocoa and agroforestry systems has increased the productive capacities of and revived carbon sinks on 81,000 ha of degraded forest landscapes in the High Forest Zones as part of the “Enhancing Natural Forest and Agroforestry Landscapes Project”.

Regarding the establishment of plantation forests, combined FIP projects in Ghana reported that 24,000 ha of woodlands were restored, with reform and/or operationalization of tree tenure and benefit-sharing schemes avouching timber returns to the participating border communities, whose guardianship remains crucial for long-term forest viability (out of which 14,009 ha can be attributed to the “Enhancing Natural Forest and Agroforestry Landscapes Project”). In addition, communities were provided seedlings and training for the establishment of plantation forests.

Forest exploitation and encroachment was reduced by supporting alternative livelihoods through training and starter kits. A total of 13,000 forest-fringe people benefitted, buttressing tandem actions for forest restoration, agroforestry, and human-forest symbiosis.

Source: FIP: Sustainable Land and Forest Management Results Deep Dive

5.4.3 FIP Theme 1.2: Livelihood Co-Benefits

81. FIP program investments contribute to the economic and social well-being of recipient communities and beneficiaries residing in and around forested areas. Common livelihood co-benefits include an improved source of income, employment opportunities, entrepreneurship, access to finance, education, enhanced capacity to utilize forest resources sustainably, agroforestry, health, and more. A total of 14 projects reported annual results related to these areas in 2023, 37 projects have reported cumulative results, and 47 projects have reported targets.
82. **As of 2023, a total of 3,145,370 people has received livelihood co-benefits through FIP (70.2 percent of the new cumulative target of 4,478,137 people).** The cumulative result for FIP Theme 1.2 was revised down from 2022 largely due to the confirmed final project results reported from the Brazil CAR project (WB), as discussed in the previous section.³⁰ Meanwhile, the FIP program-level target for livelihood co-benefits increased by 18 percent as compared to 2022 (from 3,793,319 people to 4,478,137 people).
83. In real terms, FIP supported approximately **321,978 additional people with livelihood benefits in 2023**. This figure discounts the negative annual values that arise from revised reporting to focus on *de facto* implementation-related results for 2023. The net result, inclusive of negative reporting revisions, is illustrated in Table 12 and duly reflected in FIP's cumulative results totals for Theme 1.2. Country and project examples highlighted throughout this section primarily focus on new achievements for 2023.
84. **Country Results:** Nine FIP countries reported achieved results on Theme 1.2 for 2023 (Brazil, Burkina Faso, DRC, Ghana, Guatemala, Indonesia, Lao PDR, Mexico, and Peru). As shown in Table 12 and Figure 10, Burkina Faso reports the highest cumulative number of people who have received livelihood co-benefits (1,068,337 people, representing approximately 34 percent of the program-level results). However, in 2023, the country with the largest annual contribution was the DRC (167,569 people), followed by Indonesia (123,868 people).
85. **DRC's** significant increase compared to 2022 was driven by the "Integrated REDD+ Project in the Mbuji-Mayi/Kananga and Kisangani Basins" (AfDB), which submitted its project completion report and final results in November 2023. Within this project, the indicator that reported the highest annual value relates to beneficiaries who reaped economic benefits from the project-supported plantations (163,575 people). The remaining 5,994 new beneficiaries attributed to this project in 2023, relate to women and young people who initiated micro-

³⁰ The Integrated REDD+ Project in the Mbuji-Mayi/Kananga and Kisangani Basins in DRC (AfDB) and the Mozambique DGM project (WB) also reported minor downward revisions to their cumulative results. As these two projects closed in 2023 and submitted their completion report in the second half of 2023, their cumulative results are considered final, and the adjustments have been made.

projects in the project areas.

Table 12: Livelihood co-benefits as of December 31, 2023 (Number of People)

Country	2023 Annual Results	2023 Cumulative Results	Target	Percent Achieved (Cumulative)
Brazil	-3,441,764	421,719	228,195	185%
Burkina Faso	0	1,068,337	328,600	325%
Côte d'Ivoire	0	9,625	1,765,460	1%
DRC	167,569	520,379	810,875	64%
Ghana	1,742	156,142	138,693	113%
Guatemala	706	708	3,300	21%
Indonesia	123,868	239,945	195,700	123%
Lao PDR	0	235,778	243,545	97%
Mexico	157	382,810	295,257	130%
Mozambique ³¹	-1,285	75,561	75,241	100%
Nepal	0	0	119,150	0%
Peru	0	34,366	58,785	58%
Republic of Congo	0	0	25,336	0%
Rwanda	0	0	190,000	0%
Total	-3,149,007 (Net) 321,978 (Real)	3,145,370	4,478,137	70%

86. In **Ghana**, all annual results reported in 2023 can be attributed to one project, the “Enhancing Natural Forest and Agroforest Landscapes” (WB). A total of 602 new direct

³¹ The negative annual result reported for Mozambique in 2023 is driven by a change in the cumulative result reported between 2022 and 2023 for the DGM project. Neither of the other two FIP projects in Mozambique reporting on Theme 1.2 reported new annual results for 2023. The new annual values (and targets) for the Mozambique DGM project come directly from the project completion report submitted in September 2023.

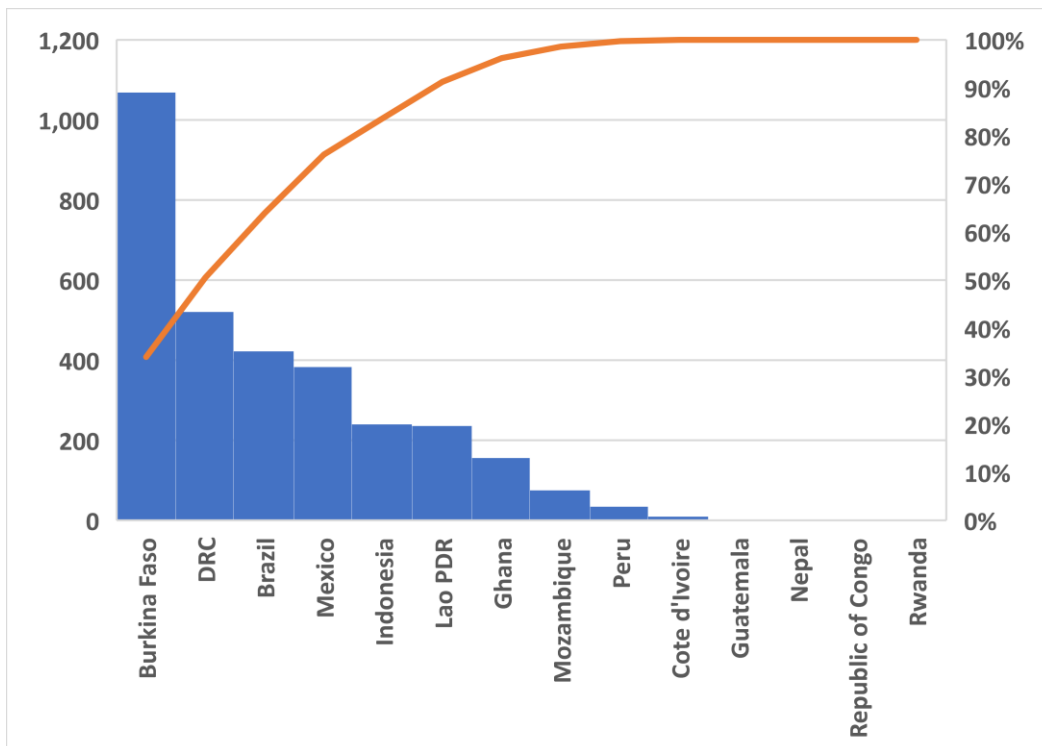
project beneficiaries were reported (out of which 434 are women), as well as 1,140 new people with monetary or non-monetary benefits from forests and climate-smart agriculture, out of which nine out of ten people are women.

87. **Burkina Faso and Côte d'Ivoire** did not report any annual result in 2023. However, some projects provided new insights on the results they achieved. For example, the DGM project in Burkina Faso (WB) reported that among the “number of forest users trained” (895 people in total) 62 percent of the forest users are women, and one percent are from an ethnic minority or Indigenous group. In Côte d'Ivoire, the Forest Investment Project Phase 2 (WB) is continuing to implement its approach to support improved livelihoods through microprojects. The project has already reached 2,200 people and will measure the effectiveness of income-generating activities, increased food security, access to health, improved education of dependents, and improved habitat.³²
88. The considerable increase in **Guatemala** from zero progress towards its target in 2022 to 23 percent in 2023 can be attributed to the “Green Guarantee for Competitive Landscapes” project (IADB). Since the last reporting period, 689 producers from small forestry and agro-forestry companies have adopted sustainable production practices, and 17 women who have benefitted from these companies now have access to credit.
89. **Indonesia** has reported noticeable contributions to Theme 1.2 in 2023 with the newly reported indicator “direct project beneficiaries” used for the “Promoting Sustainable Community-Based Natural Resource Management and Institutional Development Project” (IBRD). By the time of its completion, 122,903 people have benefited from the project, out of which 37,485 are women (30 percent), and 85,418 are men. The final achieved result represents 129 percent of the project-level target (95,000 people) and meets the targeted gender ratio.
90. **Lao PDR, Nepal, Peru, and the Republic of Congo** did not report any annual results in 2023, but Nepal and Peru both changed their targets for this reporting theme. The target for the “number of people with increased monetary or non-monetary benefits from forests” reported under the “Forests for Prosperity Project” (IBRD) in Nepal has been increased by 10,000, representing a new target of 110,000 people. In Peru, the “Integrated Land Management in Atalaya, Ucayali Region” project (IBRD), revised its target down from 8,740 “land users adopting sustainable land management practices” in 2022 to 2,300 land users, as of 2023. It also provided new, gender-disaggregated data for its target, with an expected 75 percent of these land users to be women.

³² Based on the Implementation Status and Results Report submitted in 2023.

- 91. All FIP projects in **Mexico** are closed, except for the DGM project, which reported an additional 146 people in forest and adjacent communities with monetary and non-monetary benefits from the forest, and 11 local communitarian promoters supported with training in 2023.
- 92. **Mozambique** has successfully reached 100 percent of its country-level target. The country reports a negative annual value for 2023 due to a reporting revision for the number of sub-project beneficiaries supported through the DGM, which has slightly decreased the achievement rate by two percentage points, as compared to 2022.
- 93. **Rwanda's** new FIP project, "Development of Agroforestry for Sustainable Agriculture" (AfDB), so far has only reported its targets for two indicators. The project expects to create 40,000 new direct jobs for rural people (with a 40 percent target for women), and to support 150,000 farmers with the adoption of new agroforestry practices (with a 50 percent target for women).
- 94. Figure 10 illustrates the distribution of FIP results for Theme 1.2 by country.

