



Baaistel

30 Years Promoting
Sustainable Development

FOREST CARBON PARTNERSHIP FACILITY (FCPF) Third Program Evaluation

Evaluation Progress and Preliminary Findings

CF Meeting

February 1st, 2024



General structure of the presentation

- Quick recap on purpose and scope of the evaluation
- Recap on data collection completed for triangulation process
- Presentation of preliminary findings, following the hierarchy of the evaluation matrix validated by FMT and EOC:
 - ❖ Summary findings provided for each key evaluation question.
 - ❖ The 15 key evaluation questions are grouped by OECD DAC evaluation criteria.
- Key next steps and timeline

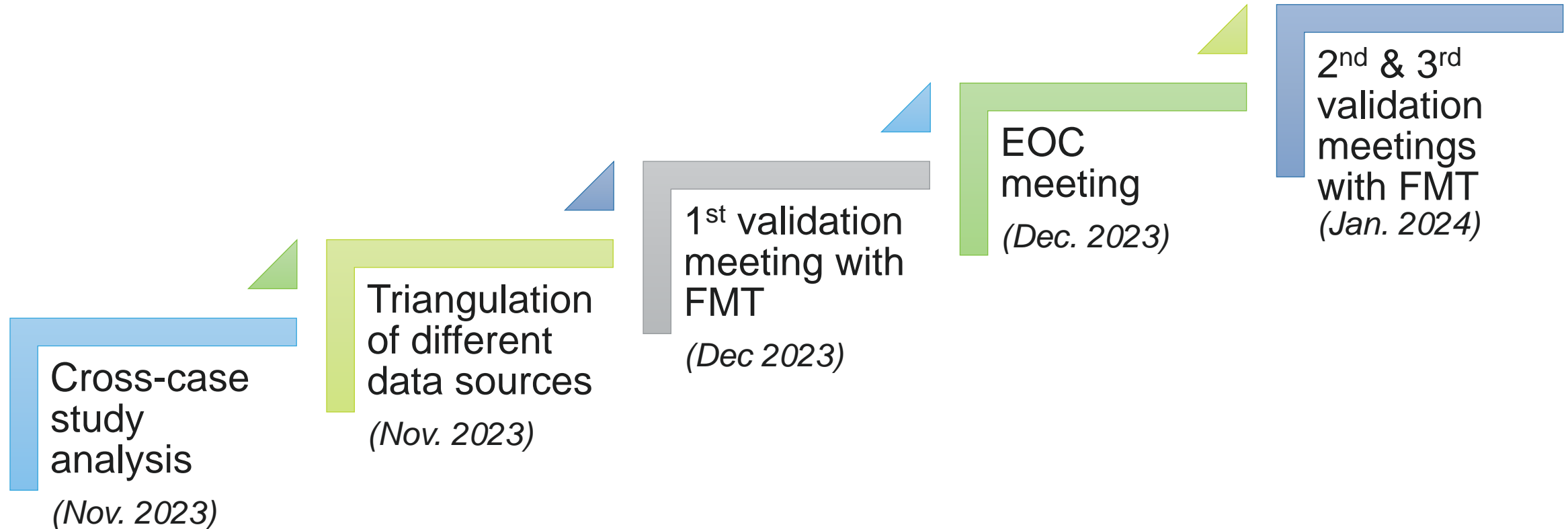
Evaluation purpose and scope

- The **objective** of the evaluation is to assess the progress and achievements of the FCPF and to identify lessons learned, while providing accountability to financial contributors and other stakeholders.
- The evaluation is global in **scope**, covering Africa, Latin America and the Caribbean, and Asia to include the 32 countries of the Readiness Fund portfolio as well as the 15 countries of the Carbon Fund portfolio.
- The evaluation builds on prior evaluations of the FCPF and other relevant studies, and specifically looks at the FCPF's performance **from 2018 to present.**

Data collection completed for triangulation process

- In depth desk review
- Portfolio analysis (*Agreed data collection cut-off date - 15 August 2023*)
- Interviews with key informants at the program level
- E-survey for country-level stakeholders
- 7 in-depth country case studies
- 5 light-touch case studies
- Thematic studies
- On country case studies: Extensive dialogue and input with country teams (Government, TTLs and FMT) to ensure accuracy and balanced perspective

Data analysis and validation



Preliminary Findings

Relevance



1. How and to what extent has the FCPF maintained the relevance of its activities to participating countries?

- **FCPF has remained relevant to countries' high-level objectives on REDD+. The FCPF demonstrated continuous adaptability in addressing countries' emerging needs on technical and implementation aspects, adopting a “learning by doing” approach.**
- ◆ The FCPF demonstrated flexibility in adapting to key global and country changes, by providing tailored responses to key country stakeholders' needs and making necessary adjustments to the implementation timeline to adapt namely to delays encountered and provided continuous support through the complexity of the readiness and ERPA arrangements.
- ◆ The relevance of the CF was more limited for high forest, low deforestation (HFLD) countries.
- ◆ The FCPF incorporated new knowledge and lessons learned from previous experiences through a mix of informal and formal mechanisms: i) The continuous engagement of a diversity of stakeholders; ii) Training events; iii) FCPF-supported programs (Cocoa and Forest Program, South-South Knowledge Exchange); iv) Knowledge and communication products.

