



Indufor ...forest intelligence

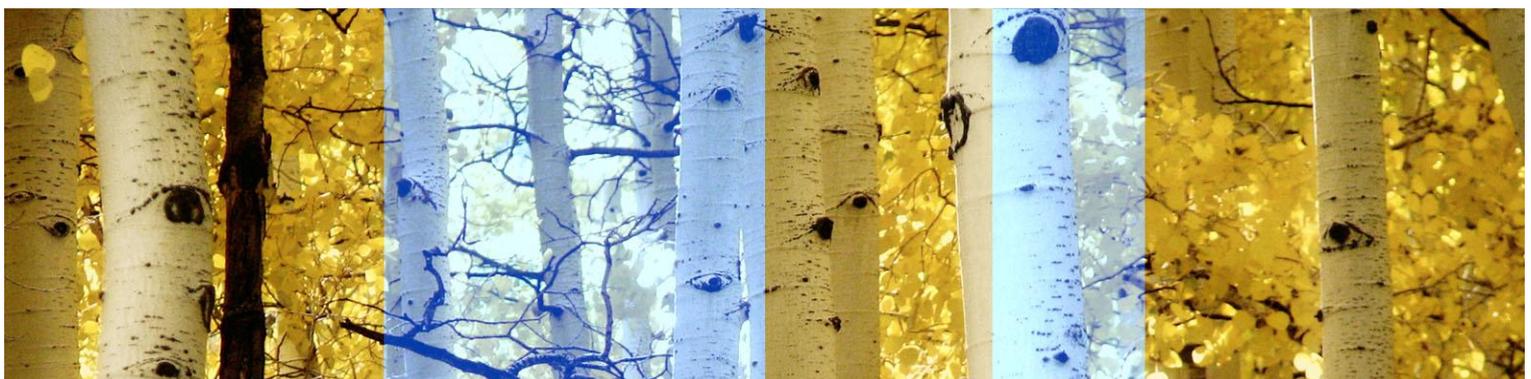
The World Bank

Second Evaluation of the Forest Carbon Partnership Facility

Executive Summary

Helsinki, Finland
September 19, 2016

7850
ID 90518





Indufor ...forest intelligence

DISCLAIMER

Indufor has made its best effort to provide accurate and complete information, and execute the Assignment in accordance with the terms and conditions of the contract.



Table 1 Summary of Evaluation Findings, Conclusions and Recommendations

Findings	Conclusions	Recommendations
Relevance		
Evaluation Question 1. For what reason did countries decide to join the FCPF in the first place, and to continue the engagement thereafter?		
<p>REDD Countries recognized that the FCPF contributed to national REDD Readiness processes through its technical and financial support, its emphasis on capacity building, institutionalizing REDD+ at the national level, and its approach to building cross-sectoral, multi-stakeholder processes.</p>	<p>One of the key strengths of the FCPF has been the structure and common readiness framework that the Facility has provided REDD Countries throughout the portfolio.</p>	<p>Continue working on the implementation of REDD Readiness through the structured Readiness Framework of the FCPF.</p>
<p>The FCPF continued to add value to REDD Countries through its common readiness framework and structured approach to REDD Readiness.</p>		
<p>The engagement of Financial Contributors has changed during and beyond the evaluation period for different reasons.</p>		
<p>Most Financial Contributors continued engagement in the FCPF because it was their government's policy to contribute to initiatives that halt and reverse deforestation in developing countries.</p>		
Evaluation Question 2. To what extent and in what ways has the FCPF responded to countries' strategic priorities?		
<p>The FCPF was generally seen as an important program for launching national REDD+ processes in many REDD Countries, and it responded to those countries' priorities for which there had been minor or no delays in the program's mobilization.</p>	<p>The FCPF has responded to REDD Countries' strategic priorities for climate change and forests.</p>	<p>Strengthen the alignment of Delivery Partner country engagement strategies and the countries' REDD+ agendas.</p>
<p>The FCPF did not respond well to all REDD Countries' priorities and needs, and there were several REDD Countries in the portfolio which experienced poor response performance from the FCPF. Examples include Madagascar, with support placed on hold during its political crisis, and Guyana's challenges with its Delivery Partner.</p>	<p>The FCPF was relevant to most of the Financial Contributor countries. The evaluation observed some weaknesses in the extent to which the Delivery Partners' country engagement strategies were aligned with the REDD+ agenda in REDD Countries.</p>	
<p>Slow processes and bureaucratic requirements have been the cause of unmet and partially met expectations by some REDD Countries.</p>		
<p>In some countries, the FCPF Delivery Partners (i.e. the IDB, the UNDP and the World Bank) had not integrated REDD+ agenda into their country engagement strategies even if they supported REDD+ through the FCPF.</p>		