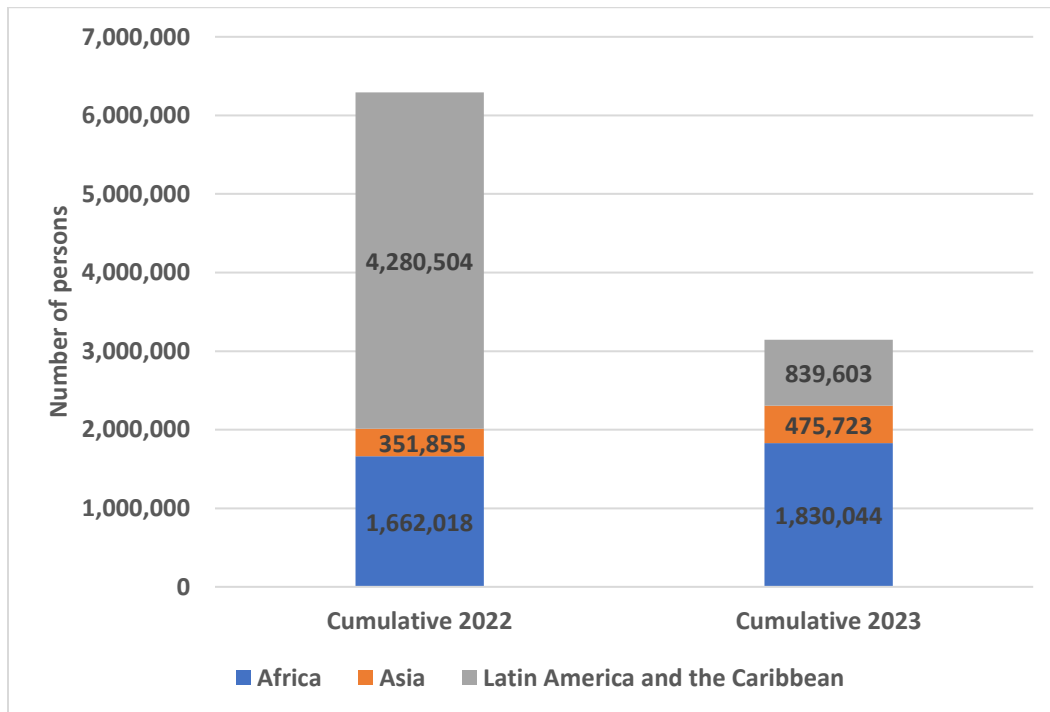
Figure 10: Distribution of FIP country contributions toward cumulative, program-level livelihood co-benefits



Note: Moving from left to right, the curve indicates the percentage of total FIP program-level livelihoods co-benefits achieved by each country and the countries to its left.

95. **Regional Results:** Figure 11 illustrates the total number of people receiving livelihood co-benefits by region. The regional distribution has shifted notably from 2022 to 2023. As of 2023, Africa accounts for approximately 58 percent of all livelihood beneficiaries, followed by Latin America and the Caribbean (27 percent) and Asia (15 percent). Compared to 2022, Africa has a substantially higher share of the total results (26 percent to 58 percent), Asia a somewhat higher share (6 percent to 15 percent), whereas the share for Latin America and the Caribbean has been reduced substantially (68 percent to 27 percent). This trend is again largely driven by the revised results reported from the Brazil CAR project (WB).

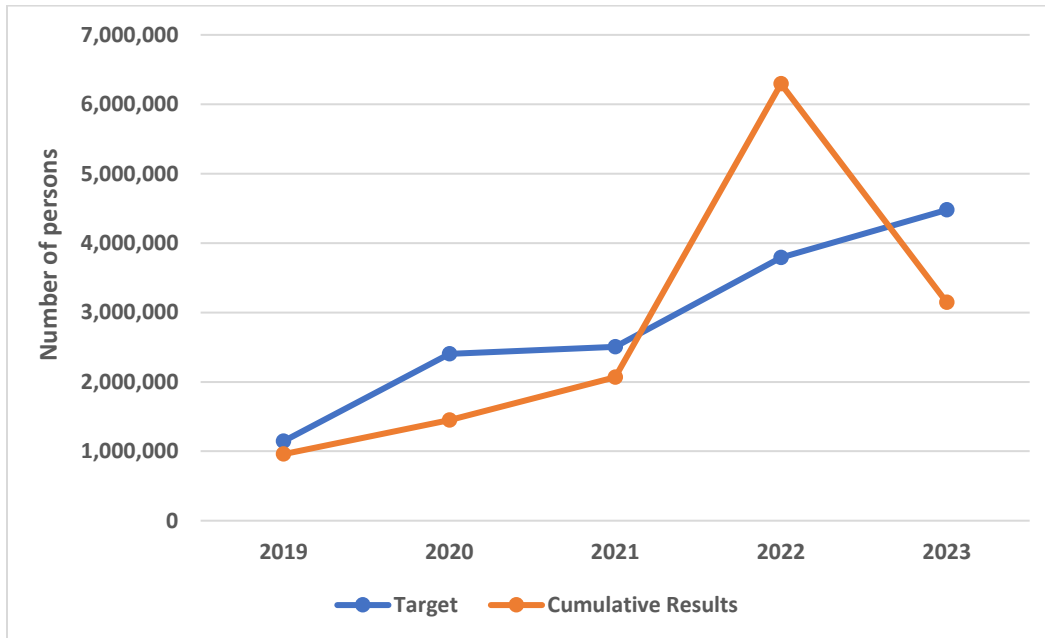
Figure 11: Cumulative livelihood co-benefit results by region, 2022 versus 2023 (Number of People)



96. **DGM Results:** FIP Theme 1.2 is the main FIP reporting theme that systematically applies to DGM projects' results measurement. Out of 13 DGM projects reporting on this theme, six are already closed. All 13 DGM projects have already reported targets (for a total of 194,988 people). One DGM project reported annual achieved results in 2023 (for a total of 157 people), and nine DGM projects have reported cumulative results (for a total of 298,118 people).

97. **Annual Trends:** From 2019 to 2023, the cumulative number of people receiving livelihood co-benefits increased from 958,848 people to 3,145,370 people, representing a more than three-fold increase over the four-year period. The level of ambition across FIP projects also climbed from a target of 1,144,938 people in 2019 to 4,478,137 people in 2023, representing a four-fold increase over the same period (see Figure 12). Although the cumulative result decreased steeply from 2022 to 2023,³³ the average upward linear trend from 2019 to 2023 remains evident.

Figure 12: People receiving livelihood co-benefits from 2019–2023



98. **Livelihood Co-benefits by Gender:** FIP promotes the full and equitable inclusion of women and marginalized people in the planning, decision-making, and implementation processes of its investments. To monitor gender-specific outcomes in the program, the CIF Secretariat is working to enhance analysis of available gender-disaggregated results data, in line with the [CIF Gender Action Plan – Phase 3](#) and the [CIF Monitoring, Evaluation, and Learning Policy](#). Table 13 illustrates the gender-disaggregated achievements and targets reported for FIP Theme 1.2 as of December 31, 2023.

99. **Out of the total cumulative livelihood co-benefits with gender-disaggregated data available, approximately 56.3 percent of all beneficiaries are men and 43.7 percent are women** (see Table 13). This is an improvement since 2022, when the ratio stood at 58.9 percent men vs. 41.1 percent women. The combined number of men and women (2,429,578 people) covers approximately 77 percent of all achieved livelihood co-benefit results that

³³ Attributable once again to the Brazil CAR project (WB).

have been reported, since the remaining 23 percent of results achieved (corresponding to 715,792 people) were not reported in a gender-disaggregated manner.

100. **The overall availability of gender-disaggregated data for FIP has improved further in 2023, although more gender-disaggregated results are being reported than gender-disaggregated targets (by volume).** Approximately 41.4 percent of the total target value for FIP Theme 1.2 is reported with gender-disaggregated data (corresponding to 1,134,130 men and 718,700 women, compared to 2,625,307 people targeted with no gender specified). For FIP’s 2022 results, a comparable 41 percent of the total target was gender-disaggregated, but only 29 percent of all achieved livelihood co-benefit results were gender-disaggregated.
101. **FIP Theme 1.2 demonstrates a stronger *relative* performance for female beneficiaries targeted as compared to the male beneficiaries targeted, despite the *absolute* gender gap evident in the total number of people supported.** The achieved results in 2023 show that the program has already exceeded its female-specific target at the portfolio level (1,061,930 women supported against a target of 718,700, nearly 148 percent). In comparison, FIP has supported 1,367,648 men against a male-specific target of 1,134,130 (approximately 121 percent). This amplifies the relative gender performance trend witnessed in 2022, where 113 percent of men targeted had been reached vs. 125 percent of women. Understanding the specific drivers of these results would require further analysis beyond the scope of this report.
102. **Country-level gender gaps for achieved livelihood co-benefits linked to FIP interventions vary significantly across the portfolio.** Peru and Ghana remain the two FIP countries that have supported more women than men, having reached 54 percent women and 52 percent women, respectively. FIP interventions in Guatemala now also benefit more women than men, although the results are highly preliminary, since only 18 women (out of 300 targeted) have been supported so far with access to credit through small forestry and agro-forestry companies. Burkina Faso, DRC, and Lao PDR are close to gender parity in terms of achieved FIP livelihood co-benefits. Brazil, Indonesia, Mexico, and Mozambique have supported more men than women through their FIP interventions, generally hovering around a two-thirds (men) to one-third (women) approximate ratio. In Côte d’Ivoire, the gender gap has increased more acutely to approximately 83 percent men vs. 17 percent women, although implementation remains quite early, with only slightly more than 4,400 women and men accounted for thus far.
103. At the project level, the “Integrated REDD+ Project in the Mbuji-Mayi/Kananga and Kisangani Basins” in DRC (AfDB) reported considerable increases in the number of women whose livelihoods were improved this year (100,560 women), and in the number of women initiating micro-projects (10,419 women). Meanwhile, the newly MDB-approved “Development of Agroforestry for Sustainable Agriculture” project in Rwanda (AfDB) aims to

create jobs for 24,000 rural men and 16,000 rural women, as well as to promote the adoption of new agroforestry practices for 75,000 men and 75,000 women.

Table 13: Gender-disaggregated livelihood co-benefits in FIP countries, as of December 31, 2023³⁴ (Number of People)

Country	Cumulative Achieved (Men)	Target (Men)	Cumulative Achieved (Women)	Target (Women)	Breakdown of Total Achieved Result by Gender	Remaining Country Results (Without Gender Data)	Proportion of Country Results w/ Gender Data Available
Brazil	44,092	28,019	18,599	10,482	70% men	359,028	15% of results
					30% women		17% of target
Burkina Faso	520,560	199,982	499,564	111,718	51% men	48,213	95% of results
					49% women		95% of target
Côte d'Ivoire	3,652	70,600	765	70,600	83% men	5,208	46% of results
					17% women		8% of target
DRC	224,394	180,375	203,325	141,500	52% men	92,660	82% of results
					48% women		40% of target

³⁴ The “proportion of country results with gender data available” refers to the percentage of each country’s total results values for FIP Theme 1.2 based on gender-disaggregated data. For example, if a country reports 100 people with livelihood co-benefits based on multiple indicators, but only one indicator reports 10 men and 10 women, this column would read 20%, since 80% of the country’s achieved results do not report a gender-disaggregated breakdown. This is not the same as the total number of projects or indicators reporting gender-disaggregated data.

