

Forest Carbon Partnership Facility (FCPF)

Draft Action Plan to address the recommendations of the Second FCPF Program Evaluation

DRAFT -November 25, 2016

This note presents a proposed rolling action plan for addressing the recommendations of the Second FCPF evaluation report, based on discussions of the Oversight Committee established by the Participants Committee and based on initial feedback at PC22.

Background

1. The second FCPF evaluation report was presented by the consultant at the PC22 meeting in Accra, Ghana in October 2016. The Oversight Committee also presented an update to the PC on the progress with respect to report finalization and report endorsement.
2. FMT organized an informal session at the PC meeting in Accra following the presentation of the report and its recommendations by the consultants, to seek feedback on the report recommendations. The joint response to the evaluation recommendation took into consideration the feedback from this meeting.
3. In drafting this rolling action plan the OC recognizes that the formal session to seek feedback from PC on the report recommendations and the next steps on its implementation has not been organized so far. The action plan is being presented as a draft with a view to seeking further feedback virtually and at PC23 in March 2017.
4. The next steps proposed in the draft action plan to implement evaluation recommendations implicitly prioritize recommendations that are considered urgent such as those related to Readiness Fund which is due to close in 2020. Recommendations that are linked are grouped for purpose of considering further action and next steps.

Draft Action Plan

5. For the sake of clarity and continuity, the numbering of the recommendations in the proposed Action Plan follows the key categories {Readiness Fund, Carbon Fund and Both Funds} and numbering of the initial evaluation recommendations as included in the response to recommendations. However the following nomenclature is being used to refer to recommendations. For example recommendation 1 under Readiness Fund, Carbon Fund and Both Funds are referred to as R1. (RF), R1. (CF) and R1. (RF&CF) respectively. Final Evaluation Report with response to recommendations is available at <http://www.forestcarbonpartnership.org/monitoring-and-evaluation-0>

| | Recommendation | Next Steps to Address Recommendations |
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| | Recommendations Addressed to the Readiness Fund (RF) | |
| R1. (RF) linked to R2. (RF&CF) | <p>Continue working on the implementation of REDD Readiness through the structured Readiness Framework of the FCPF. The PC should continue providing the REDD Countries with support for their REDD Readiness preparation and implementation by building on the positive experiences with the FCPF so far.</p> <p>R2. (RF&CF): Continue providing country-tailored technical support to REDD Countries. The FMT should continue to provide REDD Country Focal Points and technical staff with tailored capacity building and technical assistance, especially for matters that can improve efficiency. Technical support could also help REDD Countries to identify options of how to bridge financing gaps in Emission Reduction Project implementation.</p> | <p>The OC agreed that this recommendation is dealt together with recommendation R2 (RF&CF) as both are related to the support to REDD countries for readiness implementation. Further these recommendations are considered priority for action as the Readiness Fund is due to close in 2020, and the significance of support for design and implementation of Emission Reduction Programs.</p> <p>The FMT will prepare a draft Note in time for discussion at PC23 to seek views from Participants, and Delivery Partners.</p> <p>Some issues to be considered in the Note include optimizing the readiness support to countries, consideration of other possible forms of support that countries could leverage given the emerging context of Nationally Determined Commitments and the Green Climate Fund, implications of delivery of readiness efforts through the FCPF Readiness Fund by its closing date within the context of emerging context of REDD+ globally, and other opportunities that countries could leverage outside the FCPF.</p> <p>Some other pertinent questions will be considered in drafting the FMT Note, such as: (i) whether the RF and CF can achieve more efficiency with more of the same form of support; (ii) whether the FCPF should provide the same level of intensive support to all countries; and (iii) whether there are specific areas where tailored support could help with the acceleration of REDD+ implementation.</p> |
| R2. (RF) linked to R4. (RF) | <p>Improve the disbursements for REDD Readiness at the country level. The FMT should facilitate the provision of technical assistance upon the request of REDD Countries for the procurement of goods and services (consultancy contracts) for REDD Readiness implementation. Procurement calls for contracting technical assistance</p> | <p>As stated in the joint response to recommendations, proactive action on procurement issues such as bundling of procurements, trainings etc. is already being done in several countries. The response did not agree that prioritizing technical assistance with the largest undisbursed grants would resolve the challenge as there are other limiting factors to disbursements in countries. Rigorous portfolio</p> |

