



WORLD BANK GROUP
Climate Change

Coordination for REDD+ support at the World Bank



**Voluntary Meeting of National
REDD+ Focal Points**

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May 23, 2016

World Bank Forest Action Plan (FY16-FY20)

- Operationalizes pillars of the 2002 Forest Strategy, taking into account new context and challenges/opportunities
- Aligns with the WBG Goals, as well as new structure

Tap the Potential of Forests and Trees to contribute to WBG goals of Ending **Extreme Poverty** and Boosting **Shared Prosperity** in a **Sustainable Manner**



Reduce Poverty
by **sustaining livelihoods** of hundreds of millions of people especially where alternatives do not exist.



Create Jobs and Wealth
by responding to **local and global demand** for timber and non-timber products



Sustain Economies
by providing ecosystem services critical to the productive sectors and by mitigating and tempering impacts of climate

World Bank Forest Action Plan (FY16-FY20)

Focus Area 1 **Sustainable Forestry**

- Protect and optimize use of forests (both natural and planted) to sustain livelihoods, create jobs and economic opportunities in rural areas while preserving ecosystem services delivered by forests

Focus Area 2 **“Forest-Smart” Interventions in other Sectors**

- Ensure that investments in other economic sectors (agriculture, energy, mining, transport...) consider avoiding/minimizing adverse impacts on forests and/or maximizing development outcomes through forest-based solutions



Participation
& Rights



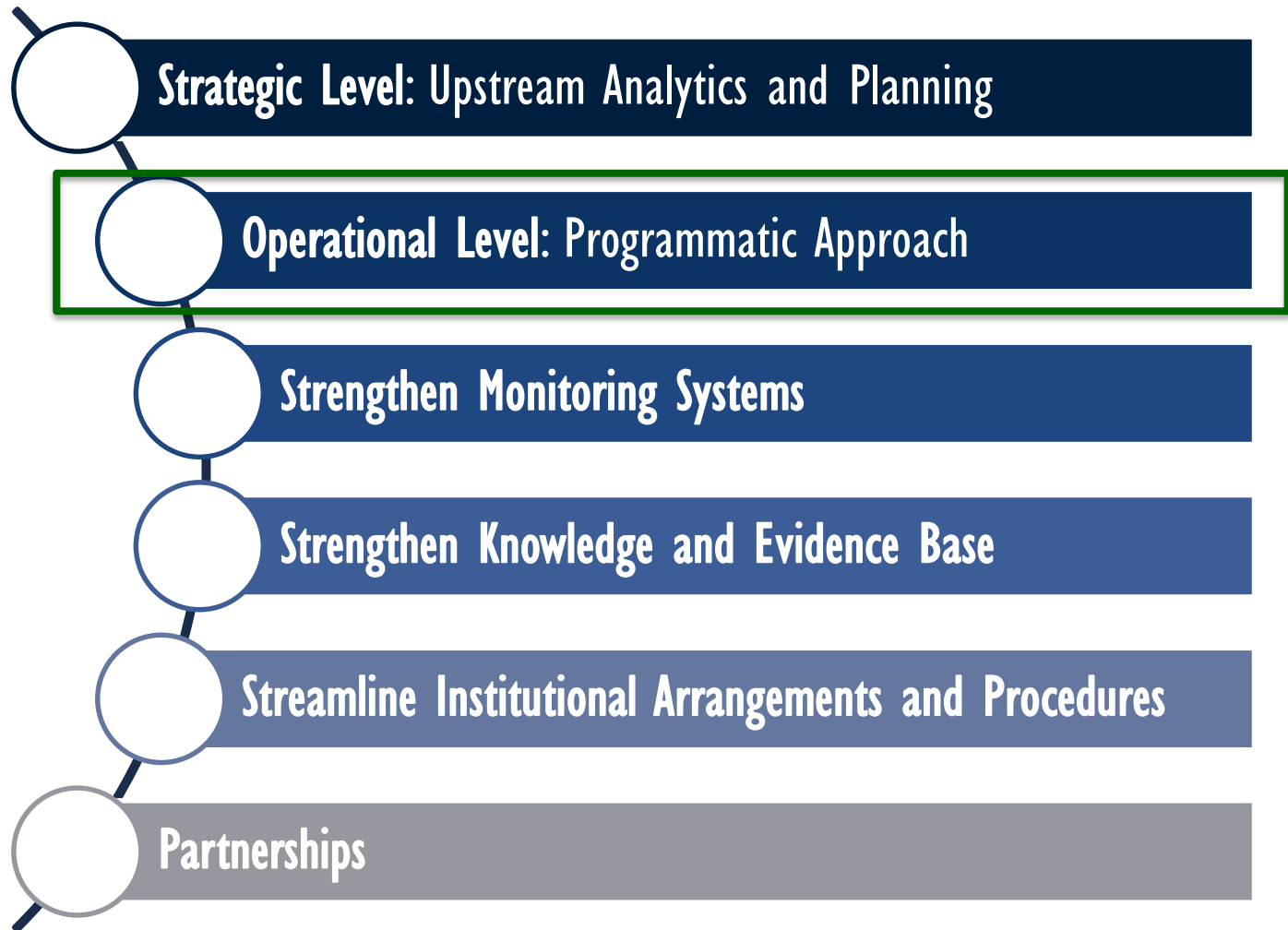
Institutions
&
Governance



Climate
Change &
Resilience

World Bank Forest Action Plan (FY16-FY20)