Ghana	65,937	67,847	72,680	69,565	48% men	17,525	89% of results
					52% women		99% of target
Guatemala	0	1,400	18	900	0% men	690	3% of results
					100% women		70% of target
Indonesia	160,475	131,990	79,470	63,710	67% men	0	100% of results
					33% women		100% of target
Lao PDR	68,170	87,386	63,175	59,924	52% men	104,433	56% of results
					48% women		60% of target
Mexico	264,637	223,004	107,408	63,659	71% men	10,765	97% of results
					29% women		97% of target
Mozambique	2,383	1,736	1,257	1,584	65% men	71,921	5% of results
					35% women		4% of target
Nepal	0	0	0	0	0% men	0	0% of results
					0% women		0% of target
Peru	13,348	26,752	15,669	26,238	46% men	5,349	84% of results

					54% women		90% of target
Republic of Congo	0	16,040	0	7,820	0% men	0	0% of results
					0% women		94% of target
Rwanda	0	99,000	0	91,000	0% men	0	0% of results
					0% women		100% of target
Total	1,367,648	1,134,130	1,061,930	718,700	56.3% men	715,792	77.2% of results
					43.7% women		41.4% of target

5.5 FIP Category 2 Results

104. FIP Category 2 reporting covers Biodiversity and Other Environmental Services (Theme 2.1), Governance (Theme 2.2), Land Tenure, Rights, and Access (Theme 2.3), and Capacity Development (Theme 2.4). Category 2 results are reported through MDB project-level reporting and information provided in the FIP country results reports submitted each reporting period.
105. Ten FIP countries submitted Category 2 results for 2023: Brazil, Burkina Faso, Côte d'Ivoire, Republic of Congo, Democratic Republic of Congo, Ghana, Guatemala, Mozambique, Nepal, and Peru. Indonesia covered Category 2 results as part of their FIP IP Close-Out held in March 2024 (see Box 1). The following sections provide selected highlights of results achieved for 2023. More details on country-specific results can be found in the respective FIP country results reports.

5.5.1 FIP Theme 2.1: Biodiversity and Other Environmental Services

BIODIVERSITY

Biodiversity refers to the richness of local species that are typical of a habitat, ecosystem, or biome in areas covered by the FIP investment plan.

Other environmental services refer to any ecosystem function that is demonstrably beneficial to humankind. Examples include the role of forests in regulating air and water quality, stabilizing the local climate, protecting soil, and enhancing physical resilience to climate stress.

Source: FIP Monitoring and Reporting Toolkit, Category 2 Themes

106. The CIF Secretariat published a Results Deep Dive (see [FIP: Biodiversity Co-Benefits](#)) in June 2023³⁵ to provide a more in-depth analysis of the biodiversity results achieved in the FIP portfolio. The Results Deep Dive primarily examined three key modalities—conservation, protection, and restoration—which FIP projects have employed to strengthen biodiversity. While no standardized quantitative metric is available within FIP to capture total biodiversity results, the Results Deep Dive estimates that approximately **73.5 million–127.8 million hectares of land directly or indirectly supported through FIP are contributing to enhanced biodiversity.**³⁶
107. FIP approaches that generate biodiversity co-benefits have entailed **restoring native vegetation** (such as natural regeneration, enrichment and active regeneration of degraded forests, and processes for land use planning and protection); **countering threats to biodiversity** (such as deterrence of illegal poaching and logging, protection against forest encroachment and degradation, and prevention and control of forest fires); and **promoting sustainable agroforestry and silvopastoral systems** (such as forest-conducive cocoa landscapes, community-driven reforestation via agroforestry, and processes for land use planning and protection). See Figure 13.
108. Assisted natural regeneration has been FIP’s primary modality for habitat restoration, delivering approximately 193,000 hectares of coverage.³⁷ In **Indonesia**, for example, 30 community groups established 6,000 hectares of protected forests on woodlands, leading to 15 species of flora (four endangered and four vulnerable) being restored to a diversity index rating of “abundant.” This means that each can viably regenerate without additional human intervention. In addition, over 20 species of fauna (including the “vulnerable” flying lemur and the “critically vulnerable” Bornean orangutan) have been observed as settled in the area.

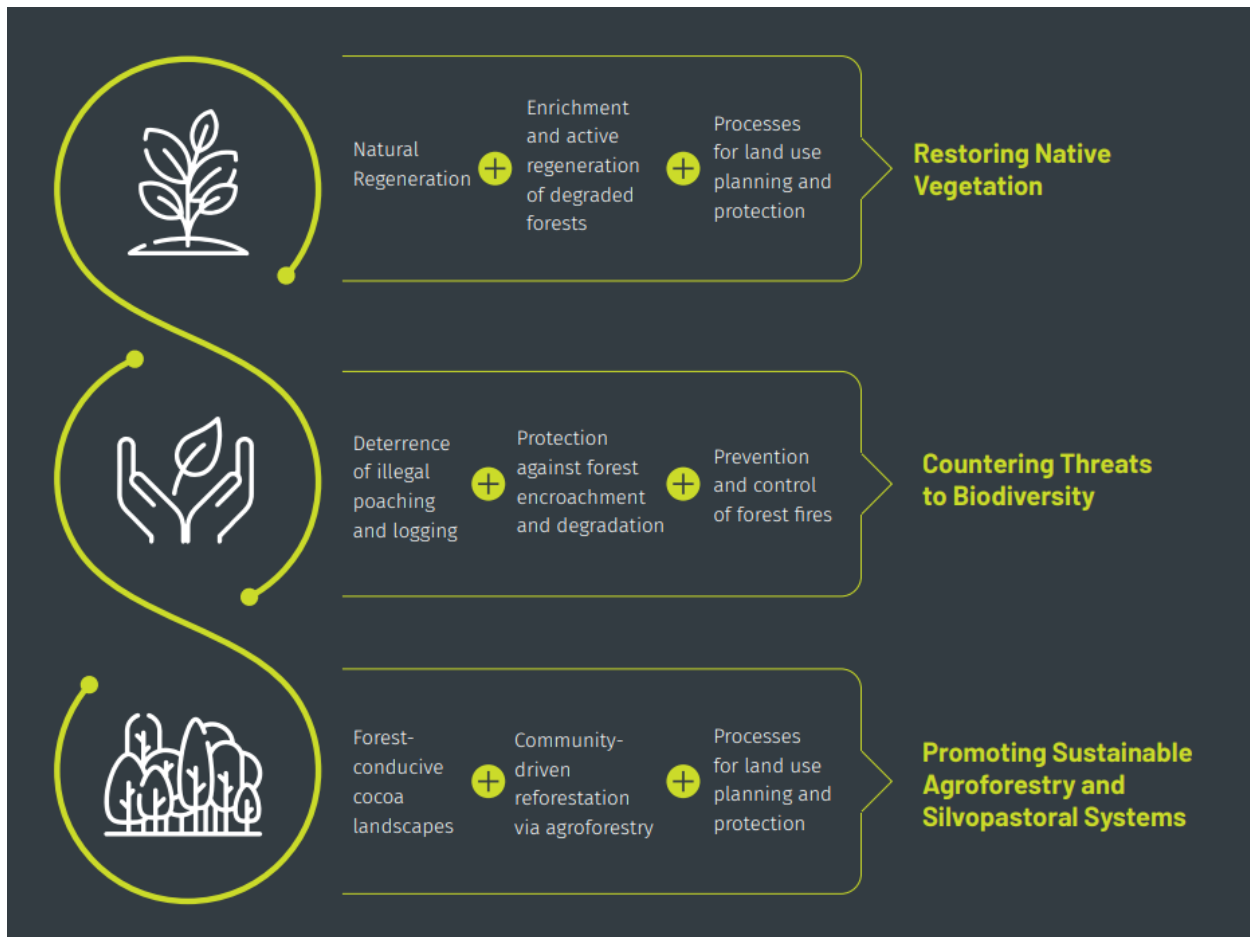
³⁵ Following the publication of the previous FIP ORR.

³⁶ This estimation is derived from available data and corresponding information in FIP project reports. It was published in the Results Deep Dive prior to revision of the results reported by the Brazil CAR project (WB).

³⁷ At the time of publication.

109. FIP approaches to countering biodiversity threats have included a combination of strengthening institutional effectiveness and promoting behavior change, community action, and self-sustainability. In **Mozambique and Côte d'Ivoire**, the strengthening of existing governance and surveillance mechanisms of forest law enforcement institutions has expanded and accelerated the enactment of ecosystem protections, curtailing illegal logging (i.e., seizing wood and banning, eliminating, and relocating 22 forest operators in 47 forest concessions), and preventing illegal mining and poaching (i.e., apprehending 22 gold panners and 11 poachers). Biodiversity conservation actions in Côte d'Ivoire also included the erection of boundary girding to separate forest complexes from the rural environment, with 48 km of wire fencing constructed to prevent encroachment, poaching, charcoal burning, gold panning and human-wildlife conflicts, and six km of electrified lines erected for the quarantining of elephants.
110. In **Lao PDR**, the deployment of an Operational Logging and Forest Degradation Monitoring System within the provincial and district agriculture and forestry offices resulted in the organization and training of 17 village patrol teams. These units act as extension agents in the reduction of environmental crimes related to forest destruction, forest degradation, and wildlife poaching over an expanded coverage area of 80,000 ha.
111. Finally, agroforestry and silvopastoral systems have allowed for continued or enhanced food security and income generation in forest zones, while delivering a range of biodiversity benefits, such as increased diversity of vegetation, greater soil fertility, and decreased thermal stresses for wildlife. In **Ghana and Côte d'Ivoire combined**, for example, the establishment of yield-increasing agroforestry systems has enhanced ecological diversity across more than 100,000 hectares of cocoa landscapes and forest ecosystems.

Figure 13: Biodiversity results



Source: FIP: Biodiversity Co-Benefits Results Deep Dive

112. Two FIP projects reported new quantitative results related to biodiversity this year.
- In **Côte d’Ivoire**, the “Forest Investment Project” (WB) has brought an additional 347 hectares of enhanced biodiversity conservation, bringing the total area protected to 557 hectares (169 percent of project-level target).
 - In **Brazil**, the “Macauba Palm Oil in Silvicultural System” project (IDB) has planted a cumulative total of 735,696 macauba palm trees within sustainable agroforestry systems. This brings the project to approximately 123 percent of its target for this indicator, which was set at 600,000 macauba palm trees.

5.5.2 FIP Theme 2.2: Forest Governance

FOREST GOVERNANCE

Governance refers to the processes—including legal provisions and enforcement—through which officials, institutions, and forest users (both women and men) acquire and exercise authority in the management and conservation of forest resources.

Improved forest governance is characterized by the development, enhancement, and/or enforcement of and compliance with policies, laws, and other regulatory mechanisms and incentive programs that encourage sustainable forest management and conservation.