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| | <p>could be bundled and sequenced to implement several REDD Readiness components (drivers of deforestation, REDD+ Strategy, SESA/ESMF) by the same provider. This could also reduce the resources needed to oversee the work. Prioritize technical assistance to the countries with the largest undisbursed finance.</p> <p>R4. (RF): Improve efficiency with greater transparency and accountability. The FMT and Delivery Partners at the country level should work together to ensure that lags between PC allocation and Delivery Partner approval and grant signing are reduced. This is very important for the grant decisions made by the PC for additional financing (USD 5 million). Prioritize FMT and Delivery Partner support to “stranded” REDD Countries where there has been slow disbursement (lags of more than six months) or high undisbursed finance (more than USD 2 million undisbursed after three years). Improve the transparency and accountability of delayed disbursements with actions taken and reasons reported by Delivery Partners to the PC. Appropriate monitoring criteria for disbursement should be set and results placed on the FCPF website. The criteria should also be included in the revised M&E Framework</p> | <p>monitoring to address the issues on disbursements case by case is already in place.</p> <p>This Recommendation will be dealt in conjunction with R4. RF on improving efficiency of Readiness Grant disbursements at the country level.</p> <p>An FMT Note (with Delivery Partner inputs) on options to enhance efficiency in grant agreement signing and implementation, as well as options that the PC could exercise where there are excessive delays, will be prepared in time for consideration at PC23.</p> |
| <p>R3. (RF) linked to R2. (CF)</p> | <p>Produce useful tools to support the implementation of the SESA/ESMF. The PC should request the FMT to produce guidance on the sequencing of the SESA/ESMF with other components of REDD Readiness implementation, especially for the development of the National REDD+ Strategy. In addition, produce a well-structured SESA/ESMF template with</p> | <p>Initial steps to strengthen SESA support to countries were taken by the FMT in response to the First Evaluation. As consultations are an integral part of SESA process, this recommendation is closely linked to recommendation R2 (CF) on further guidance to countries on consultations for ER-PD preparation, including the need to address the communication aspects of REDD+ at country level for managing</p> |

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| | <p>detailed guidance, requirements and steps for implementation. The template could include guidance on how to synergize SESA/ESMF work to comply with Delivery Partner, FIP and UNFCCC safeguard requirements. This work is a priority.</p> <p>R2 (CF) Include detailed guidance on how to manage consultations during the ER-PIN formulation process, focusing on targeted consultations. The detailed guidance should be presented in the ER-PIN template and as a guidance note that other programs could also use.</p> | <p>expectations.</p> <p>FMT will prepare a short presentation with suggestions for feasible forms of support for SESA (such as lessons learnt from other countries that have applied SESA, South –South exchange) and further guidance on consultations and communications during ER-PD preparation at PC23 for feedback from Participants, and Delivery Partner Countries</p> |
| R4. (RF) | <p>Improve efficiency with greater transparency and accountability. The FMT and Delivery Partners at the country level should work together to ensure that lags between PC allocation and Delivery Partner approval and grant signing are reduced. This is very important for the grant decisions made by the PC for additional financing (USD 5 million). Prioritize FMT and Delivery Partner support to “stranded” REDD Countries where there has been slow disbursement (lags of more than six months) or high undisbursed finance (more than USD 2 million undisbursed after three years). Improve the transparency and accountability of delayed disbursements with actions taken and reasons reported by Delivery Partners to the PC. Appropriate monitoring criteria for disbursement should be set and results placed on the FCPF website. The criteria should also be included in the revised M&E Framework.</p> | <p>Addressed under R2 (RF).</p> |
| Recommendations Addressed to the Carbon Fund | | |
| R1. (CF) | <p>Review the Methodological Framework and, if relevant, align it with UNFCCC/IPCC methods/systems and guidance with the aim</p> | <p>FMT will prepare an information note assessing the commonalities and differences in the principles of the Methodological Framework with the other standards</p> |