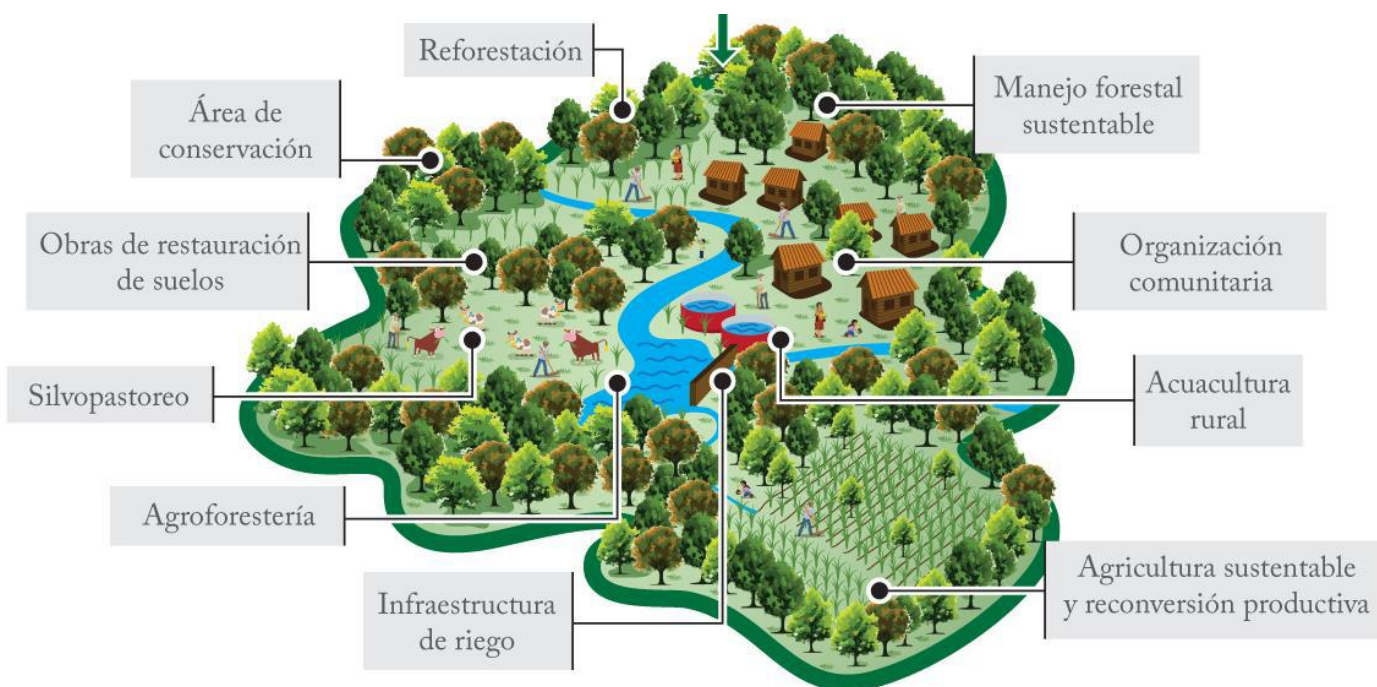
Implementing the Forest Action Plan



World Bank Forest Action Plan (FY16-FY20)

Programmatic approach:

- Break-down sectoral silos to design multi-disciplinary solutions
- Look at how different finance streams can be combined with a lower transaction cost for countries
- Identify opportunities, whenever possible, to streamline access to forest-related climate Trust Funds

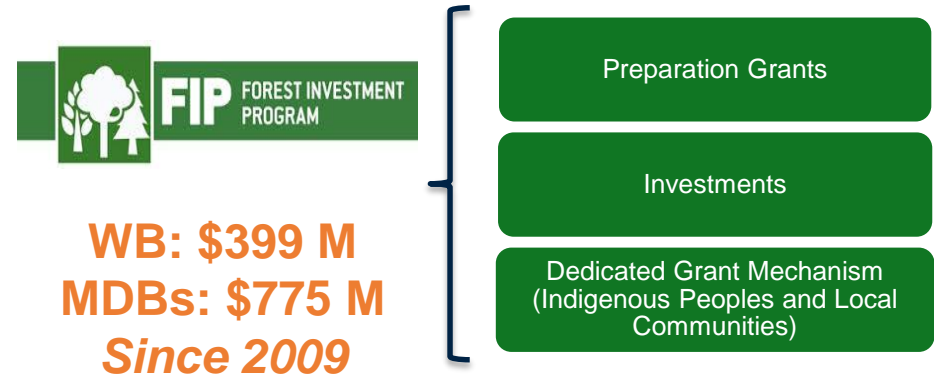


World Bank Forest Climate Change Funds (\$2.3 billion)