Source: FIP Monitoring and Reporting Toolkit, Category 2 Themes

113. In **Indonesia**, enhanced forest governance emerged as one of the most prominent results takeaways discussed during the IP close-out. Overall, FIP played a catalytic role in transforming forest management in the over 30 forest management units (FMUs) that were targeted and operationalized. Forest management units were a new governance approach put in place by the government of Indonesia just prior to the arrival of FIP, which in turn demonstrated their proof of concept and viability in strategic provinces across the country. Within the national landscape, challenges to FMU operations persist, and significantly more FMUs require support to become operational.
114. In the **Democratic Republic of Congo**, a total of 462 local development committees have been structured or revitalized through the two FIP projects concluding implementation in the country. The establishment and functioning of these local-level structures now enable the village *terroirs* to govern development-related questions that arise in their respective territories, particularly issues related to natural resources management. These structures also serve as an important mechanism for adaptive sustainability, since potential new investments or activities proposed for the respective territories must now collaborate with the local development committees already in place.
115. In **Peru**, FIP has sought to create spaces for intersectoral and intergovernmental coordination with participation from both public entities and Indigenous organizations. Two macro-regional meetings were held in 2023 to strengthen regional forest monitoring systems with monitoring tools used by national entities. They targeted officials from 11 regional governments. In addition, technical assistance was provided to the Regional Government of Madre de Dios to update its Regional Climate Change Strategy (an instrument that covers both enabling conditions for forest governance and the activities to be implemented as mitigation and adaptation measures).

116. The “To’oniik Qawinaq” DGM for Indigenous Peoples and Local Communities in **Guatemala** has made substantial progress on preparing and implementing cultural forest management plans and Indigenous compensation mechanisms for ecosystem and environmental services. These plans focus on supporting and legitimizing the role of IPLCs in forest management systems and enabling conditions for sustainability. These plans consider the customary approaches, cultural norms, and rules that families and community organizations have historically used for the management and conservation of forests, as well as for the care and access to communal forests. Essentially, they serve to codify the rules, use, and management of these forest lands for present and future purposes. The first four cultural forest management plans have now been designed and approved. Efforts are currently underway to design a compensation mechanism in six pilot sites.
117. Three FIP projects reported new quantitative results related to forest governance this year:
- In the **Democratic Republic of Congo**, the “Improved Forested Landscape Management Project” (WB) and its additional financing have involved a grand total of 286,781 people in consultation activities throughout project implementation (317 percent of project-level target). Out of these, approximately 30,545 were newly reported in 2023, and approximately 64,235 were women (that is only 22.4 percent of the total people but 214 percent of the women-specific target).
 - In **Lao PDR**, the “Smallholder Forestry Program” (IFC) has supported the adoption or enactment of three laws, regulations, amendments, or codes (150 percent of project-level target) and successfully improved or eliminated 13 procedures, firm-level policies, practices, or standards (163 percent of project-level target).
 - In **Mozambique**, the percentage of stakeholders for the “DGM for Indigenous Peoples and Local Communities” (WB) that perceive DGM governance and processes as transparent and inclusive has increased by nine percent to a total of 87 percent reporting a favorable perception.

5.5.3 FIP Theme 2.3: Land Tenure, Rights, and Access

LAND TENURE, RIGHTS, AND ACCESS

Land tenure, security, rights, and access refer to the ability of individuals and communities—particularly Indigenous Peoples and women—to own, control, access, and use lands, territories, and other forest resources. This thematic area is typically enabled and/or codified through legal and regulatory frameworks and involves livelihoods security and the exercise of land-related rights over time.

Source: FIP Monitoring and Reporting Toolkit, Category 2 Themes

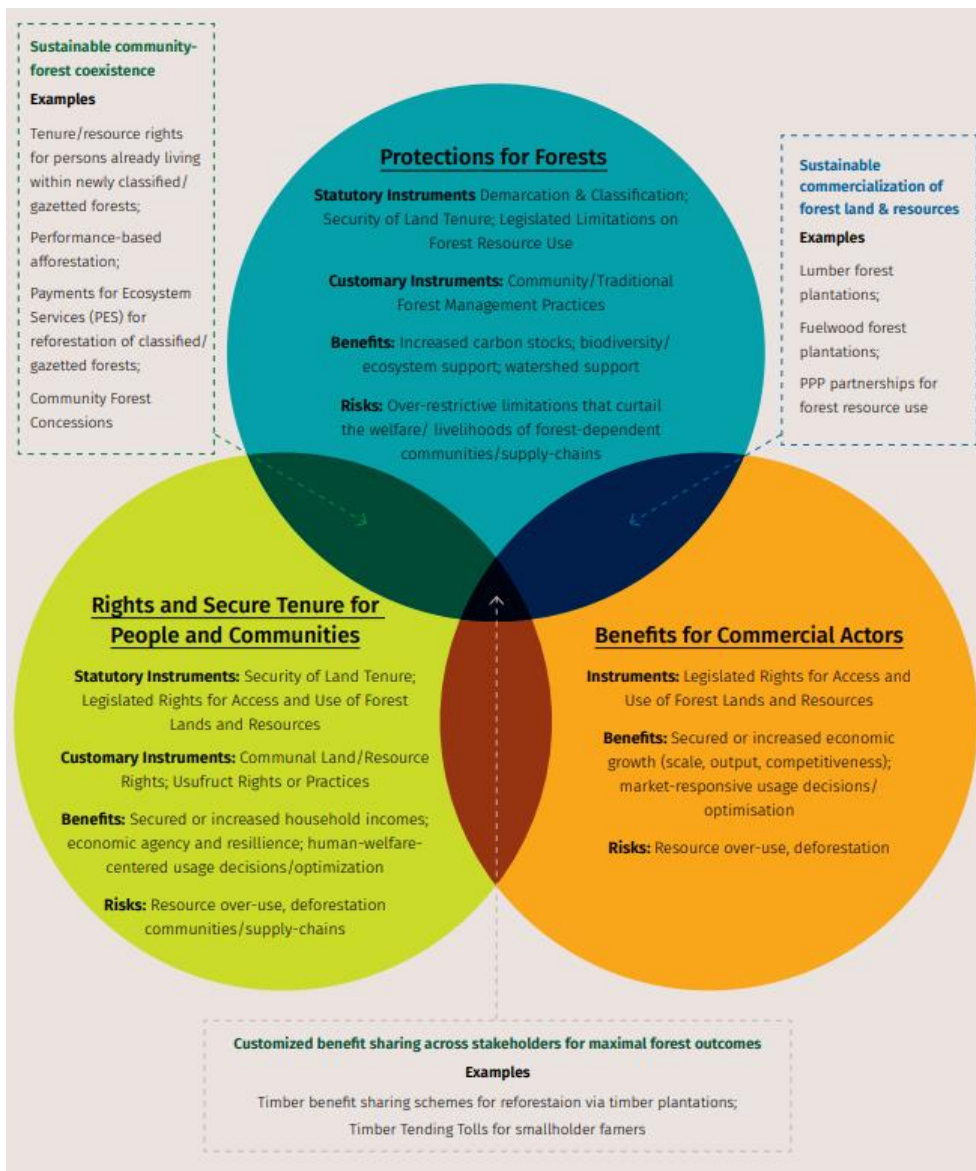
118. The CIF Secretariat published a Results Deep Dive (see [FIP: Land Tenure Security, Resources Rights, and Benefit Sharing](#)) in November 2023 to provide a more in-depth analysis of the results achieved for people and forests, as related to this reporting theme.
119. At the time of publication, the aggregate results achieved cover: **land tenure secured for over 73,000,000 hectares of woodlands or conservation areas; land tenure secured for 292,329,000 hectares of community and individual landholdings, and a total of 116,300 forest stakeholders and 570 forest-associated communities** reached.³⁸
120. The analysis developed a framework that divides FIP’s land tenure security results into three key sub-categories: land tenure security for zones classified as forests or conservation areas; land tenure security for people; and land tenure security for people that also supports security for woodlands. The framework further divides FIP’s results related to resource rights and access into three other sub-categories: communal rights under statutory arrangements; communal rights under customary arrangements; and communal rights under hybrid usufruct-statutory arrangements. Finally, it explores different benefit-sharing mechanisms evident within FIP project models, such as the Tree Tenure and Benefit Sharing Framework in Ghana, which extends monetary benefits from timber to farmers and local community members involved in planting and nurturing trees.
121. Overall, three main insights emerged related to FIP’s land security and resource rights results:
- The improvement of tenure security, resource rights and access, and benefit-sharing is **both a desirable outcome for FIP projects** (as a measure securing the longevity of classified forest zones, and securing the economic and social rights of forest communities), **and also an enabling factor for other results** that FIP projects aim to achieve (serving to undergird incentives for forest-conducive livelihood growth; as a first-line permit for enabling biodiversity and environmental charters; and a precursor for deploying forest governance mechanisms).
 - FIP has aimed to incentivize people to use their land sustainably under conditions of long-term security, thereby providing a **stronger motivation** for them to adopt and commit to more sustainable practices (e.g., as a pathway toward forest protection).
 - Diverse country examples in FIP illustrate **a wide variety of pathways to realizing benefits from secure land tenure**—from harmonizing customary rights with

³⁸ This estimation was published in the Results Deep Dive prior to revision of the results reported by the Brazil CAR project (WB).

statutory means, to livelihood-generating measures, and traditional titling systems, among others.

122. Figure 14 presents an overview of the instruments, benefits, and risks affecting people and communities, forest lands, and commercial actors within FIP’s different models for land tenure security and access to resource rights.

Figure 14: The dividends and overlaps of three spheres of tenure and rights within forest landscapes.



Source: FIP: Land Tenure Security, Resources Rights, and Benefit Sharing Results Deep Dive

123. The FIP IP Close-Out in **Indonesia** illustrated that the innovative, IPLC-led, demand-driven approach of the DGM model has created a valuable foundation that can be built upon and scaled further in the country. Formalizing land tenure rights for Indigenous communities—such as the Baduy people in Java Island—has been at the center of this work, thereby reducing tensions between the Baduy and other stakeholder groups in neighboring areas and ensuring that Baduy people can access the forest lands surrounding their communities sustainably and without threats from outside parties.
124. During 2023 in **Peru**, FIP helped support the Regional Directorate of Agriculture of Ucayali to register titles for eight local communities, contributing to the provision of security to these native communities representing more than 100,000 hectares of communal territory with forest cover. Diagnostic and preparatory work is ongoing in coordination with local authorities in additional areas.
125. At the project level, two FIP projects that have recently closed reported their final quantitative results, related to land tenure, rights, and access as of 2023.
- In **Lao PDR**, the “Scaling-Up Participatory Sustainable Forest Management Project” (WB) has brought an aggregate 99,607 hectares of forest area under strengthened tenure systems (43 percent of the original project-level target).
 - In **Mozambique**, the Mozambique Forest Investment Project (WB) has enabled the delimitation of 189 communities in total (approximately 118 percent of the project-level target).

5.5.4 FIP Theme 2.4: Capacity Development

CAPACITY DEVELOPMENT³⁹

Capacity development refers to any activity that aims to improve the ability or competence of stakeholders (individuals or institutions) to address the direct and indirect drivers of deforestation and forest degradation. The exact nature of capacity development activities varies according to stakeholder needs.