Findings	Conclusions	Recommendations
<p>Most Financial Contributors had common strategic priorities to which the FCPF had responded appropriately.</p> <p>The majority of Financial Contributors expected that the FCPF would perform more efficiently, while several Financial Contributors felt that efficiency was set by REDD Countries.</p>	<p>The FCPF's role as a key player in international REDD processes was strengthened during the evaluation period.</p>	
Effectiveness		
Evaluation Question 3. To what extent and in what ways has the FCPF supported countries in preparing to undertake REDD+?		
<p>The FCPF has contributed to national REDD Readiness with recognizable country-driven benefits. The FCPF provided an opportunity to build capacity, strengthen institutions, share knowledge, receive technical and financial support, and inform and support national processes all around REDD+.</p>	<p>The FCPF has been effective in kick-starting national REDD Readiness processes in over 40 countries and in building the first multilateral Results-Based Framework for REDD+.</p> <p>The FCPF has faced challenges in reaching advanced stages of readiness at the portfolio level and securing investments for the Future Emissions Reduction Programs.</p>	<p>Continue providing country-tailored technical support to REDD Countries.</p>
<p>The challenges arising from FCPF support included the efficiency of the Program at the country level, technical issues, complying with Delivery Partner policies, managing expectations, the level of financing (especially for Emission Reduction Programs), and the alignment of the FCPF with other global efforts.</p>		
<p>The FCPF has provided extensive support in preparing countries to undertake REDD Readiness planning and its initial implementation.</p>		
<p>The FCPF demonstrated limited effectiveness in supporting countries to undertake the advanced stages of REDD Readiness.</p>		
<p>There is a lack of clarity on how Emission Reduction Programs under the Carbon Fund will be financed to ensure that they can yield emission reductions.</p>		
Evaluation Question 4. To what extent and in what ways have the various instruments developed by the FCPF been helpful to countries in preparing to undertake REDD+?		
<p>The R-PP template was applied extensively across the FCPF portfolio and was a helpful tool in the planning of REDD Readiness.</p>	<p>The FCPF has been effective in kick-starting national REDD Readiness processes in over 40 countries and in building the first</p>	<p>Review the Methodological Framework.</p>
<p>The ER-PIN template and its formulation process demonstrated national ownership of the document.</p>		