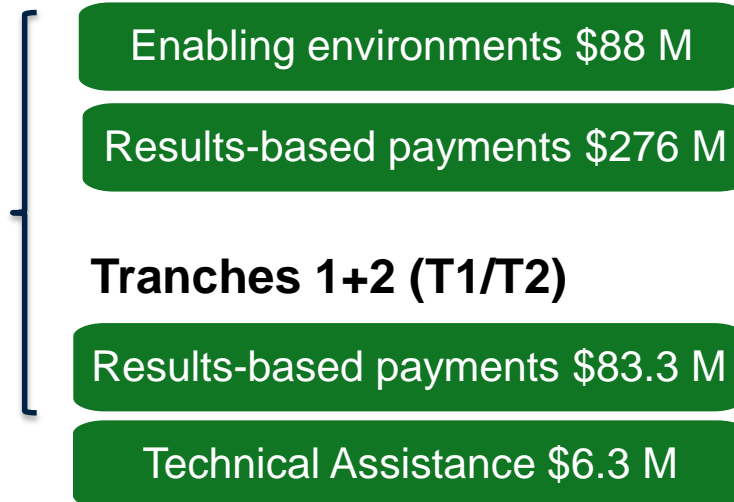
Forest Carbon Partnership Facility



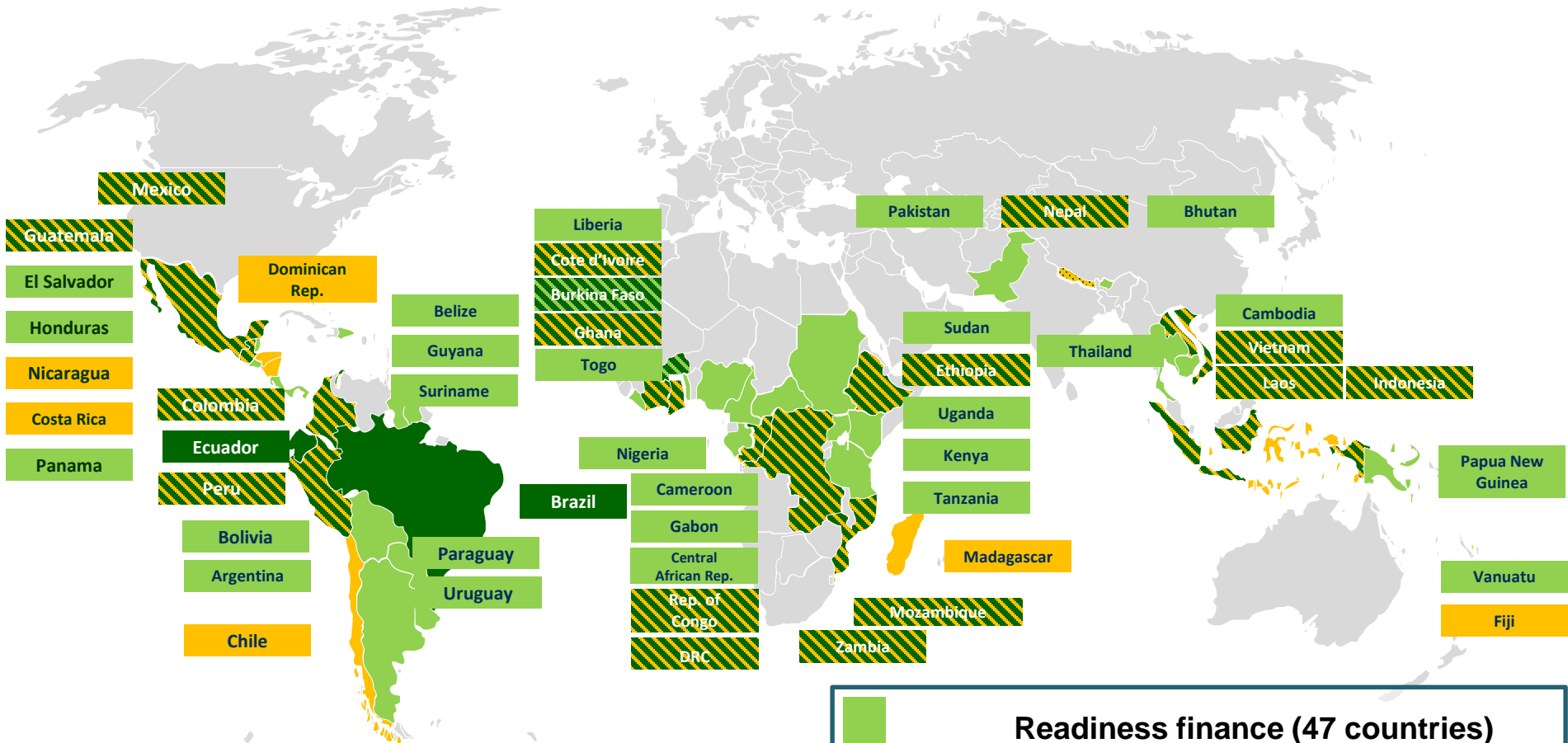
Forest Investment Program (FIP)



Initiative for Sustainable Forest Landscapes (ISFL)