Source: FIP Monitoring and Reporting Toolkit, Category 2 Themes

126. One of FIP’s main achievements in **Indonesia** was to strengthen the enabling environment for sustainable forest management (e.g., institutional capacity-building, clear stakeholder roles, forest management regulations, knowledge management and information systems, etc.) based on enabling policies at national, provincial, and forest management unit levels. This

³⁹ [FIP Monitoring and Reporting Toolkit](#).

was the top three key takeaway points that emerged from participants at the conclusion of the FIP-Indonesia IP Close-Out.

127. In **Nepal**, where FIP projects are earlier in implementation, capacity development activities have centered on sensitization and developing understanding about the projects and their activities to ensure stakeholder commitments and effective implementation. This has included conducting orientation sessions with key stakeholders in Madhesh and Lumbini provinces, as well as with the focal points for municipalities in Madhesh province. The PMU and related officials conducted coaching and mentoring at local levels through field visits. In addition, several project officials visited Mozambique and Sri Lanka to conduct a South-South learning exchange.
128. In **Guatemala**, the “To’onik Qawinaq” project (DGM) has made substantial progress in supporting groups of Indigenous Peoples to conserve and sustainably manage forest lands. The project, in coordination with other partners, has helped strengthen the capacity of three national platforms to enhance advocacy at the national level on issues of high relevance for IPLCs, two participatory action plans promoting participatory action dialogues at multiple levels; six capacity strengthening processes related to technical and legal assistance; six implementing partners working on cultural forest management plans; 19 implementing partners for new livelihood projects; 12 implementing partners for existing livelihood projects; and 39 partners through inputs to improve food security post-COVID-19.
129. In the **Republic of Congo**, capacity development efforts are underway. FIP is drawing on existing tools and instruments made available from the Economic Community of Central African States (ECCAS), the Central African Forest Commission (COMIFAC), the Conference on Central African Forest Ecosystems (CEFDHAC), and others to support capacity-building for civil society organizations. Additional efforts are underway to disseminate knowledge of the country’s forest policies at community level, but the Forestry Administration is working to acquire further technical capacity, equipment, and infrastructure to be able to successfully do so.
130. At the project level, several FIP projects reported new quantitative results⁴⁰ related to capacity development this year.
 - In **Burkina Faso**, the “Climate Change Mitigation and Poverty Reduction through the Development of the Cashew Sector Project” (AfDB) has assisted 100 producer groups and cooperatives in the grafting of cashew trees, sensitized 29,806 producers on land forest management issues, trained 6,243 female producers in organic good practices, and 1,500 stakeholders overall in environmental

⁴⁰ Some results were achieved prior to 2023, but only reported to CIF for the first time during this reporting period.

management issues. All these newly achieved results (i.e., 2023) accomplished at least 100 percent of their project-level targets.

- In **Brazil**, the “Forest Information to Support Public and Private Sectors in Managing Initiatives Focused on Conservation and Valorization of Forest Resources” project (IDB) has trained a total of 648 individuals (249 percent of the project-level target of 260 individuals).
- In **Ghana**, the “Enhancing Natural Forest and Agroforest Landscapes Project” (WB) has provided a total of 4,946 farmers with capacity building support to improve management practices for tree planting and nurseries (141 percent of the project-level target). Out of this total, 2,552 of the participants were women (51.6 percent of all trainees and 146 percent of the women-specific target).
- In **Mexico**, the “DGM for Indigenous Peoples and Local Communities” (WB) has supported 26 *promotores comunitarios locales* (130 percent of project-level target) and 17 beneficiaries to participate in REDD+ knowledge exchanges (57 percent of project-level target).
- In **Nepal**, the “Forests for Prosperity Project” (WB) has facilitated the annual participation of approximately 6,300 stakeholders in project governance (126 percent of project-level target).
- In **Peru**, the “Forest Investment Program” (IDB) has trained 61 public officials (47 percent of project-level target), of whom 40 were trained in 2023.

5.6 Completed FIP Projects

131. When a project has been fully disbursed (public sector) or its loans have been completely repaid (private sector), MDBs prepare a project completion report,⁴¹ in line with each MDB’s procedures.⁴² Upon sharing this report with the CIF Secretariat, the MDB concludes its project-level FIP results reporting requirement. Project completion reports are designed to promote accountability, report the final results achieved, and provide lessons from completed operations. In some cases, an independent review of a project completion report may be conducted.

⁴¹ Terminology for these reports varies from MDB to MDB. For example, the World Bank refers to them as “Implementation Completion and Results Reports (ICRs).”

⁴² The CIF Financial Procedures Agreement (FPA) and each MDB’s policies regarding access to information govern the information they disclose to CIF. For example, IFC is unable to share certain internal documents with CIF—such as project completion reports—that fall outside the scope of the FPA and may contain confidential internal information.

132. The CIF Secretariat is currently working with the MDBs to compile all project completion reports available for completed FIP projects,⁴³ which enables further analyses of results achieved among completed projects (see Table 14), lessons learned (see Table 16), and more. As the FIP portfolio matures, project completion reports play an increasingly important role throughout FIP results reports and results deep dives.
133. To date, 23 FIP project completion reports have been submitted to the CIF Secretariat, including eight project completion reports received for 2023. These completion reports were submitted for FIP projects in Brazil, DRC, Indonesia, Lao PDR, and Mozambique (see Table 14).

Table 14: FIP projects that submitted a completion report to CIF for 2023

Project Title	Public/Private Sector	Country	Programming	Lead MDB
Environmental Regularization of Rural Lands in the Cerrado of Brazil (CAR)	Public	Brazil	IP	WB
Integrated REDD+ Project in the Mbuji-Mayi/Kisangani Basins	Public	DRC	IP	AfDB
Promoting Sustainable Community-Based Natural Resource Management and Institutional Development	Public	Indonesia	IP	WB
Strengthening Rights and Economies of Adat and Local Communities (DGM)	Public	Indonesia	DGM	WB
Community-Focused Investments to Address Deforestation and Forest Degradation	Public	Indonesia	IP	ADB
Scaling-Up Participatory Sustainable Forest Management	Public	Lao PDR	IP	WB
Mozambique Forest Investment Project (MozFIP)	Public	Mozambique	IP	WB
DGM for Indigenous Peoples and Local Communities	Public	Mozambique	DGM	WB

134. An analysis was conducted to illustrate the results of completed projects on FIP Category 1 reporting themes (see Table 15). This indicates how the first phase of FIP projects are performing against their targets, on average, at the end of the implementation phase (i.e., when all results have been tabulated).

⁴³ Some projects that have completed implementation on the ground have not been reported as closed in the CCH, and some closed projects have not issued project completion reports.

135. When considering only the cohort of FIP projects that have reached completion and reported final results, all FIP reporting themes are achieving results at significant margins above the total FIP portfolio. For example, the cumulative “GHG emissions reduced, avoided or enhanced carbon sequestration (Mt CO₂ eq)” for completed FIP projects is **16.24 Mt CO₂ eq. out of 24.74 MtCO₂ eq. targeted**, which equates to a 66 percent achievement rate (as compared to the full FIP portfolio, which currently demonstrates a 27 percent achievement rate).
136. The cohort of completed FIP projects has supported **more than 2.5 million people out of approximately 1.8 million people targeted**, an achievement rate of 143 percent (compared to 70 percent for the full FIP portfolio). The results for women and men among completed FIP projects mirror the trend seen in Table 13. Where gender-disaggregated data are available, approximately 55.3 percent of beneficiaries are men vs. 44.7 percent women. Yet, FIP has also supported more than 879,393 women out of 335,083 targeted (262 percent), compared to 1,086,379 men supported out of 692,637 targeted (157 percent).
137. The performance of completed FIP projects’ results for FIP Theme 1.1b (Land area covered with improved sustainable forest or land management practices) further demonstrates that, on average, FIP projects are performing strongly at their conclusion. **Completed FIP projects have covered nearly 35.3 million hectares out of almost 38.9 million hectares targeted** (91 percent). This portion represents almost all of the 36.3 million hectares covered in total, with 97 percent of total FIP results for this theme coming from the completed projects (leading to a smaller marginal difference between the two achievement rates, i.e., 91 percent for completed projects vs. 86 percent for all FIP projects reporting, respectively).

Table 15: Performance of completed FIP projects against targets

(A) FIP Reporting Theme	(B) Final Results of Completed Projects	(C) Final Target of Completed Projects	(D) Achievement Rate (%) of Completed Projects (2023)	(E) Achievement Rate (%) of Full Portfolio (2023)
GHG emissions reduced/avoided, or enhanced carbon sequestration (Mt CO ₂ eq.)	16.24	24.74	66%	27%
Land area covered with improved sustainable forest or land management practices (ha)	35,262,693	38,854,444	91%	86%

(A) FIP Reporting Theme	(B) Final Results of Completed Projects	(C) Final Target of Completed Projects	(D) Achievement Rate (%) of Completed Projects (2023)	(E) Achievement Rate (%) of Full Portfolio (2023)
People receiving monetary or non-monetary livelihood co-benefits— TOTAL	2,583,739	1,812,526	143%	70%
Men	1,086,379	692,637	157%	121%
Women	879,393	335,083	262%	148%

138. Based on the most recent round of FIP project completion reports received for 2023, CIF has collected, aggregated, and classified key project-specific lessons and recommendations, as assessed by MDB project task teams (see Table 16). They relate to several general themes: project design considerations and approaches; implementation and delivery arrangements; stakeholder engagement, community involvement, and local capacity; policies, governance, and planning coordination; monitoring, supervision, and evaluation; and other. While some of these lessons have global implications to consider, they are primarily written with an MDB audience in mind to inform future sustainable forestry operations. Additional lessons and recommendations that are more specific to FIP at the program level can be found in the FIP Mid-Term Evaluation (see Section 4.1).

Table 16: Key lessons and recommendations extracted from MDBs’ FIP project completion reports submitted to CIF for 2023

Project Design Considerations and Approaches
Consider simplifying the project structure by reducing the number of IAs through a “proposal submission” or “direct grant” model. This ensures diverse technical support for forest management units managed by two to three IAs instead of five (Indonesia, WB).

While small grants for community-based forestry businesses are valuable for local communities, the approval process can be cumbersome. Simplify the small grant distribution process for community-based forestry businesses by streamlining administrative procedures, enhancing capacity through training, establishing a dedicated task force, leveraging digital platforms for transparency, testing through pilot projects, conducting regular reviews and feedback, and collaborating with local NGOs and community organizations. These steps can expedite approvals, improve understanding, increase efficiency, and ensure effective fund use (Indonesia, WB).

Inclusive, participative design and resource allocation are necessary for project success. Despite the challenges posed by lengthy processes and weak capacities, inclusive design and participation enhance project implementation. Ensure inclusivity and active participation in project design. Allocate sufficient resources for capacity building (DGM Indonesia, WB).