Findings	Conclusions	Recommendations
<p>The ER-PIN template provided no guidance on how to manage uncertainty and stakeholder expectations during formulation consultations.</p>	<p>multilateral Results-Based Framework for REDD+.</p>	<p>Consolidate the reporting system of the FCPF.</p>
<p>The Readiness Assessment Framework was viewed as the most helpful tool, providing structure to chart the progress of implementation of REDD Readiness.</p>	<p>The FCPF has faced challenges in reaching advanced stages of readiness at the portfolio level and securing investments for the Future Emissions Reduction Programs.</p>	<p>Produce useful tools to support the implementation of the SESA/ESMF.</p>
<p>The template for annual country progress reporting for monitoring and evaluation was well-structured. The traffic light system made reporting simple, but information and data provided was of variable quality.</p>	<p>Even if some of the quantitative targets have not been met, the FCPF has generated valuable lessons learnt for developing the REDD+ approach.</p>	<p>Include detailed guidance on how to manage consultations during the ER-PIN formulation process, focusing on targeted consultations.</p>
<p>The variable quality of data provided by annual country progress reporting across REDD Countries was not suitable for portfolio-level reporting on all aspects of the M&E Framework.</p>	<p>The FCPF provided a number of useful tools to REDD Countries to navigate the readiness preparation processes.</p>	
<p>There is one country example (Guyana) where the application of the Methodological Framework will result in two national Forest Reference Emission Levels for a REDD Country. One Forest Reference Emission Level has already demonstrated conformance with the UNFCCC. Another Forest Reference Emission Level will need to be developed to show conformance with the Methodological Framework.</p>	<p>While robust, the Carbon Fund's Methodological Framework is viewed as technically challenging among the REDD Countries, whom expect adequate technical support to meet its criteria and indicators.</p>	
<p>There are several Methodological Framework requirements that are more restrictive than UNFCCC requirements (e.g. degradation, adjustment of reference levels, and technical assessment process).</p>		
<p>Financial Contributors weighed the time taken between formulating the Methodological Framework with robustness and addressing the complexity of issues as they arose, making the point that this is the first multilateral framework for results-based payments for REDD+.</p>		
<p>Different stakeholder groups had strong and divergent opinions about the Methodological Framework.</p>		
<p>The FCPF has operationalized the Common Approach for Environmental and Social Safeguards, including alignment of safeguard and stakeholder engagement among the Delivery Partner organizations.</p>		



Findings	Conclusions	Recommendations
<p>Apart from the joint efforts with UN-REDD, there is no other evidence that the FCPF has contributed to global standards for REDD+ through the implementation of the Common Approach.</p>	<p>The FCPF's reporting system did not function to its full potential. Not all data necessary for monitoring, reporting and decision making data were able to be provided across the portfolio.</p> <p>The operationalization of the Common Approach for Environmental and Social Safeguards contributed positively to the program's effectiveness.</p> <p>A lack of clarity around the compliance and use of different environmental and social safeguard systems constituted a challenge for the FCPF's readiness implementation.</p>	
<p>Reporting on the Common Approach lacks consistency across the portfolio, creating challenges for portfolio-level monitoring and evaluation of the Common Approach.</p>		
<p>It is too early to determine the extent to which the IDB and UNDP have implemented the Common Approach, considering that the countries that they are responsible for are only in the early stages of REDD Readiness implementation.</p>		
<p>There continues to be a disconnect between UNFCCC and FCPF safeguard requirements.</p>		
<p>REDD Countries required more in-depth, constant and tailor-made support to implement the guidelines on SESA/ESMF, stakeholder engagement, grievance redress and disclosure of information included under the Common Approach. Capacity building was required, especially in terms of how to navigate different safeguard policies at the country level.</p>		
<p>Evaluation Question 5. To what extent and in what ways has the FCPF supported countries' efforts to achieve high levels of stakeholder engagement?</p>		
<p>There has been an increase in overall engagement of Indigenous Peoples, Other Forest Dwellers and Civil Society Organizations (IPs and CSOs hereinafter) in the FCPF at the global level since the first evaluation.</p>	<p>The FCPF has made concerted efforts to ensure high levels of stakeholder engagement in the FCPF at global, regional and national levels.</p>	<p>Change the Delivery Partner of the IP and CSO Capacity Building Program and overhaul the Program.</p>
<p>IP and CSO Observers considered the partnership between them and the FCPF as constructive and positive.</p>		
<p>There was a lack of resources for the Observers to fulfil some of their tasks as described in their Terms of Reference, especially regarding exchanges and communication in the time between meetings.</p>		