BioCF, FCPF, FIP: Readiness, Investment, and Results-based Finance

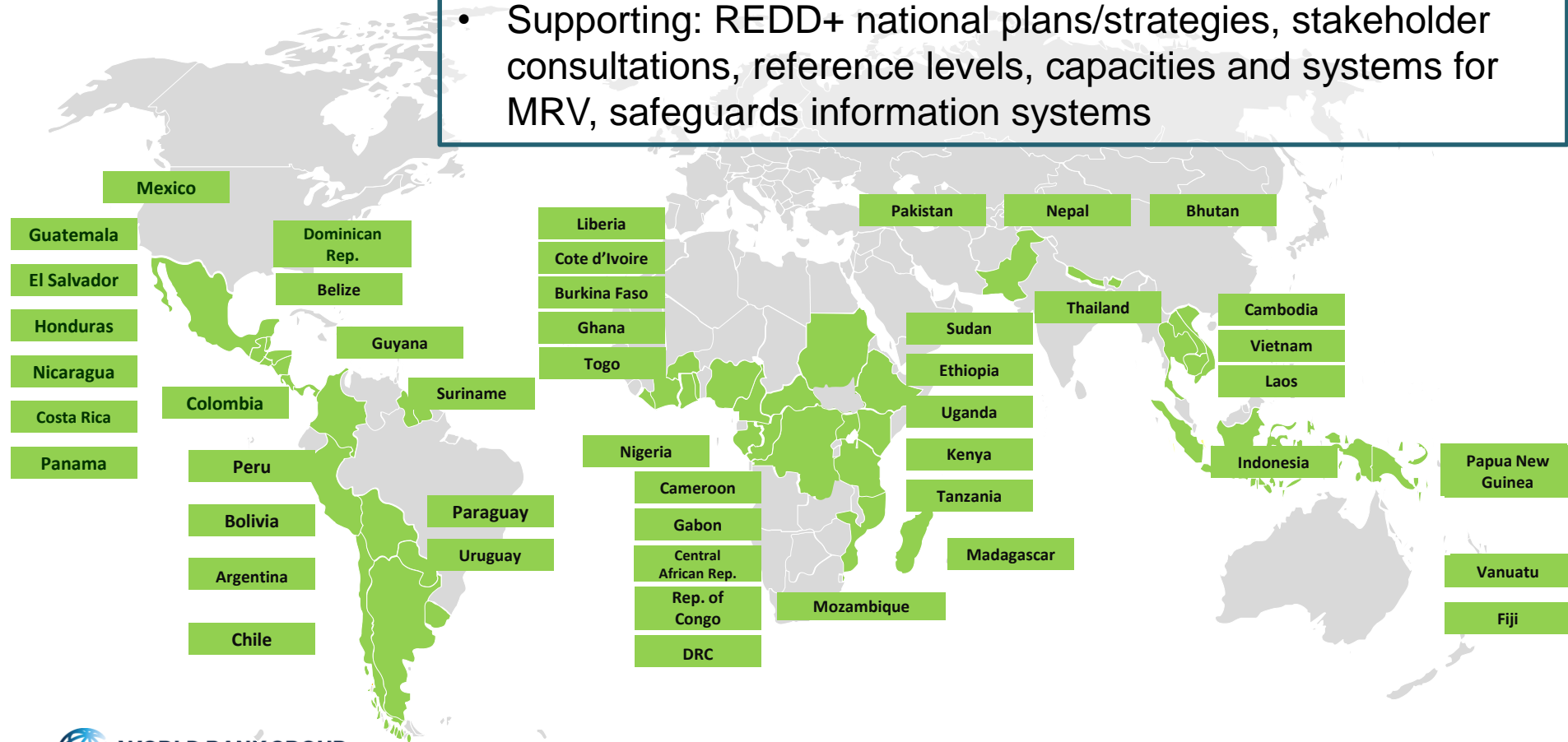


	Readiness finance (47 countries)
	Investment finance (17 countries)
	Results-based finance (21 countries)

Progress on FCPF REDD+ Readiness

FOREST
CARBON
PARTNERSHIP
FACILITY

- **FCPF Readiness Fund (47 countries, \$360 million)**
- \$57 million to 34 countries disbursed to date
- Platform for coordination and multi-stakeholder engagement
- Leveraged \$186 million in 23 countries from other partners
- Supporting: REDD+ national plans/strategies, stakeholder consultations, reference levels, capacities and systems for MRV, safeguards information systems