Based in part on the experience of FIP in Indonesia, **recommended interventions for agriculture and natural resources operations include:** (i) revitalizing agricultural productivity while simultaneously addressing the expected impacts of climate change on agriculture; (ii) ensuring that small farmers have the opportunity to engage effectively in modern food value chains; (iii) addressing the dimensions of malnutrition through simple cost-effective interventions that can be added to rural investment projects; and (iv) increasing attention to the economically strategic nature of food security in providing advice to governments (Indonesia, ADB).

The project design can critically affect the quality and sustainability of forest plantations with rotation period longer than the project length. Beneficiaries experience great challenges in management of such longer-term plantations, for example, in maintenance of these stands, subsequent marketing of forest products, and ultimately the adoption of sustainable forest systems after the project closure (Mozambique, WB).

MozFIP demonstrated the need to **improve the selection criteria of project beneficiaries** to avoid allocation of questionably high subsidies to larger, already established commercial enterprises. In similar forest/agroforestry initiatives, the desired multiplier effect pursued by the project could be produced rather by providing incentives to smallholder communities and emerging producers with stronger market-oriented production and a certain financial capacity to implement and adopt the improved AF and plantation schemes (Mozambique, WB).

The **matching grant system did not generate the desired results** for the project. Although the assessment suggests that this unsatisfactory performance is largely due to the extremely short implementation period of the scheme, **the criteria, and conditions for the effective use of matching grants should be further evaluated** to determine if such instrument represents an appropriate mechanism to contribute to the objectives of forest-related sub-projects (Mozambique, WB).

The approaches developed within the project have had a significant transformational effect. Indeed, in the Kasai area (Mbuji-Mayi/Kananga) where the communities were more oriented towards artisanal mining, **people accepted the project and understood that it was possible to earn a living in a sustainable way** thanks to agroforestry and other agricultural activities (DRC, AfDB).

Adequate design, coordination, support, and exit strategy for integrating community-implemented livelihood activities into the market determine their longer-term sustainability and the communities' ability to continue their operations effectively after project funding ends (DGM Mozambique, WB).

Diversified and sustainable livelihoods are an integral part of successful participatory sustainable forest management; the modality to deliver assistance to the village level on this critical aspect needs careful review and continuous improvement. Aside from well-documented success stories, the highly decentralized design of the VLDGs (with close to 20,000 recipient households across 666 villages) made it inherently difficult to keep track of each sub-project, which in turn posed a challenge to assessing the overall extent of success as part of this ICR. There are several conceivable options for improving the design of livelihood support, including: (i) distributing grants to larger groups (e.g., cooperatives, NGOs) as opposed to households; (ii) conducting agricultural value chain analyses upfront to identify market opportunities; (iii) creating a positive list of eligible livelihood activities to choose from; and (iv) making use of innovative technologies and/or methods for keeping track of the micro-scale livelihood activities. **There is no one-size-fits-all approach** (Lao PDR, WB).

Implementation and Delivery Arrangements

The **creation of a comprehensive Project Implementation Plan** and a participatory Annual Work Plan at the outset is vital. Project managers should be equipped with the skills and knowledge to manage the Project's Budget Implementation Document (*Daftar Isian Pelaksanaan Anggaran*, DIPA) and Annual Work Plan simultaneously (Indonesia, WB).

Implementation of environmental safeguards was a challenge during the COVID-19 pandemic. During this period, **virtual coordination proved to be an effective strategy** (Indonesia, WB).

The project has generated lessons from the project implementation process that can be distributed and duplicated in other areas throughout Indonesia and regionally. This includes **implementation of the grievance redress mechanism (GRM), safeguards, and gender mainstreaming**, which were very good in achieving the project results and performance. Therefore, this can be a good lesson learned for future implementation of social forestry, sustainable forest management, and conservation area management (Indonesia, ADB).

The staff and management involved in the planning, design, and implementation of World Bank interventions in the forestry sector should **take into consideration adequate implementation**

periods and/or ensure appropriate support to the continuity of plantation activities through existing institutional arrangements or other operations (Mozambique, WB).

Use of private specialized service providers for field-intensive projects presents a cost-effective alternative to ensure adequate support to beneficiaries during project implementation. Such mechanism will only contribute to the project objectives if contracting takes place early in the project life and deliverables include adequate coordination and integration with local governments and extension services (Mozambique, WB).

Regular dialogue with relevant government ministries is essential to secure support at all levels. Establish regular communication channels with government ministries and among all project stakeholders. Facilitate open dialogue and coordinate efforts effectively to build confidence in collaborative processes (DGM Indonesia, WB).

Adequate design, coordination, support, and exit strategy for integrating community-implemented livelihood activities into the market determine their longer-term sustainability and the communities' ability to continue their operations effectively after project funding ends (DGM Mozambique, WB).

The project planned several stakeholders (firms, technical assistant, local implementing entities, etc.) to work with the same households, which risked overlap or even delay in the event that certain households were engaged in another project activity (DRC, AfDB).

The initial procedure of making direct payments to small agricultural producers from the project account was not the best option for a community-based project. **The opening of a second account to facilitate the payment of monetary incentives to beneficiaries** made it possible to significantly reduce the payment delay (DRC, AfDB).

Stakeholder Engagement, Community Involvement, and Local Capacity

In the FIP context, **investing in local champions is crucial**, recognizing their vital role in the success of the KTH program. The skills and adaptability of local facilitators need to be enhanced to understand community needs and address emerging challenges effectively. Program development and community facilitation approaches should be adjusted to accommodate evolving social conditions (Indonesia, WB).

Community involvement and dedicated government support are crucial for sustainable development. Involve the community actively at the onset in the planning and decision-making processes. Establish dedicated funding mechanisms for community-led projects and recognize customary institutions as rights-holders (DGM Indonesia, WB).

Indigenous people in Indonesia, as in many countries, face many challenges, including: (i) land rights and tenure security; (ii) deforestation and environmental degradation; (iii) lack of representation and participation; (iv) discrimination and marginalization; and (v) forced evictions and displacement. **Addressing these issues is complex and requires an integrated**

approach that respects the rights and traditions of Indigenous communities, while also addressing broader social, economic, and environmental goals of the country. This could involve legal reforms to recognize and protect Indigenous land rights, participatory decision-making processes, capacity building for Indigenous communities, and measures to prevent and resolve land conflict (DGM Indonesia, WB).

A small, recipient-executed grant can catalyze development and testing of an innovative model for engaging communities into conservation and livelihood activities, informing larger World Bank investments (DGM Mozambique, WB).

MozDGM demonstrated **the need for the CBOs to further enhance their voice and capacity.** Often, CBOs display a dependency on external service providers and lack robust business ownership and management skills. This highlights the necessity of concentrating efforts on bolstering the capacities of CBOs to operate autonomously, efficiently manage their businesses, and fortify their governance structures (DGM Mozambique, WB).

The involvement of the communities concerned in the implementation of project activities, coupled with political commitment, makes it possible to achieve sustainable results. As part of the National Strategy for the Reduction of Emissions linked to Deforestation and Forest Degradation (REDD+), the government of the DRC has made commitments to reduce the threat of the main drivers of deforestation in order to maintain the forest cover to 63.5 percent of the national territory by 2030, while improving the living conditions of the most vulnerable populations (DRC, AfDB).

Sufficient participatory mapping activities should have been carried out with the beneficiaries. The project used GIS to validate the plantations and monitor the activities carried out in the field. To do this, the project equipped the local implementing entities (LIEs) with GPS, laptops, and GIS software. Training in digital cartography was provided to the LIEs, at the end of which a protocol for collecting, processing, and transmitting cartographic data was given to them. However, the arrangement of the plantations to be mapped did not facilitate the use of data in a coherent manner, which often generated superimposed plots during cartographic analyses, leading to misunderstandings on the part of the beneficiaries. Insufficient time to carry out participatory mapping activities (information on the use of GPS, automatic calculation of areas, double counting, etc.) with the beneficiaries (service providers and communities) in order to ensure their understanding of the method used to validate their plantations limited effectiveness (DRC, AfDB).

Targeted communications campaigns were critical to increasing the registration of rural land in the Cerrado. Similar outreach efforts should accompany subsequent steps in the development of a national cadastral system (Brazil, WB).

Policies, Governance, and Planning Coordination

Strengthening institutional support and representation is vital for effective governance. The budget allocation for institutional support needs to be increased to ensure sufficient resources for IPLCs. Project governance should allow for ownership of the decision-making process, conflict resolution, and monitoring (DGM Indonesia, WB).

Limited access to knowledge became a fundamental constraint preventing rural communities from participating in inclusive decision-making in Mozambique. Disparities in political and economic power and gender gaps in rural Mozambique also play a significant limiting role in engaging rural communities, particularly women, in decision-making processes (DGM Mozambique, WB).

A firm legal and institutional basis is needed for effective multi-sectoral land-use planning and coordination processes. Three key elements for success in cross-sectoral planning and decision making have been identified: (i) awareness and understanding of the concept and its importance; (ii) authority to convene stakeholders across multiple sectors; and (iii) political will to depart from business-as-usual single-sector decision making. It appears that while SUPSFM made progress in (i), there is room for improvement in terms of (ii) and (iii) in Lao PDR (Lao PDR, WB).

The investments planned and carried out, in this case **the plantations (agroforestry, afforestation, and enrichment) put in place have not systematically been [planned in coordination with] Territorial Development**, at the level of the terroirs in which they were made. For example, establishing these plantations was not preceded by the development or implementation of Simple Land Use Plans, in which land allocations should first determine the locations of their implementation. This situation does not guarantee the sustainability of the plantations, especially since they would be adjoining third parties. More space should have been available to take into account the areas for plantation protection (DRC, AfDB).

Coordination of federal and local agents affects stakeholder performance (Brazil, WB).

Monitoring, Supervision, and Evaluation

To effectively manage projects with multiple IAs, a **Management Information System (MIS) should be set up** at the beginning. Along with the MIS, regular technical meetings should be conducted to oversee project implementation, improve communication and collaboration among stakeholders, and address any emerging challenges (Indonesia, WB).

It is important to recognize the limitations of the Results Framework in capturing all important nuances and complement it with other means to assess project impacts. While there is early evidence showing slowing rates of deforestation, attributing this to project interventions is a challenge due to the presence of multiple parameters in play both within and outside the project. In recognition of such limitations of the Results Framework, the project

M&E mechanism should be flexibly designed for projects characterized by complex operational environments to facilitate learning and inform adaptive project management (Lao PDR, WB).

It is highly desirable to make local implementing entities responsible for implementing projects in a limited area if they are qualified. But they must be provided with the required fiduciary, socio-environmental, and technical supervision, and subject to regular monitoring and evaluation. This guarantees better monitoring of implementation, during and after the end of the projects (DRC, AfDB).

The collection of data disaggregated by gender and social group would increase the accuracy and impact of support targeted to vulnerable or marginalized groups (Brazil, WB).

Other

Methods to Scale-Up: The encouraging results recorded from the successful implementation of the Gender Action Learning System (GALS) within MOZFIP would suggest the convenience of mainstreaming the initiative in other projects. GALS is a household planning methodology that enables households to delineate concrete realistic joint plans based on resources available to the household, which typically helps households identify areas of gender inequality and integrated corrective measures. GALS has strong potential to support new projects associated with agroforestry systems, as is now being adopted by MozRural and MozNorte, not only for the rural communities but also within fisheries communities (Mozambique, WB).