Findings	Conclusions	Recommendations
<p>The implementation of the IP and CSO Capacity Building Program (CBP) Phase II has been delayed, which has led to a limited response to the IP's and CSO's expectations of capacity building.</p>	<p>The FCPF has not achieved systematic gender mainstreaming in the Facility's operations.</p>	<p>Formulate and implement a Gender Mainstreaming Strategy.</p>
<p>The budget allocation for the CBP was comparably small, compared to its objectives.</p>	<p>The FCPF has not managed to attract private sector interest and engage effectively across the portfolio.</p> <p>In terms of multi-sectoral coordination at the country level, the FCPF had a minor role in most REDD Countries.</p>	<p>Create a private sector program.</p> <p>Revise the Charter to reduce the minimum threshold of USD 5 million for entry into the Carbon Fund in order to attract interest from smaller potential contributors.</p>
<p>There is a lack of availability and clarity on the formality of the CBP documentation, including Phase I, which does not allow for an evidence-based assessment of the CBP's achievements against its expected results.</p>		
<p>There is wide acceptance among all stakeholder groups that FCPF REDD processes at the country level, especially the R-PP formulation, have been rather inclusive.</p>		
<p>The main points of criticism are the lack of involvement at sub-national levels and misunderstandings of what REDD+ benefits are over time.</p>		
<p>The main source for funding for IPs and CSOs to engage in the FCPF at the country level is through the Capacity Building Program.</p>		
<p>The FCPF reporting mechanism does not collect direct feedback from country-level stakeholders beyond the Government.</p>		
<p>Gender considerations are widely mentioned in FCPF guidance documents, but there was limited evidence of full and effective participation of women in country-level actions.</p>		
<p>Gender mainstreaming in the FCPF has centered around collecting gender-disaggregated data (i.e. the M&E Framework), while other core aspects of gender mainstreaming (e.g. plans for gender inclusion and gender analysis) have received less or no attention.</p>		
<p>Emission Reduction Programs offer the potential for private sector engagement at several levels; however, there is a need to present clearly formulated business cases and that would attract the private sector actors' interest and offer business opportunities to de-risk.</p>		
<p>The threshold to join the Carbon Fund (USD 5 million) was considered a barrier for smaller private sector actors to engage in the Carbon Fund.</p>		



Findings	Conclusions	Recommendations
Evaluation Question 6. To what extent and in what ways has the FCPF supported efforts to involve multi-sectoral actors in countries' institutional arrangements and national dialogues?		
The R-PP effectively documented the institutionalization of REDD+ in national readiness management arrangements. It also provided guidance on how to include multi-sector actors in institutional arrangements.	In terms of multi-sectoral coordination at the country level, the FCPF had a minor role in most REDD Countries.	Continue working to involve multi-sectoral stakeholders in dialogues and institutional arrangements for REDD+.
National institutions led coordination at the country level, but the extent of their effectiveness was highly variable. Some of the results can be attributed to the FCPF, which provided financial support for national REDD+ institutions.		
Taking leadership of cross-sectoral dialogues and processes is political. National institutions leading REDD+ processes are vulnerable to the aftereffects of elections (e.g. institutional restructuring and organizational restructuring).		
The extent of, and approaches to, the involvement of the multi-sectoral actors in institutional arrangements and dialogues for REDD+ are country-specific and vary across the portfolio.		
The formality and reporting on multi-sectoral arrangements was found to be variable during field visits.		
Evaluation Question 7. To what extent and in what ways has the FCPF promoted the sharing of knowledge among stakeholders at the national, regional and global levels?		
The REDD Country Focal Points perceived the FCPF to be a useful platform for knowledge sharing for REDD+.	The FCPF has played an important role in providing useful information for the REDD Countries to carry out REDD Readiness activities. The absence of a formal strategy document for knowledge sharing and communications constituted weakness in the FCPF.	Design and implement a Final Knowledge Sharing and Communications Strategy.
Examples of utilizing FCPF knowledge products existed, but systematic reporting on stakeholder feedback of FCPF knowledge products was unavailable.		
Although the FCPF Draft Framework Strategy for Knowledge Management and Communications is being implemented, it is based on internal working documents instead of a formal and complete strategy document.		
The M&E Framework does not provide a useful tool for monitoring and evaluating the success of FCPF's knowledge-sharing and communications activities.		