Progress towards results-based payments



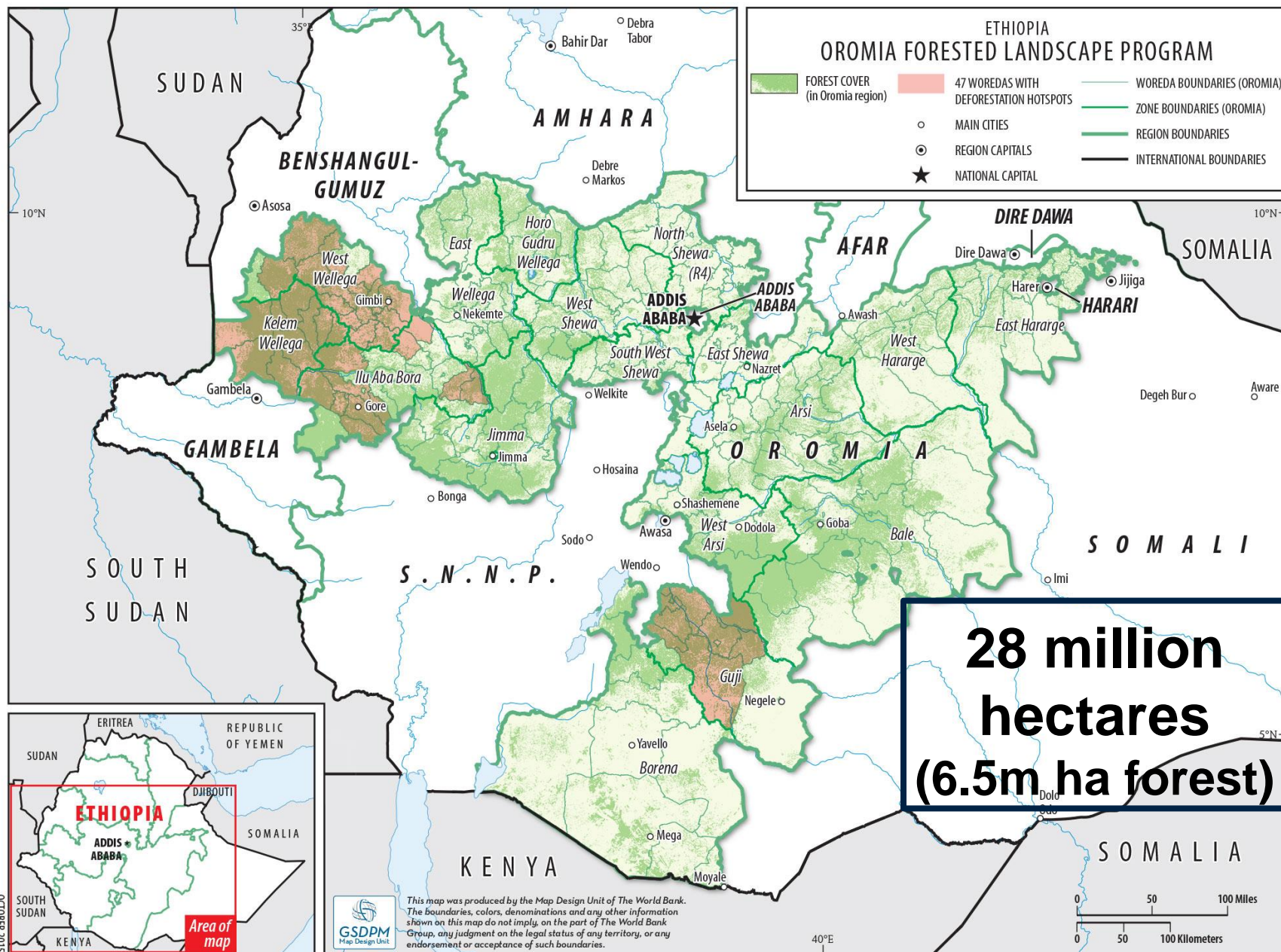
BioCarbon Fund

- **18 Programs in FCPF Carbon Fund pipeline (\$702 M)**
 - 13 Letters of Intent (Lols) signed
 - First 2 programs to be submitted for approval in June; 4 more expected by December
- **4 programs in BioCF ISFL pipeline (\$276 M)**



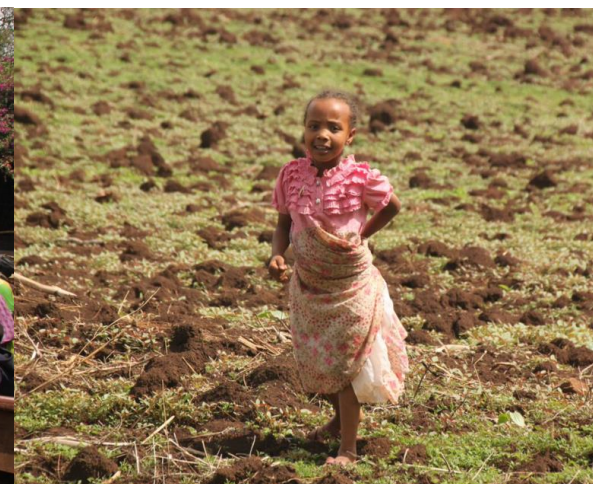
Supporting 21 countries

Country example: Ethiopia (Oromia region)



Country example: Ethiopia (Oromia region)

- **Jurisdictional approach:** strategic umbrella and coordination platform for multisector, multi-partner interventions
- **Multiple financing streams** for different needs and drivers of deforestation (i.e., coffee, timber, pulp and paper)
- **Public-private partnerships** to scale-up and tackle commodity-driven deforestation (in negotiations with major coffee off-taker)
- **Goal:** transform how forest landscapes are managed to deliver multiple benefits (poverty reduction, resilient livelihoods, climate change mitigation, biodiversity conservation, and water).



