



Forest Carbon Partnership Facility

Second Evaluation:

2b: Recommendations concerning enhancing efficiency and addressing delays in Grants

Twenty-third Meeting of the Participants Committee (PC23)

Washington DC

March 27-30, 2017

Recommendation R2 (Readiness Fund)

- Improve disbursements at the country level:
 - FMT to facilitate the provision of technical assistance (TA) upon request for **procurement of goods and services**
 - Procurement calls for contracting TA could be **bundled and sequenced** by same provider
 - **Prioritize TA to the countries with the largest undisbursed finance**

Recommendation R4 (Readiness Fund)

- Improve efficiency with greater transparency and accountability :
 - FMT and Delivery Partners work together to **ensure that lags between PC allocation and Delivery Partner approval and grant signing are reduced**
 - **Prioritize FMT and Delivery Partner support to “stranded” REDD Countries** (i.e., slow disbursement, high undisbursed balance)
 - **Improve the transparency and accountability of delayed disbursements** with actions taken and reasons reported by Delivery Partners to PC
 - Set appropriate **monitoring criteria** for disbursement and place results on FCPF website
 - Include criteria in revised M&E Framework

Agreed Response

- Proactive action on procurement issues such as **bundling of procurements, trainings etc.** is already being done in several countries
- **Did not agree that prioritizing technical assistance to countries with the largest undisbursed grants** would resolve the challenge as there are other limiting factors to disbursements in countries
- **Rigorous portfolio monitoring** to address the issues on disbursements already in place
- Deal with this Recommendation in conjunction with R4. RF
- **Prepare FMT Note by PC23** on a) options to enhance efficiency in grant agreement signing and implementation, b) options PC could exercise where there are excessive delays

Decisions on Allocations of Available Funding

- See **FMT Note 2017-1** titled “**Decisions on Allocations of Available Funding in the Readiness Fund**” for some proposals on a) options to enhance efficiency in grant agreement signing and implementation, b) options PC could exercise where there are excessive delays
- Proposed grant signing **deadlines**
- FMT recognizes importance of rigorous portfolio monitoring
- FMT take an active role in decisions on whether to extend grant closing dates, in conjunction with Delivery Partners (taking into account alternatives)

Provision of Technical Assistance for Procurement

- Recommendation (part):

- FMT to facilitate the provision of technical assistance (TA) upon request for procurement of goods and services
- Procurement calls for contracting TA could be bundled and sequenced by same provider
- Prioritize TA to the countries with the largest undisbursed finance

- Response:

- Bundling of procurements, trainings etc. is already being done in several countries
- Did not agree that prioritizing technical assistance to countries with the largest undisbursed grants would resolve the challenge
- Provided assistance with TORs, conducted trainings on procurement and bundling

Improve Efficiency of Readiness Grant disbursements

- **Recommendation (part):**
- FMT and Delivery Partners work together to ensure that lags between PC allocation and Delivery Partner approval and grant signing are reduced
- Prioritize FMT and Delivery Partner support to “stranded” REDD Countries (i.e., slow disbursement, high undisbursed balance)
- **Response:**
- See FMT Note 2017-1 titled “Decisions on Allocations of Available Funding in the Readiness Fund”

Portfolio Monitoring (1)

- FMT already carries out rigorous, regular portfolio monitoring exercises both internally and jointly with Delivery Partners
- Objective is to proactively identify bottlenecks and identify action to address them
- FMT compiles Exception Reports
- Exceptions communicated to the World Bank Program Managers and other Delivery Partner focal points
- FMT agrees annual targets with the Environment Global Practice, including for grant disbursements
- Progress against targets reviewed quarterly

Portfolio Monitoring (2)

- As fund nears its termination date of 31 December 2020, even more rigorous monitoring is necessary (to ensure almost all monies are disbursed by the end of the term)
- As part of this portfolio monitoring, FMT will take an active role in decisions on whether to extend grant closing dates, in conjunction with Delivery Partners
- Will take into account a number of factors, including:
 - i) Grant closing date relative to end of term of fund
 - ii) Grant starting date and time expired to date
 - iii) Disbursements to date and changing rate of disbursements
 - iv) Signed commitments to date
 - v) Planned future disbursements
 - vi) Alternative options

Potential for Reallocations Prior to Grant Closing Dates

- Excessive delays after grant agreements signed - limited options prior to the grant closing date
- Signed grants are legally binding so any cancellation or revision needs to be within the bounds of the legal contract
- Remedies for performance failure exist (including suspension, cancellation or refund of the grant)
- Performance failure does not normally include slow implementation per se, but could include the requirement for a mid-term progress report within 18 months
- However, not strictly enforced (avoiding a box-ticking exercise)
- FMT would only wish to use in exceptional circumstances (e.g., if delay is excessive and without good reason) and with full agreement from the relevant Delivery Partner

Transparency and Accountability

- **Recommendation (part):** Improve transparency and accountability of delayed disbursements with actions taken and reasons reported by Delivery Partners to PC
- **Response:**
 - Dashboard provides information on dates that REDD countries meet certain targets
 - Annual reports provide disbursement figures
 - Rigorous portfolio monitoring
 - FMT Update report names individual REDD Countries in exceptions, indicates those countries that have moved out of the exception reports since the previous update to the PC/PA. Where REDD Countries remain in the exception reporting, FMT will provide reason(s) for delay

Monitoring Criteria for Disbursement

- **Recommendation (part):** Set appropriate monitoring criteria for disbursement and place results on FCPF website. Include criteria in revised M&E Framework
- **Response:**
- One recommendation in Evaluation is to revise the Monitoring and Evaluation (M&E) Framework (R8 (RF&CF))
- Revised M&E Framework will include appropriate monitoring criteria for disbursement
- Improved and updated targets, including for disbursement, will automatically increase accountability of the FMT, Delivery Partners and REDD Countries
- Disbursements against targets will be reported in Update report to PC/PA, Annual Report and Dashboard

Expected Action from the PC

- Feedback on proposed actions
- Other suggestions?



Thank you

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