Findings	Conclusions	Recommendations
<p>The FCPF has continued providing several opportunities every year for REDD Countries to actively participate in South-South learning in collaboration with other institutions working on REDD+.</p>		
<p>Only limited evidence was available to demonstrate how the FCPF measured learning from its knowledge-sharing activities.</p>		
<p>Stakeholder viewpoints and experiences on the usefulness of the FCPF website and the materials that it contained were divergent, but the opinions were not linked to any stakeholder group specifically.</p>		
<p>The FCPF has increased its visibility and the availability of documents on its website and on social media during the evaluation period. However, materials tailored for different audiences were scarce, including translations.</p>		
<p>IPs and CSOs had low visibility in the FCPF website.</p>		
<p>Evaluation Question 8. To what extent and in what ways has the FCPF responded to the recommendations of earlier evaluations?</p>		
<p>Most recommendations were achieved or partly achieved.</p>	<p>The follow-up actions based on the recommendations of the first evaluation strengthened the effectiveness of the FCPF.</p> <p>Those recommendations of the first evaluation that were not implemented relate to some of the current weaknesses in the implementation of the program.</p>	<p>Implement future evaluations in real-time and under a framework contract</p>
<p>Those recommendations that were not achieved continued to be weaknesses during the second evaluation period.</p>		
<p>Impact, sustainability and efficiency</p>		
<p>Evaluation Question 9. To what extent and in what ways has the FCPF contributed to broad and long-term change beyond its short-term effects?</p>		
<p>The FCPF was catalytic in responding to and structuring a program for REDD Readiness.</p>	<p>The FCPF reached a stage where the existing monitoring system does not fully correspond to the current</p>	<p>Revise the M&E Framework of the FCPF.</p>
<p>It is unclear to what extent the FCPF will reduce emissions in the long term, as it has yet to pilot the legal aspects of its results-based framework (i.e. Emissions Reduction Purchase Agreements ERPAs).</p>		



Findings	Conclusions	Recommendations
Joint FCPF-UNREDD templates and guidance improve the potential for globally recognized standards for REDD+.	situation in program implementation and the global context.	
Land tenure was viewed as an important prerequisite for successful implementation of REDD+.		
The FCPF has contributed to improved participatory decision-making processes and governance, especially at the global level.		
Evaluation Question 10. How efficiently and effectively have the FCPF superstructure groups performed the roles expected of them?		
Readiness Fund		
The Readiness Fund continued to attract contributions between FY11–FY15.	<p>The FCPF encountered challenges in disbursing funds at the Country level and disbursement rates for REDD Readiness implementation was significantly lower than that which was initially expected.</p> <p>Considerable investments into the development of the world’s first multilateral results-based framework for REDD+ have helped to operationalize the Carbon Fund.</p> <p>The FIP, UNREDD and bilateral programs filled some of the financing gaps for readiness preparation and implementation in the REDD Countries caused by inefficient disbursements, leading to unintentional leveraging responses.</p>	<p>Improve the disbursements for REDD Readiness at the country level.</p> <p>Improve efficiency with greater transparency and accountability.</p>
The efficiency of the Readiness Fund has improved and grants have doubled on an annual basis since 2011.		
The Readiness Fund did not meet its efficiency targets set forth in its M&E Framework (i.e. 60% of countries with a disbursement rate, which is in line with the agreed Readiness Preparation grant).		
The cost-item of REDD Methodology support was lower than expected in FY15 because there were fewer R-Packages submitted than expected.		
Poor efficiency in country-level disbursement has affected the effectiveness of the FCPF in supporting REDD Readiness implementation.		
The criteria for the allocation of additional financing under the Readiness Fund did not take into account the full proposal for improvement under the first evaluation’s recommendation on differentially sized grants.		
Carbon Fund		
Contrary to targets and expectations, the Carbon Fund did not disburse financing for emission reductions in FY11–15.		
Developing the procedures and guidance for the Carbon Fund, such as the Methodological Framework and the ERPA Terms Sheet, took much longer than expected. For this reason, outputs against targets such as ERPAs have not occurred yet.		