Coherence



2. How coherent is the FCPF with other interventions at country and global level?

➤ **FCPF activities have been found to be highly coherent with other interventions at country and global level.**

- ◆ FCPF activities were found to be highly consistent with countries' forest-related climate change and biodiversity commitments, policies and actions.
- ◆ There is generally a high level of compatibility and synergy between the FCPF and other REDD+ activities at the country level, particularly in terms of readiness and activities at the jurisdictional level. However, compatibility and synergy with project scale Voluntary Carbon Market (VCM) REDD+ initiatives in the field has been limited. The existence of several different standards for measuring and validating ERs is also found challenging by countries.
- ◆ FCPF activities are highly synergistic with global carbon markets for ER, particularly given their recent evolution. Notably, FCPF ERs are now eligible for CORSIA (2021-2023) and FCPF countries are attractive candidates for the LEAF coalition.

Effectiveness



3. How effective were the RF and the CF in delivering FCPF outputs and what factors affected this performance?

- **The RF and the CF were highly effective in delivering FCPF outputs.**
 - ◆ Countries have made significant progress in completing **readiness** components, with 76% of the FCPF supported countries achieving endorsement of their R-Package.
 - ◆ By the cut-off date of August 15, 2023, out of 19 countries that signed a letter of intent to access the **CF**, 15 countries had submitted their first Monitoring Report and 3 (Costa Rica, Ghana, and Mozambique) had received their first payment and submitted their second monitoring report.
 - ◆ Key **context elements** that have positively influenced RF and CF outputs include political / government commitment, stakeholder engagement, coordination of readiness support from different donors, and policies already in place. The main negative context elements are limited government staff and budget, low government capacity, COVID-19, and REDD+ complexity.

4. How effective was the RF in building country capacity to deliver REDD+ or to access REDD+ funding?

- **The RF was effective in building country capacity to deliver REDD+ or access REDD+ funding.**
 - ◆ The RF has significantly contributed to country capacity to deliver or access REDD+ funding by providing a roadmap with clear steps and requirements.
 - ◆ The REDD+ strategy and the FREL were the most advanced readiness milestones, while the least advanced were the NFMS and SIS, due to the challenges faced by countries in the operationalization of these new systems.
 - ◆ In the majority of countries, the RF has catalyzed readiness co-financing and has contributed to the establishment of an institutional setup for REDD+. However, financing remains a key issue in many countries as they move from readiness to RBPs. Remedial measures (such as advance payments, alignment of other WB projects) have mitigated this to some degree.
 - ◆ Sub-national capacity (in the context of jurisdictional ERPs) is a significant challenge in many countries.

5. How effective has the CF been in supporting countries in achieving RBPs?

- **Overall, the CF has been relatively effective in supporting countries in achieving RBPs. The effectiveness of benefit sharing arrangements and the achievement of non-carbon benefits have yet to be proven.**
- ◆ FCPF support has increased interest in RBPs, kick-started a capacity-building process in this direction, and has provided countries with an opportunity to pilot an RBP scheme.
- ◆ The CF has committed to purchasing up to 144,259,000 tCO₂eq of ERs through 15 ERPAs, 15% below the program target. Excess ERs generated may increase this figure.
- ◆ Some initial behavior changes resulting from the CF pilot were identified among forest owners/users, governments, and civil society but these have yet to become widespread within and across countries.
- ◆ While some countries are now actively working on the disbursement of funds, the effectiveness of benefit-sharing arrangements has yet to be proven due to current bottlenecks in this disbursement of the RBPs to the beneficiaries.
- ◆ Non-carbon benefits (NCB) have been adequately incorporated in the FCPF approach, and although actual NCBs have been identified across case studies, the availability of concrete evidence regarding their achievement varies significantly between countries.
- ◆ The standards and management tools supported by the FCPF, driven in part by REDD+ requirements, are valued for their rigor but are found to be complex by country stakeholders.