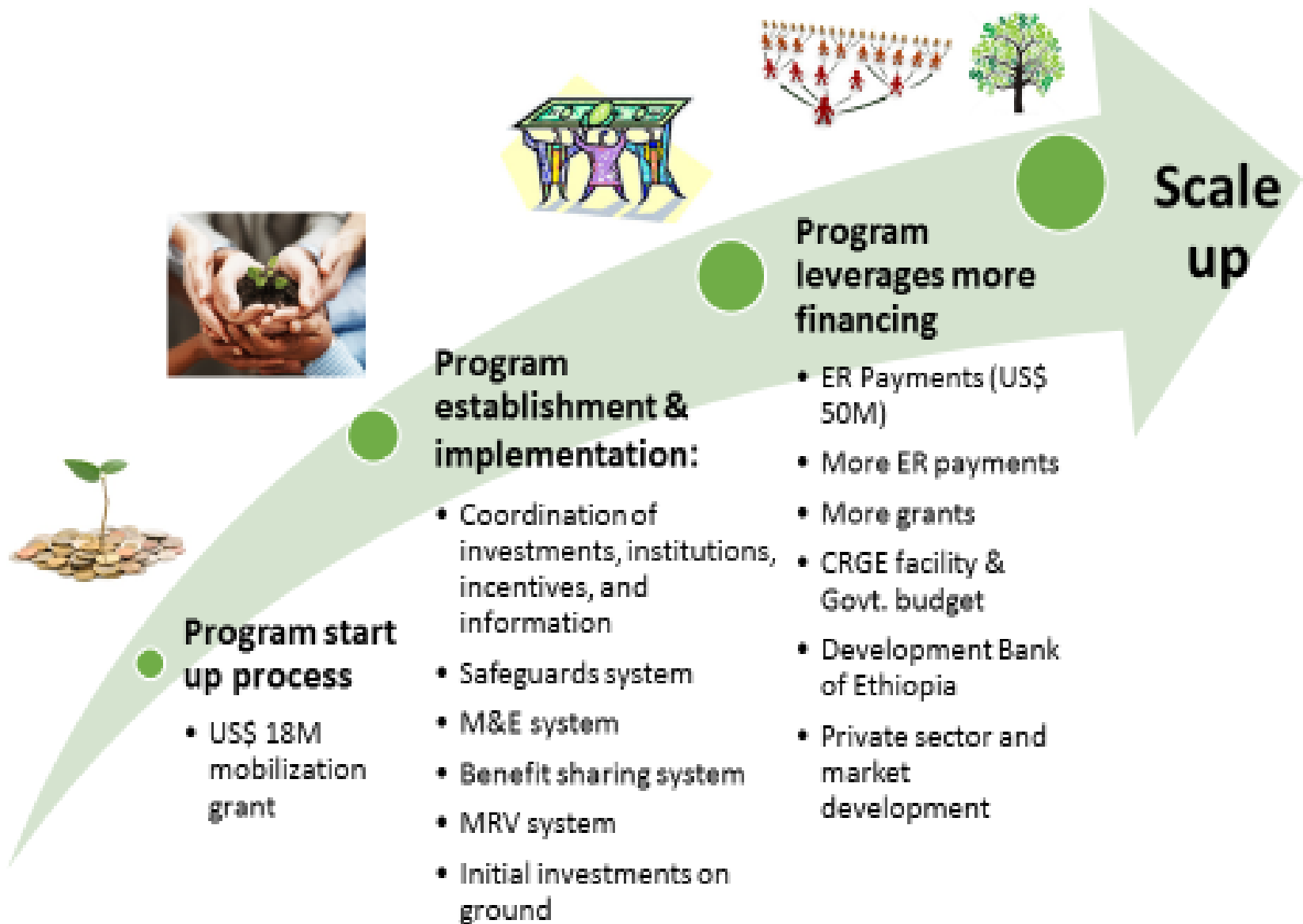
Country example: Ethiopia (Oromia region)

- Coordination critical to leverage resources, scale-up and gear actors in the jurisdiction towards same objective: reducing deforestation
- Oromia REDD Coordination Unit reaching out to different initiatives to collaborate: create synergies / avoid duplication of efforts
- Coordination workshop held in December 2015

1. SLMP – US\$40m
2. PSNP- US\$500m
3. AGP- US\$100
4. NICSP- US\$1.5m
5. LIFT- US\$23m
6. Bale Mountains Eco-regional REDD+ Project – US\$2.5m
7. ILUP Study Project - Oromia BoRLEP – US\$8m
8. IWSM (mass mobilization) – US\$4.6m
9. PFM REDD+ Project of Nono Sele Woreda (REDD+, PFM, OFWE, and Ethio Wetlands and Natural Resources Association)- US\$1m
10. Program-for-Results ESPES – US\$300m
11. Certified Forest Coffee Production and Promotion Project/ JICA- US\$4m
12. National Biogas Program of Ethiopia- US\$11m
13. Forest Resources Development/ OFWE – US\$60m
14. BBC Media Action's 'Air We Breathe' public campaign in Oromia – US\$1.7
15. Pastoral Community Development Project III – US\$50m
16. Yayu Coffee Forest Biosphere Reserve Project- US\$0.7m
17. PFM in or adjacent to areas of the SLMP in Ethiopia/GIZ – US\$0.57m
18. Business Solution to Poverty Coffee Initiative Project II – US\$5m
19. Sustainable Development of Protected Area System in Ethiopia – US\$12m
20. Initiative for Sustainable Landscapes (ISLA), Central Rift Valley, Ethiopia – US\$2.3m
21. Conservation of Biodiversity and Ecosystems Functions and Improved Well-being of Highland and Lowland Communities within the Bale Mountains Eco-regional REDD+ Project – US\$5.7m
22. Market Development for Renewable Energy and Energy-efficient Products (Credit Line) – US\$2.9m
23. National REDD+ Readiness Project/ BioCF – USD1m

**US\$ 1.13
billion**

Country example: Ethiopia (Oromia region)



Country example: Mozambique

- **Distinct and complementary programs contributing towards Government's vision (Programa Estela)**
 - Develop physical and social infrastructure (access to markets, water, energy, finance and knowledge) to catalyze sustainable production in rural areas.
- Programs support local community development with triple bottom-line sustainability (social, economic and environmental).