Data housed in SICAR (*Sistema Nacional de Cadastro Ambiental Rural*) aggregates and integrates all states' databases of the Rural Environmental Cadaster and **have significant potential to guide coordinated and conservation efforts.** The integration of the Rural Environmental Cadaster and implementation of SICAR have also provided unprecedented insights into the characteristics of rural landholdings in Brazil. However, unlocking this potential requires upgrades to make this system and its information more accessible (Brazil, WB).

Source: Project Completion Reports submitted to CIF (WB, AfDB, ADB)

5.7 Social and Economic Development Impact Modeling Results for FIP

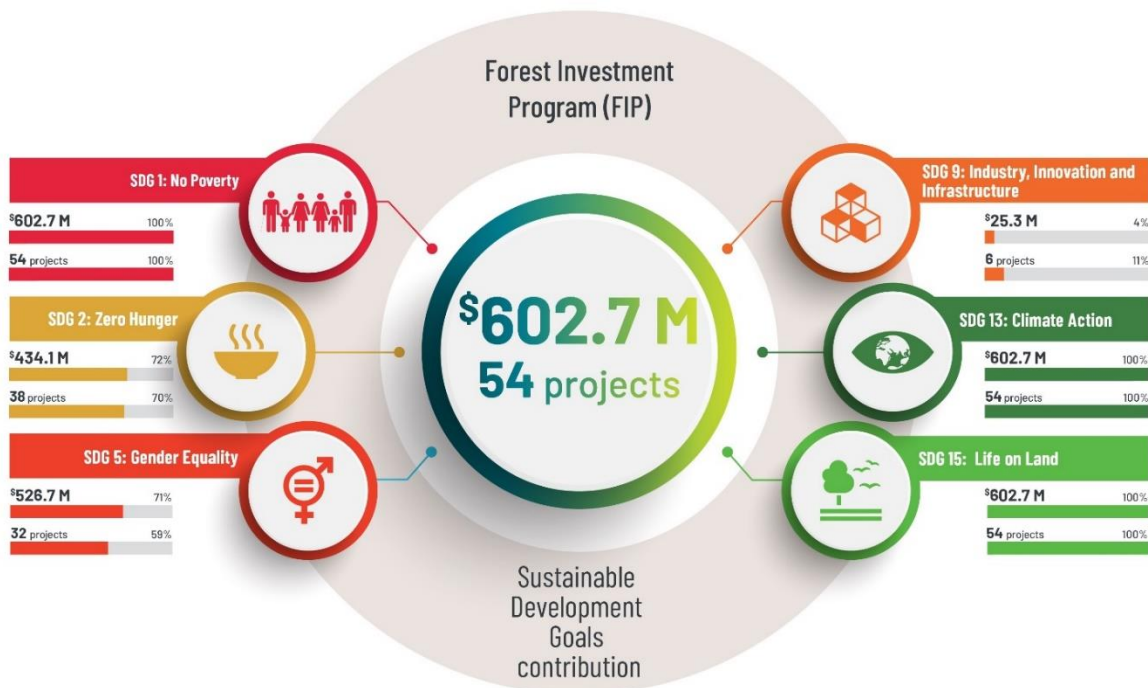
- 139. The Joint Impact Model was refreshed to incorporate the new, April 2023 issuance of the Global Trade Analysis Project (GTAP) database, a key data set on which the model functions, alongside those of the International Labour Organization (ILOSTAT), the World Bank Development Indicators Databank, International Energy Agency (IEA), Energy Information Administration (EIA), and others. Summary findings as of December 2023 show FIP's

contribution toward: a total of 515,729 person-years of employment,⁴⁴ of which 431,714 constitute direct employment, 37,290 constitute induced (27% formal, 73% informal); and 46,725 constitute supply chain jobs (24% is formal, 66% informal).

5.8 FIP’s Contribution to SDGs

140. FIP projects contribute to a range of UN Sustainable Development Goals (SDGs), which CIF maps based on project design and objectives (see Figure 16).

Figure 15: FIP contributions to UN Sustainable Development Goals



141. The investment activities of all FIP projects contribute toward SDG 1 (No Poverty), SDG 13 (Climate Action), and SDG 15 (Life on Land). At the same time, approximately 72 percent of FIP projects contribute toward SDG 2 (Zero Hunger), 71 percent to SDG 5 (Gender Equality), and four percent to SDG 9 (Industry, Innovation, and Infrastructure).

142. **SDG 2: End Hunger.** The majority of FIP projects (38) have activities that support communities to enhance food availability, improve the environmental management of the

⁴⁴ One person-year (or job-year) of employment is a unit that stands for one person employed full-time for one year, or two people for half a year, etc. It is often used in manufacturing, installation, and construction employment that may be temporary in nature, though it may also be used for permanent employment.

lands, restore forest cover, and support forest-related economies.

143. **SDG 5: Gender Equality.** Thirty-two FIP projects contribute toward SDG 5 by helping to address factors that contribute to women’s vulnerability and enhance their socio-economic empowerment. For example, FIP projects are formalizing and strengthening market conditions for women-led enterprises related to non-timber forest products, advocating for land tenure legal reforms that give equal rights to men and women, and enhancing training and leadership development for women.
144. **SDG 9: Industry, Innovation, and Infrastructure.** Six FIP projects are contributing to elements of SDG 9. Related activities include increasing the access of small-scale industrial enterprises to financial services (such as affordable credit); supporting their integration into value chains and markets; and developing new value chains for non-timber forest products (such as macauba palm oil).

6. Progress on the DGM

145. As of December 31, 2023, all 15 DGM projects have been MDB-approved, of which nine are under implementation. In 2023, no new projects were approved by the MDBs, and two projects were closed (DGM Burkina Faso and DGM Indonesia). Seven projects are mid-implementation (Côte d’Ivoire, DRC, Guatemala, Mexico, Mozambique, Republic of Congo, and DGM Global), while two (Brazil Phase II and Nepal) have only recently begun implementation.
146. After 8.5 years of implementation, DGM has facilitated Indigenous Peoples and Local Communities (IPLC) to effectively participate in international efforts to reduce GHG emissions from deforestation and forest degradation and to promote sustainable forest management and forest carbon stocks (REDD+). DGM has also enabled significant progress for IPLCs in several areas, namely, the legal and policy arena; land tenure and community recognition; gender equity and inclusion; income generation; food sovereignty; and cultural restoration.
147. Through the DGM, IPLCs in nine countries (Brazil, Burkina Faso, Côte d’Ivoire, DRC, Ghana, Indonesia, Mexico, Mozambique, and Peru) have received a combined value of over USD 22.9 million to directly manage over 915 sub-projects of community-led initiatives (See Table 17).
148. The interest in DGM sub-grants continues to increase with new calls for proposals and expressions of interest. DGM countries are continuously working to improve their reach and access to communities with these calls, which have proven to be effective due to the high volume of proposals received.

Table 17: DGM sub-project numbers and amounts approved by country

Country	Quantity	Total (USD)
Brazil	155	2,755,025
Burkina Faso	85	2,342,382
Côte d'Ivoire	170	1,806,851
DRC	20	1,635,626
Ghana	219	2,650,055
Indonesia	63	3,440,060
Mexico	88	3,072,136
Mozambique	17	1,310,797
Peru	98	3,945,269
Total	915	22,958,201

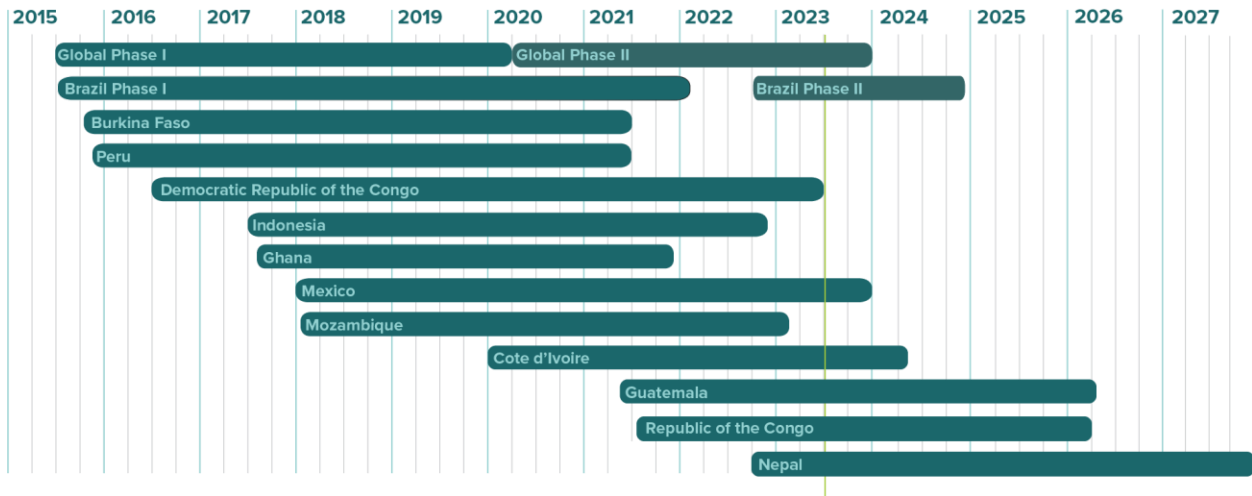
149. The Global Learning and Knowledge Exchange Project (DGM Global) made important progress this reporting period by re-initiating in-person knowledge sharing and learning exchanges through the first DGM Global Exchange, held in Nepal, between March 21 and 25, 2023. Additional activities included the collaboration with DGM Brazil on the 2nd Specialized Bilateral Exchange in Lago do Junco, Maranhão, in the Brazilian Cerrado region from November 8th to 13th, 2023 and nine DGM Indigenous and local community representatives who participated in official side events, observed negotiations, and engaged strategically with donors, government, and partners at UNFCCC COP28. By supporting IPLC capacity building and engagement in climate and biodiversity-related events, DGM Global has strengthened networks and partnerships for DGM IPLCs at regional and global levels while expanding learning and knowledge from the DGM to a wider IPLC community.

6.1 DGM Project Timeline

150. Although each DGM project ideally lasts approximately five years, their implementation periods are not simultaneous. Instead, they begin implementation once they have met several important preconditions, including agreement with the government on a Forest Investment Plan; establishment of a National Steering Committee; selection of a National Executing Agency; and approval by the World Bank and the FIP Technical Committee. Due to

DGM’s staggered implementation, several projects may be ending as others are just beginning (see Figure 17).

Figure 16: DGM projects timeline



6.2 Progress in the DGM Country Common Indicators

151. The World Bank tracks the progress of DGM projects through common indicators, which require aggregation across multiple countries’ DGM projects (see Tables 18–20). World Bank implementation status reports (ISR) for each project provide the data for these indicators. The precise phrasing of the indicators is not consistent between country projects, and not every country DGM project is required to report on each of these indicators. Therefore, the aggregated figures do not necessarily represent the comprehensive, aggregated progress of DGM. The end-line date for aggregate end targets varies per country project and ranges from December 2020 to July 2027.