EFFECTIVENESS

6. How effective has FCPF been at engaging with the private sector, women, IPLCs and other marginalized groups?

- **At the global level, the FCPF has been effective at actively engaging these various stakeholder groups through the PC/PA (and to a lesser degree through the CF Meetings) and/or through its capacity building and outreach programs, including in particular the CBP. At the country level, effectiveness of the FCPF in engaging these different stakeholder groups is variable across countries.**
 - ◆ At a global level, the FCPF has observer representatives of the private sector, IPLCs, women and civil society in its governance bodies.
 - ◆ CF membership is less inclusive than PC/PA, as REDD Country Participants are represented by three observers and only contributors have voting rights. The participation of REDD Country Participants was broader in the PC (14 members with voting rights) and in the PA (all eligible REDD countries as observers).
 - ◆ At the RF stage, some countries have been more pro-active than others in engaging private sector companies involved in forestry, agriculture, and livestock, often through industrial associations. Private sector engagement has generally declined at the ERP stage.
 - ◆ Women, IPLCs, and marginalized groups have been engaged to varying degrees in country-level consultations and governance bodies, with readiness processes being generally more inclusive than ERP processes.
 - ◆ Though the CBP, a high number (132,982 by 2023) of stakeholders have been capacitated through Intermediate self-selected IPLC and CSO organizations with a strong focus on women. The large majority of CBP participants indicated increased confidence to engage with REDD+ processes, including 50,5% of women, 41% of CSOs and 47% of IPs.
 - ◆ Local traditional knowledge is recognized as valuable and relevant, but its actual incorporation into FCPF activities is limited.

7. What has been the effectiveness of the governance structures of the RF and CF, and what strengths and weaknesses can be identified?

- **Governance bodies, especially those related to the RF (PA/PC), are seen as highly effective, innovative, inclusive, accountable, representative, and fair.**
- ◆ FCPF governance bodies have played a crucial role in furthering national REDD+ processes and in enabling countries to benefit from CF RBPs, e.g., with the approval of key documents such as ERPs, BSPs, and ER-MRs.
- ◆ FCPF governance bodies' decisions and approval processes are built on consensus. Although decision making can be cumbersome, their participatory nature increases ownership and support in countries.
- ◆ This inclusive nature of the FCPF governance bodies, promoting the exchange of experiences, has been a core strength when compared with other global mechanisms
- ◆ Inclusiveness has declined in the past year after the RF and its governance bodies (PA/PC) closed at the end of 2022.
- ◆ Inclusiveness within governance processes at national level was high during the readiness phase but has declined in a number of countries during the implementation of ERPs.

Impact



8. What are the most important broader impacts of FCPF activities in participating countries?

FCPF is progressing well towards achievement of emission reduction targets and non-carbon benefits relating to sustainable forest management and improved livelihoods are emerging.

- ◆ FCPF is at present narrowly below its emission reduction targets but excess ERs generated may increase this figure. There is uncertainty over achievement of other impact targets.
- ◆ Non-carbon benefits pertaining to sustainable forest resource management and to livelihoods are emerging in many CF countries, but reporting is variable.
- ◆ The influence of specific stakeholder groups vary with regards to national and/or local REDD+ processes and approaches to SFM.
- ◆ Factors enabling delivery of carbon and non-carbon benefits include: strong political will, country-ownership and leadership; support to local livelihoods, advance payments made by the Carbon Fund and effective local co-ordination structures.
- ◆ Factors that limit delivery of carbon and non-carbon benefits include: financing and capacity gaps; limited private sector engagement and uncertainties over carbon, forest and land tenure.

9. To what extent has FCPF contributed to improve governance and transparency for sustainable forest management (incl. REDD+ interventions) within countries?

With 11 countries now reporting emission reductions, there is evidence of behaviour change with regards to improved management of forests. This is being manifested in different ways in different countries.

- ◆ Within ER jurisdictions supported by the FCPF, improved and sustainable forest management approaches are being implemented in a number of different ways, including:
 - strengthened protection and conservation of high-biodiversity forests; and
 - sustainable forest management practices by governments, communities and households and to a lesser degree by businesses.

10. Are FCPF activities delivering or likely to deliver unintended positive or negative impacts?

- **Wider impacts identified include enhanced and broader decision-making at global and national levels, legal and regulatory reforms and access to new sources of carbon financing at national levels.**
- ◆ No un-expected carbon-related impacts have been identified.
- ◆ Local stakeholders have access to an increased number of decision-making spaces and mechanisms at global, national and local levels due to FCPF social inclusion and capacity building efforts.
- ◆ At country level, the FCPF has directly and indirectly influenced changes to the design, development and delivery of REDD+/ER country strategies and programs, as well as the creation of additional legislations and policies related to REDD+.
- ◆ Participant Countries have received direct support from the FCPF on MRV, but also benefitted from various global, regional and local capacity-building events. Several countries are building on their MRV systems established with FCPF standards to explore compliance with other standards.
- ◆ The FCPF is supporting countries to position themselves with regards to VCMs, but very few linkages were observed between sampled ER programs and active VCM projects.