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| | of reducing any additional reporting burdens on REDD Countries for both the Carbon Fund and UNFCCC. Present the results at a PC meeting and Carbon Fund Meeting with an accompanying report. | such as UNFCCC and once the GCF guidance on REDD+ is finalized. The Joint response noted that countries are in the process of applying the Methodological Framework, and MF is reviewed continuously, as was done in June 2016. |
| R2. (CF) | Include detailed guidance on how to manage consultations during the ER-PIN formulation process, focusing on targeted consultations. The detailed guidance should be presented in the ER-PIN template and as a guidance note that other programs could also use. | Addressed with R3 (RF) above. |
| R3. (CF) | Create a private sector program designed to improve private sector engagement, to leverage and scale up private sector commitment and participation in the FCPF. The private sector program could, for example, develop a linkage with the Science Based Targets Initiative. The FCPF could operate the program under the umbrella of the Green Climate Fund's Private Sector Facility, for instance, or another organization that is resourced to reach out and engage effectively with the private sector. Step up efforts to establish direct partnerships with multinational companies, going beyond consultation for the implementation of Emission Reduction Programs. Provide a clear business case for attracting private sector interest | OC considers that this recommendation would merit further thinking for strategizing on private sector engagement for large scale programs. FMT will convene a webex meeting of Carbon Fund Participants including OC members in early January 2017 to brainstorm/ seek early feedback on strategy for private sector engagement. Based on feedback from CF participants and in consultation with other Global Practices within the Bank, IFC, FIP, and the GEF amongst others, FMT will prepare a discussion paper defining the purpose, scope and means of private sector engagement in time for the April/May 2017 meeting of the Carbon Fund (CF16). |
| R4. (CF) | 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. | The joint response to recommendations disagreed with this recommendation. No further action is needed. |
| | Recommendations Addressed to both Funds | |
| R1. (RF&CF) | Strengthen the alignment of Delivery Partner country engagement strategies and the countries' REDD+ agendas. The Delivery Partners should discuss options of how to | OC agreed to solicit views of Participants at PC23 and decide on further action thereafter. |

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| | <p>ensure alignment of Delivery Partner country strategies with national REDD+ agendas. Delivery Partner country management units should report alignments and malalignments of the country engagement strategies with national REDD+ agendas. To improve transparency and accountability, the Delivery Partner Grant Reporting and Monitoring Report could be used as a basis for this.</p> | |
| R2. (RF&CF) | Continue providing country-tailored technical support to REDD Countries. | Addressed with R1 (RF) above. |
| R3. (RF&CF) | <p>Consolidate the reporting system of the FCPF. The reporting system of the FCPF should be strengthened by revising the REDD Country Annual Report template to align it with the updated M&E Framework. The FCPF should continue using the “traffic light” system of the Annual Reports as long as it is aligned with the M&E Framework and completed in the same way by all REDD Countries. The Delivery Partner Progress Report templates should also be harmonized with the M&E Framework. Improve FCPF’s transparency, communication and ability to monitor stakeholder expectations by encouraging national CSOs – and IPs, if relevant – to provide a response to the Country Annual Progress Report. Upload the submission to the FCPF REDD Country page on the FCPF website</p> | <p>Will be considered in conjunction with recommendation R8 (RF&CF) on revision of the FCPF M&E framework. Once the Framework is revised, the necessary revisions to the annual reports by countries will be undertaken.</p> |
| R4. (RF&CF) | <p>Change the Delivery Partner of the IP and CSO Capacity Building Program and overhaul the Program. The PC should transfer the management of the Capacity Building Program to a Delivery Partner whose internal management rules allow for more flexible administration of a small grants management scheme. The PC should also considerably increase the financing</p> | <p>The joint response partially agreed with this recommendation given the progress already made on implementation of IP and CSO capacity building program since the second evaluation was commissioned. IP and CSO capacity building program grants have been already committed and the program is now under implementation. Making changes/ transfer of existing program to another arrangement would not be helpful at this stage. FMT will provide a</p> |