Conservation Areas for Biodiversity & Development (Mozbio)

- \$46.3 million
- 2015-2018
- **Key themes:** Conservation, Biodiversity, Wildlife & Tourism, Community development



Forest Investment Program (FIP)

- \$24 million+10 million
- 2016-2020
- **Key themes:** Sustainable Forest Management, Forest Governance and Development of Forest Value Chains

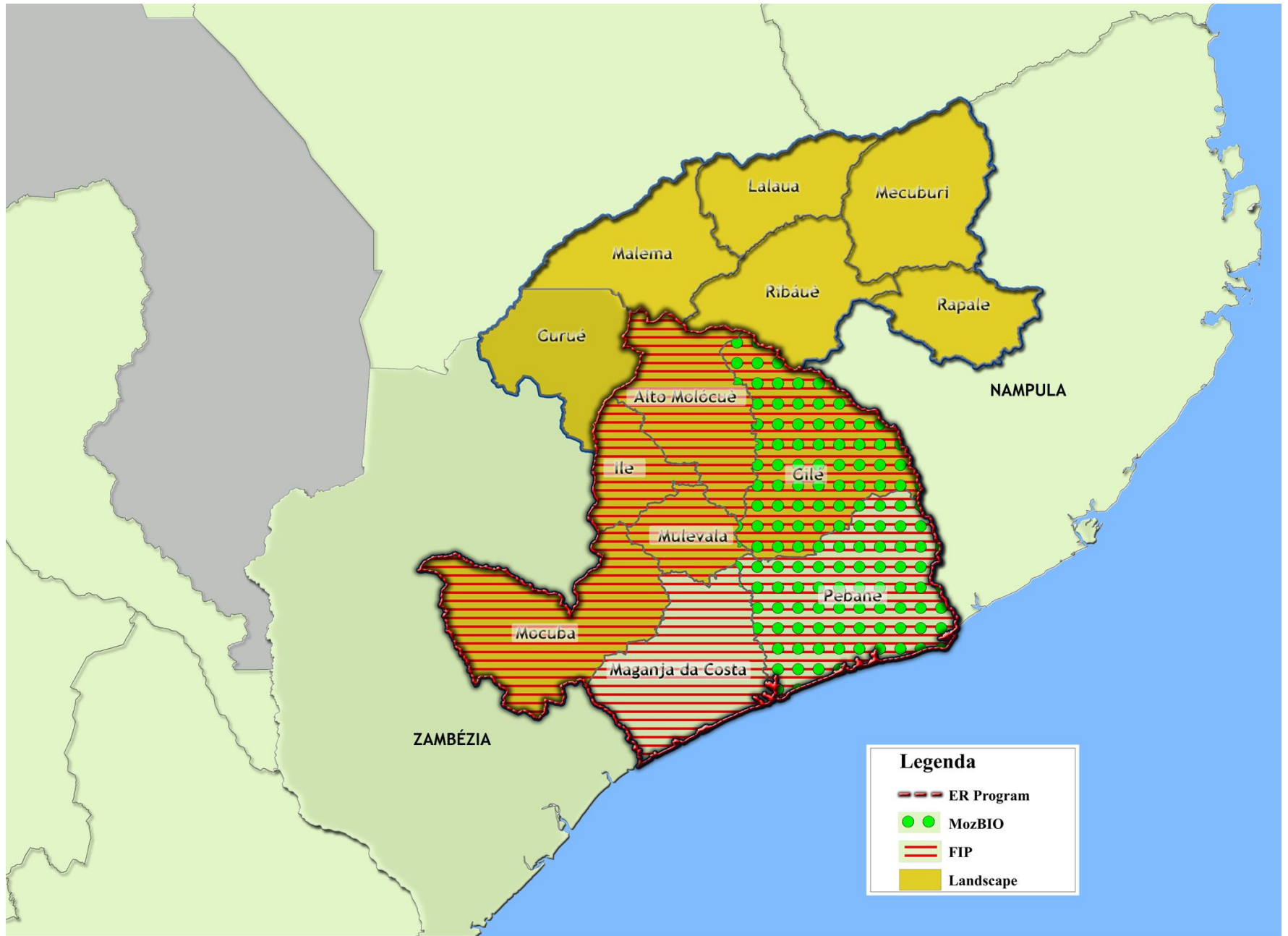


Agriculture & Landscape Project

- \$40 million
- 2016-2019
- **Key themes:** Development of Agriculture and Forests Value Chains, Land tenure regularization, Increased Productivity