11. How have FCPF knowledge, communications, and learning on REDD+ and ERPA development informed strategy and practice in FCPF countries and the global community?

- **FCPF knowledge, communication and learning products have significantly informed strategy and practice in FCPF countries and their influence at the global level is increasing.**
- ◆ Countries make extensive use of FCPF knowledge, communication, and learning products on REDD+ and ERPAs, which are closely aligned with their information requirements.
- ◆ Outreach of FCPF knowledge, communication and learning products on REDD+ and ERPA is prominent, and they have influenced the implementation of other REDD+ initiatives.

Efficiency



12. To what extent has the FCPF delivered results in an efficient manner?

- **The implementation of activities under the RF and the CF took longer than planned. RF contributions in CF countries were cost-effective, and the majority of expenses from the RF and the CF were allocated to country support while administrative costs remain stable. CF countries are typically faced with a capacity gap to implement RBP that the CF has worked to address.**
- ◆ The implementation of both the CF and RF activities required more time than expected (average of 2.8 years more than planned).
- ◆ In CF countries, RF contributions were cost effective in enabling countries to contract RBPs (average of USD 63.5 million of RBPs contracted per country, from CF and other sources). In most countries, RF support was part of wider REDD+ readiness efforts.
- ◆ For FY09-23, grants to Participant Countries were by far the most significant expense from the RF (56%). ER payments currently represent 46% of CF expenditures, but this proportion is increasing.

13. What has been the level of efficiency of various FCPF management and governance systems or functions?

- **Overall, the administrative, financial, monitoring, and reporting processes are considered efficient. Some challenges were experienced with regards to the efficiency of the ER Monitoring Reports. Work through the different delivery partners was generally considered effective.**
- ◆ While reporting on the RF has been largely adequate, challenges and delays were identified with reporting on the CF.
- ◆ The RF administrative and financial processes were generally efficient but reporting challenges under the CF are perceived as delaying payments.
- ◆ The quality of support provided by delivery partners was generally described as good to excellent.

Sustainability



14. What is the likelihood of FCPF results being sustained?

- **In general, sustainability prospects for FCPF results are relatively good, but finance, capacity and effective benefit sharing are still key areas that require support if this is to be assured.**
- ◆ Although financing-gap is a widespread challenge in many countries, in general RF results are being sustained at country level.
- ◆ CF results are likely to be sustained in the short term, but longer-term sustainability will depend on countries securing additional sources of results-based finance and on effective benefit sharing arrangements. Significant volumes of funds have yet to reach community levels through benefit sharing mechanisms.
- ◆ Finance, capacity (including at the sub-national level) and the creation of an enabling environment for future forms of carbon financing are identified as key areas of support that will be needed to sustain REDD+ engagement and payments.

15. To what extent are FCPF countries ready to access additional sources of RBPs for REDD+?

- **The majority of FCPF countries have reached a sufficient level of readiness to access additional sources of RBPs for REDD+.**
 - ◆ The great majority of FCPF countries have made progress in REDD+ readiness and more than half have reached an advanced level of readiness.
 - ◆ A significant majority of CF countries have reached an advanced level of readiness.
 - ◆ Nearly half of FCPF countries have or are in the process of mobilizing additional REDD+ RBPs either through multilateral/bilateral initiatives or through registries and the voluntary market.

15. To what extent are FCPF countries ready to access additional sources of RBPs for REDD+?

Number of Carbon Fund and non-Carbon Fund FCPF countries that have accessed or signed an agreement to access funds from new sources

	Carbon Fund countries (n=15)	Readiness Fund only countries (n=31)	Total
Multilateral and bilateral funding	4	5	9
GCF RBPs	3	3	6
LEAF Coalition	2		2
REDD Early Movers		1	1
Central African Forest Initiative		1	1
Initiative for Sustainable Forest Landscapes		1	1
Registries/voluntary market		1	1
ART-TREES (Registered)		1	1
Total	4	6	10

15. To what extent are FCPF countries ready to access additional sources of RBPs for REDD+?

Number of FCPF countries currently negotiating or in the process of accessing funds from new sources

	Carbon Fund countries (n=15)	Readiness Fund only countries (n=31)	Total
Multilateral and bilateral funding	6	8	14
LEAF (Proposal accepted)	2	6	8
LEAF (LOI signed)	2	2	4
Initiative for Sustainable Forest Landscapes	1	2	3
Central African Forest Initiative	1	0	1
GCF RBPs (Concept Note submitted)	0	1	1
1for20 Partnership	1	0	1
Registries/voluntary market	5	7	12
ART-TREES	5	7	12
Total	8	11	19

THANK YOU!



Key next steps

Next steps	Timeline
Draft-evaluation report	Mid-February 2024
Final Evaluation Report and related communications	End of March/Early April 2024

