Climate Investment Funds

Meeting of the FIP Sub-Committee
Washington, DC
Thursday, November 12, 2015

Agenda Item 3

FIP RESULTS REPORT

(SUMMARY)

Executive Summary

1.   The objective of the 2015 Forest Investment Program (FIP) Results Report is to provide an overview of the progress that has been made by FIP pilot countries (Brazil, Burkina Faso, Democratic Republic of Congo, Ghana, Indonesia, Lao PDR, Mexico and Peru) in advancing the FIP results agenda. This report provides a status update on the results achieved by the FIP for the 2015 reporting period, which encompasses the date of each investment plan's endorsement until December 31, 2014. It also compares the results achieved by pilot countries as of that time with the expected results outlined in pilot countries' investment plans. Challenges encountered during the 2015 reporting round and next steps to further enhance FIP results reporting are also outlined.

2.   **Scope of 2015 Results Report:** This report covers the 12 projects approved by the multilateral development banks (MDB) within the 2015 reporting period (endorsement date until December 31, 2014)[1]. This report marks the first time FIP countries have reported on results. This is limited to two countries, Lao People's Democratic Republic (Lao PDR) and Mexico, as implementation of FIP projects is still at an early stage.

3.   **Expected targets.** The following table summarizes the greenhouse gas (GHG) emission reduction targets and baselines. The total targeted area to be covered by FIP projects is 27 million hectares, equivalent to the size of Burkina Faso. The total target of FIP livelihood co-benefits beneficiaries is approximately 671,000, equivalent to the population of Montenegro. Targets will increase as new projects are approved by MDBs in the coming years. For example, with projects approved in 2015, the total number of beneficiaries is expected to increase in the next reporting period by nearly 158,000 people for a total of approximately 829,000 people[2].

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[1] Indonesia and Peru were the only two countries that did not have any project approved by the MDBs as of the end of December 2014. Data reported by these two countries can be found in **Error! Reference source not found.**.
[2] From example, Brazil's forthcoming project *Environmental Regularization of Rural Lands (based upon the CAR)* will benefit 70,071 people. Ghana's project *Enhancing Natural Forests and Agroforest Landscapes,* approved in February 2015, targets 87,500 people in forest and adjacent communities.

GHG Emission Reduction Targets and Baselines

FIP pilot country	Baseline (M tCO2e)	Target 1 – project plementation (M tCO2e)	Target 2 – tervention lifetime (M tCO2e)
Brazil		7,779,840 (ha)	
Burkina Faso	-50.7	4.1	13.8 (For 15 years)
DRC	-2.15	4.2	18.07 (For 30 years)
Ghana		0.5[3]	3.9 (For 25 years)
Lao PDR		0.89	
Mexico	22.07	2.21	

4.   Each FIP country calculated the baseline and targets following their own methodology. Whenever possible, targets were built on the national system for reference emission levels and monitoring, reporting, and verification (MRV). Relying on country-specific methodologies has advantages as it allows for country annual results tracking, provided that the same methodology is used. However, the differences among countries mean that accurate cross-country aggregation or comparison is not possible.

5.   GHG emission reduction targets are still being developed, or are being re-assessed, for projects still under preparation or where activity planning had changes. New methodologies will be developed for the next reporting period to harmonize carbon accounting systems including baselines, and align them with national Reference Emission Levels (RELs) whenever possible.

6.   **Accomplishments:** Lao PDR and Mexico are the only FIP countries where project activities had already started, and some results already achieved, in the 2015 reporting period. In Lao PDR, forest inventories, forest management plans, and community actions were developed with the FIP support. This has led to greater participation of stakeholders, especially villagers, in participatory sustainable forest management and support to forest and wildlife law enforcement.

7.   In Mexico, the FIP has already benefitted 470 *ejidos*, or communally-owned lands, by supporting implementation of sustainable forest management techniques that have led to increased forest harvests and by supporting measures to increase forest communities' access to credit. Mexico made progress on improving forest governance through the promotion of territorial agents. Mexico's National Forestry Commission (CONAFOR) has also benefited from monitoring, reporting, and verification (MRV) advancements that are helping to improve geographic information, remote sensing, and analysis of the National Forest Inventory.

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[3] Ghana submitted target 2 (lifetime target for 25 years). The CIF Administrative Unit calculated the corresponding target 1 (project target) for 5 years of project implementation, based on the document "Annexes to the Project Appraisal Report. 22 October 2013. AFDB"

8.   **Challenges:** Challenges associated with data during this first round of reporting include gaps in reported data and pre-identified issues concerning aggregation and comparability. Indicators and units used differ from country to country and values are often not appropriate for aggregation (e.g., using hectares of land versus tons of carbon dioxide equivalent (tCO2e) for GHG emission reduction targets or using number of enterprises or communities versus number of people for livelihood co-benefits). Methods for establishing GHG emission baselines and targets are also not standardized, making aggregation and comparability of results challenging. For example, countries used different timeframes (30, 25, and 15 years) to calculate projects' lifetime target. The information disaggregated by gender is very limited, so it is not yet possible to draw conclusions for the FIP global impact on women. Overall, CIF-mandated FIP results indicators are still not well disaggregated by gender, with fewer requirements for gender-disaggregation compared to other CIF programs.

9.   **Recommendations:** For the 2016 reporting cycle, FIP pilot countries should aim to fill data gaps and improve the quality of the reported data. Steps include the following:
   - Advance work to harmonize GHG emission baselines and targets to enable comparison and aggregation of results
   - Ensure MRV systems are well articulated, and whenever possible, aligned with national RELs and other national reference mechanisms
   - Continue stakeholder engagement throughout the next reporting period
   - Conduct participative scoring workshops in the first half of 2016
   - Strengthen gender impact monitoring. Opportunities to strengthen gender-responsive approaches in FIP include future work on gender tools, technical support, and program monitoring.