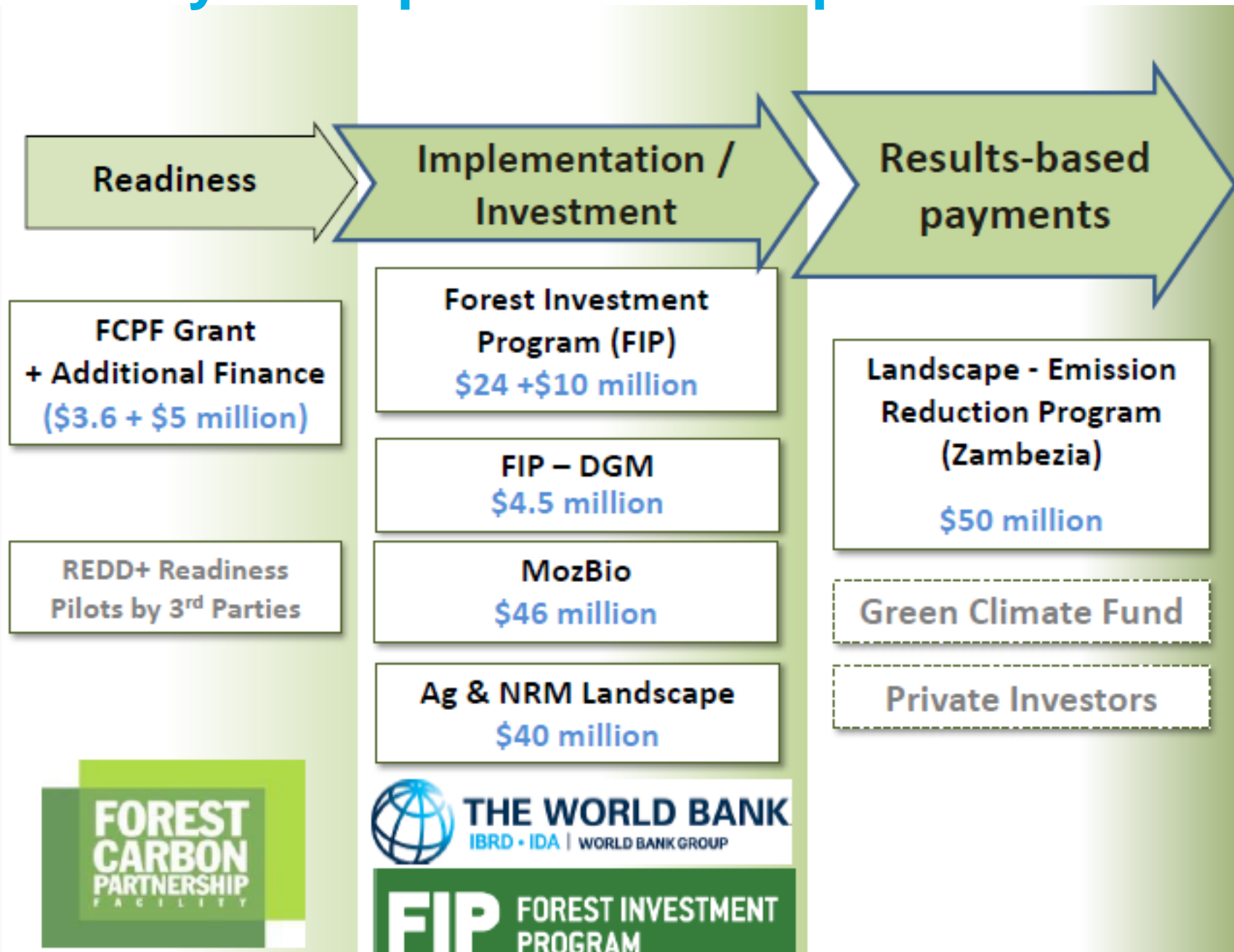


Mozambique: complementarity of programs



Country example: Mozambique

Degraded Landscapes, Poverty, Low Productivity



High Productivity, Livelihoods, Economic Returns



Coordination at global / national levels:

- **UN-REDD:** Coordination in overlapping countries to avoid duplication and ensure activities complement each other.
- **Forest Investment Program (FIP):** From 23 FIP Pilot Countries, 21 are also participating in either or both FCPF and UN-REDD. Coordinates with multiple sources of REDD+ related funding.
- **Bilaterals:** aligning funding to ensure activities complement each other.
- **Green Climate Fund (GCF):** initiating collaboration as REDD+ program shapes up.
- **PROFOR:** provide knowledge resources for REDD+ countries according to needs.
- **Knowledge management is key**
- **In-country multi-sectoral engagement advancing:**
 - Many countries using resources to set up / strengthen inter-ministerial committees to discuss land use issues and steer national and international finance towards REDD+ priorities
 - Examples of IP and CSO representation in institutional arrangements
 - Ministries of Finance starting to engage more

Challenges and opportunities:

- **Slow disbursements, but starting to pick up:**
 - Weak procurement capacity, understanding of World Bank procurement rules, lack of experience drafting TORs for REDD+ activities
- **Identifying and aligning adequate upfront investment finance to cover implementation costs:**
 - 14 countries reported leveraging \$1,112 million for implementation (~\$83 million per country)
 - Needs are greater and sources are limited (incl. from env. sector mostly)
- **Using existing sources to leverage for bigger needs**
 - Countries increasingly looking into financing options beyond traditional bilateral, multilateral, and public investment finance (i.e., private sector)
 - More thinking needed around innovative financing options (bonds, guarantees, etc.)
- **Private sector: important for financing, but also implementation**
 - New dialogue; establishing relationships and trust takes time
 - Requires long-term commitments, predictability and tailored design
 - Understanding comparative advantage and matching interests



Thank you

More information:

- **BioCF ISFL:** www.biocarbonfund-isfl.org
- **FCPF:** www.forestcarbonpartnership.org
- **FIP:** <http://www-cif.climateinvestmentfunds.org>
- **World Bank:** <http://www.worldbank.org/en/topic/forests>

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