Findings	Conclusions	Recommendations
<p>Outputs</p>		
<p>REDD Countries require compliance with Delivery Partners' due diligence procedures and their national legislation to procure goods and services under the FCPF.</p>		
<p>Navigating procurement policies and the due diligence procedures of Delivery Partners created a challenge for REDD Countries and commonly led to slower than expected country-level disbursements.</p>		
<p>The level of development of a REDD Country (e.g. middle-income, LDC) had an insignificant impact on the efficiency of their total process time.</p>		
<p>Streamlining processes for signing Grant Agreements and submission of the R-PP demonstrated improvements in efficiency, and REDD Countries that recently joined the FCPF have benefited.</p>		
<p>Leveraging</p>		
<p>Templates for planning programs (e.g. R-PP, FIP Investment Plan template) included guidance and instructions for reporting leveraging and co-financing opportunities at the country level.</p>		
<p>The UN-REDD Programme and bilateral programs provided the bulk of co-financing and leveraged resources for REDD Readiness.</p>		
<p>Inefficiencies in REDD Readiness disbursements and program implementation led to misalignments in the coordination of some national REDD Readiness efforts. There were some cases where bilateral and multilateral programs financed activities initially scheduled for the FCPF, in order to ensure progress on national REDD+ processes.</p>		
<p>REDD Countries and some multilateral staff viewed the FIP as an important program for supporting REDD+ and a core source of financing for filling larger gaps in national REDD+ financing.</p>		
<p>There is ambiguity in reported leveraged financing in FCPF Annual Reports for the implementation of R-PPs and implementation of ERPs. The reported amounts are not consistent with stakeholder interviews or ER-PIN documentation. The discrepancy can be partially attributed to the Annual Country Progress Reporting.</p>		



Findings	Conclusions	Recommendations
<p>The Performance of Superstructure Groups</p>	<p>Tailored technical assistance to the REDD Countries improved the efficiency of the program.</p>	
<p>Tailor-made technical support from the FMT contributes to improved efficiency at the country level.</p>		
<p>The FMT and Delivery Partners provided important technical support to REDD Countries in most cases.</p>		
<p>There is a lack of clarity to what extent the FCPF gets priority for country-level portfolio management across the FCPF portfolio. Financial Contributors expect high priority to be placed on the FCPF because of the technical support needed by REDD Countries.</p>		
<p>There were no annual country reports to the FCPF from the World Bank as Delivery Partner. The IDB and the UNDP were required to provide annual country reports as part of their Transfer Agreements.</p>		



Indufor ...forest intelligence

Indufor Oy

Töölönkatu 11 A
FI-00100 Helsinki
FINLAND
Tel. +358 9 684 0110
Fax +358 9 135 2552
indufor@indufor.fi
www.indufor.fi

Indufor Asia Pacific Ltd

7th Floor, 55
Shortland St
PO Box 105 039
Auckland City 1143
NEW ZEALAND
Tel. +64 9 281 4750
Fax +64 9 281 4789
www.indufor-ap.com

Indufor Asia Pacific (Australia) Pty Ltd

PO Box 425
Flinders Lane, Melbourne VIC 8009
AUSTRALIA
Tel. + 61 3 9639 1472

www.indufor-ap.com

Indufor North America LLC

PO Box 28085
Washington, DC 20038 USA
1875 Connecticut Avenue Northwest
Washington, DC 20009 USA
www.indufor-na.com