Table 18: DGM indicator: Percent of sub-projects successfully completed and achieved their objectives, which are consistent with FIP objectives

	Base Line	Actual (Previous ISR)	Actual (Current ISR)	End Target
Côte d'Ivoire	0	0.00	0.00	75.00
	Sep-21	July -23	July- 23	May-24

Mexico	0	0.00	64.00	75.00
	Jan-18	Jun-22	Nov-23	Jun-24
Nepal	0	0	0	75.00
	July -22	Feb - 23	Dec -23	Jul-27

Table 19: DGM indicator: Percent of grievances registered related to delivery of project benefits that are addressed

	Base Line	Actual (Previous ISR)	Actual (Current ISR)	End Target
Côte d'Ivoire	0	32.00	32.00	75.00
	Sep 20	July 23	Jul - 23	May-24
Mexico	0	98	98	75
	Jan-18	Dec-22	Nov-23	Jun-24
Nepal	0	0	0	75
	July -22	Feb - 23	Dec -23	Jul-27

Table 20: DGM indicator: Percent of participants in the capacity development activities with increased role in the FIP and other REDD+ processes at local, national, or global levels

	Base Line	Actual (Previous ISR)	Actual (Current ISR)	End Target
Côte d'Ivoire	0	0.00	0.00	75.00
	Sep-21	July 20233	July 20233	May-2024
Mexico	0	0.00	64.00	75.00
	Jan-18	Jun-22	Nov-23	Jun-24
Nepal	0	0	0	75.00
	July -222	Feb - 20233	Dec -20233	Jul-27

Box 7: DGM Global Exchange



Project: DGM Global

MDB: World Bank

FIP Funding: USD 2.3 million

Objective of the event: To facilitate the exchange of insights with the new DGM projects in Nepal and Guatemala. Focus areas included monitoring and evaluation, procurement, and support for entrepreneurship within Indigenous Peoples and Local Communities (IPLC)

A DGM Global Exchange was held in Nepal, between March 21 and 25, 2023. Representatives from 13 countries that make up DGM Global were present: Brazil, Mexico, Republic of Congo, Guatemala, and others.

The main objectives of the Exchange were to evaluate how the resources applied, through the Dedicated Grant Mechanism (DGM) Dedicated to Indigenous Peoples and Local Communities, are strengthening and preserving the ways of life and territories of Traditional Peoples and Communities, considering that their good sustainable practices are fundamental for the conservation of biomes, waters, life on the planet, and avoidance of global climate collapse. The participants also visited and learned about experiences with successful references that have been developed in Nepal, such as food production, recovery of degraded areas, and animal husbandry.

“Moments like this enrich the debate and connect several common ideas, with a focus on tackling global climate change and supporting good initiatives”, stated Samuel, coordinator of the DGM Brasil/AEN/CAA-NM Project, and continued, “and thus a collective construction identifying challenges and possibilities, for follow-up in local projects.”

Source: DGM YouTube Page

1 Appendix: FIP Resource Availability

FIP - RESOURCES AVAILABLE for COMMITMENTS				
<i>Inception through March 31, 2024</i>				
<i>(USD millions)</i>				
		Total	Capital	Grant
Donor Pledges and Contributions				
Contributions		750.6	257.1	493.6
Pledges	a/	0.3	-	0.3
Total Pledges and Contributions		751.0	257.1	493.9
Cumulative Funding Received				
Contributions Received				
Cash Contributions		750.9	257.4	493.6
Unencashed promissory notes	b/	-	-	-
Unencashed promissory notes- TAF		-	-	-
Cash Contribution - Allocation from Capital to Grants	c/	-	(14.0)	14.0
Total Contributions Received		750.9	243.3	507.6
Other Resources				
Investment Income earned -up to Feb 1, 2016	d/	14.5	-	14.5
Total Other Resources		14.5	-	14.5
Total Cumulative Funding Received (A)		765.5	243.3	522.1
Cumulative Funding Commitments				
Projects/Programs		707.0	250.8	456.2
MDB Project Implementation and Supervision services (MPIS) Costs		35.5	-	35.5
Administrative Expenses-Cumulative to 1st Feb 2016	d/	25.6	-	25.6
Country Programming Budget from 1st Jan 2018	d/	0.9	-	0.9
Technical Assistance Facility	i/	5.8	-	5.8
Total Cumulative Funding Commitments		774.7	250.8	523.9
Project/Program,MPIS and Admin Budget Cancellations	e/	(73.7)	(51.3)	(22.5)
Net Cumulative Funding Commitments (B)		701.0	199.6	501.4
Fund Balance (A - B)		64.5	43.8	20.7
Currency Risk Reserves	f/	-	-	-
Currency Risk Reserves-TAF		-	-	-
Unrestricted Fund Balance (C)		64.5	43.8	20.7
Future Programming Reserves:				
Admin Expenses-Reserve (includes Country Programing budget/Learning and Knowledge exchange reserve) and for FY 20-28 (net of estimated investment income and reflows). Breakup of various components are provided below. (Model Updated as of December 31,2017)	g/	(10.9)		(10.9)
subtract				
Administration Expense reserve for CIFAU, MDB & Trustee		USD 20.9 Million		
Country Programming Budget Reserve		USD 1.0 Million		
Learning and Knowledge Exchange Reserve		USD 1.1 Million		
add				
Estimated Investment Income Share for FIP		USD 5.4 Million		
Projected Reflows		USD 6.6 Million		
Technical Assistance Facility	i/ j/	(3.4)		(3.4)
Unrestricted Fund Balance (C) after reserves		50.3	43.8	6.5
Anticipated Commitments (FY23-24)				
Program/Project Funding and MPIS Costs		11.3	9.5	1.8
Technical Assistance Facility		-	-	-
Total Anticipated Commitments (D)	k/	11.3	9.5	1.8
Available Resources (C - D)		39.1	34.3	4.8
Potential Future Resources (FY23-24)				
Pledges	a/	0.3		0.3
Contributions Receivable		-		-
Release of Currency Risk Reserves	e/	-	-	-
Total Potential Future Resources (E)		0.3	-	0.3
Potential Available Resources (C - D + E)		39.4	34.3	5.1
Reflows from MDBs	h/	13.4		13.4

a/ The balance of the pledge amount from the U.S

b/ This amount represents USD equivalent of GBP 37.7 million.

c/ Promissory Notes amounting to GBP 9.9 million received as capital contributions are available to finance grants (including administrative costs) according to the terms of the contribution agreements/arrangements. The Promissory Notes were encashed for USD 14.03 on May 27, 2021

d/ From Feb 1, 2016, Investment income across all SCF programs has been posted to a notional Admin "account", from which approved Administrative Budget expenses for the Trustee, Secretariat and MDBs are committed. The Country Programming budgets are recorded under individual programs.

e/ This refers to cancellation of program and project commitments approved by the SCF TFC

f/ Amounts withheld to mitigate over-commitment risk resulting from the effects of currency exchange rate fluctuations on the value of outstanding non-USD denominated promissory

g/ The amount of this reserve is estimated by the CIFAU and Trustee using the 10-year forecast of the Admin Budget less the 10-year estimate of Investment Income and reflows. Pro-rata estimates across three SCF programs are based on the 22% fixed pro rata share of the FIP's cash balance as at December 31, 2017 approved by the SCF TFC on March 8, 2018. The decision reads as "allocate USD 11.6 million from the available grant resources in the FIP Program Sub-Account to finance estimated Administrative Costs from FY19 to FY28, such that the projected, indicative amount of approximately USD 81.8 million in FIP grant resources remains available for allocation to FIP project's. This reserve amount has been reduced by USD 0.5 million approved for country engagement from January 2018.

h/ Any payments of principal, interest from loans, which are due to be returned to the Trust Fund pursuant to the Financial Procedures Agreements consistent with the pertinent SCF funding approved by the SCF Trust Fund Committee. For the avoidance of doubt, the Reflow does not include any return of funds from SCF grants or Administrative Costs, including cancelled or unused funds, or any investment income earned on SCF resources held by any MDB. The usage of reflow from MDBs are approved by the SCF TFC on March 8, 2018 to cover the shortfall in administrative expenses net of the SCF investment income. The reflows includes the commitment fee, front end fee and late payment fee.

i/ The CTF and SCF Trust Fund Committees agreed on July 20, 2018 to establish the Technical Assistance Facility for Clean Energy Investment Mobilization under the terms of the SCF.

j/ Commitments for the Technical Assistance Facility, as estimated by the CIFAU.

k/ Anticipated commitments as estimated by the CIFAU.

Appendix 2: Closed FIP Projects as of December 31, 2023⁴⁵

Project	MDB	Country	Completion Date
Promoting Sustainable Community-Based Natural Resource Management and Institutional Development	IBRD	Indonesia	September 2023
Mozambique Forest Investment Project (MozFIP)	IBRD	Mozambique	April 2023
Decentralized Forest and Woodland Management	IBRD	Burkina Faso	September 2022
Development of systems to prevent forest fires and monitor vegetation cover in the Brazilian Cerrado	IBRD	Brazil	June 2022
Forest Information to Support Public and Private Sectors in Management Initiatives	IDB Group	Brazil	September 2021
Engaging Local Communities in REDD+/Enhancement of Carbon Stocks	AfDB	Ghana	August 2021
Financing Low Carbon Strategies in Forest Landscapes	IDB Group	Mexico	July 2021
Gazetted Forests Participatory Management Project for REDD+ (PGFC/REDD+)	AfDB	Burkina Faso	September 2020
Emissions Reductions in the Forest Sector Through Planted Forests with Major Investors	IFC	Mozambique	July 2020
Protecting Forests for Sustainable Ecosystem Services	ADB	Lao PDR	September 2023
Scaling-up Participatory Sustainable Forest Management	IBRD	Lao PDR	August 2020
Sustainable production in areas previously converted to agricultural use project (under the low carbon emission agriculture plan)	IBRD	Brazil	May 2020

⁴⁵ As per the CCH Portfolio Management data reporting “closed” projects.

Support for Forest-Related Micro, Small, and Medium-Sized Enterprises (MSMEs) in Ejidos	IDB Group	Mexico	October 2019
Forests and Climate Change Project	IBRD	Mexico	February 2018
DGM Projects			
Strengthening Rights and Economies of Adat and Local Communities Project	IBRD	Indonesia	August 2023
Dedicated Grant Mechanism for Indigenous Peoples and Local Communities in Burkina Faso	IBRD	Burkina Faso	July 2023
Dedicated Grant Mechanism for Indigenous Peoples and Local Communities	IBRD	Ghana	September 2022
Dedicated Grant Mechanism for Indigenous Peoples and Local Communities: Funding Proposal for the DGM Project for Brazil	IBRD	Brazil	June 2022
Dedicated Grant Mechanism in Peru	IBRD	Peru	November 2021
Dedicated Grant Mechanism for Indigenous Peoples and Local Communities: Program Framework and Funding Proposal for the DGM Project for the Global Component	IBRD	Global	May 2021