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| | allocated for the Program. Earmark financing to ensure that Observers (from all categories) can apply for projects. Formulate an M&E Framework and Learning Strategy for the Program | progress update on program implementation at PC23. PC23 may want to seek preliminary feedback on other aspects of the recommendation such as separate financing for all Observers to tap into the Capacity Building Program and moving forward consideration of a programmatic approach with a single window to channel funds through the World Bank. |
| R5. (RF&CF) | Formulate and implement a Gender Mainstreaming Strategy. The PC should make a decision about the formulation and implementation of a Gender Mainstreaming Strategy, including a work plan and related budget to allow for its effective implementation. Revise the Charter to formalize the Women’s Observer seat | As mentioned in the joint response, gender mainstreaming is already a work in progress. PC approved a budget of US\$ 411,000 to kick start the gender relevant activities in the context of REDD+. FMT will explore further opportunities to ensure synergies with World Bank Gender Strategy and ongoing efforts through PROFOR, and other Delivery Partners. In addition the revision to the M&E Framework will consider inclusion of appropriate indicators to track gender inclusion. PC may wish to consider formalizing the Women’s Observer seat at PC24. |
| R6. (RF&CF) | REDD Countries should continue working to involve multi-sectoral stakeholders in dialogues and institutional arrangements for REDD+ , especially when preparing and implementing Emission Reduction Programs. Present success cases of multi-sectoral actors within institutions and in dialogues at PC meetings | PC may wish to consider means of encouraging participation of other sectoral partners (other than Ministries of Environment/Forest) in knowledge exchange/ relevant fora and at PC meetings. The PC, including REDD countries, may consider how to energize the multi-sectorial dialogues nationally beyond inviting countries to report/ present case examples of effective multi-sectorial dialogues in countries. Early Feedback will be sought at PC23 and further action taken accordingly to PC guidance. |
| R7. (RF&CF) | Design and implement a Final Knowledge Sharing and Communications Strategy. The PC should endorse a decision to design and implement a complete Knowledge Sharing and Communications Strategy. The formulation process should be outsourced to a specialized organization or company in order to reduce any risk of creating an unnecessary burden on the FMT in managing | FMT will prepare a knowledge and communication strategy including an annual action plan for FY18. The strategy and the action plan with associated budget will be presented at PC23 for feedback and approval. M&E Framework will be adapted to include relevant indicators for monitoring the effectiveness of communications and knowledge sharing. |

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| | <p>the Facility. The strategy should be formulated in coordination with other forest initiatives of the World Bank and other Delivery Partners in order to strengthen synergies and harmonize messages. Strengthen the knowledge-sharing dimension of the FCPF to go beyond knowledge sharing and focus on knowledge generation. The Knowledge Sharing and Communications Strategy should include indicators and M&E tools that allow systematical monitoring of user satisfaction and learning from knowledge products and events.</p> | |
| <p>R8. (RF&CF) linked to R3 (RF&CF) and R1 (FE)</p> | <p>Revise the M&E Framework of the FCPF. The FMT should request a revision of the M&E Framework (2013) from the PC. The revised M&E Framework should be built on achievable targets based on assumptions with a risk mitigation plan. The new M&E Framework should also produce a monitoring tool that allows any stakeholder to obtain a snapshot of the portfolio-level situation on REDD Readiness implementation in the REDD Countries (i.e. alignment of the FCPF dashboard and the M&E framework). The indicators and targets for the Carbon Fund should be revised to reflect the extension of the Carbon Fund’s timeline to 2025</p> | <p>Action on this recommendation will be considered together with relevant aspects of R1. (FE-Future Evaluations below) and R3 (RF&CF above). Revision of M&E Framework is envisaged to review and align the targets and indicators of the M&E framework, including for monitoring effectiveness of communication (R7 (RF&CF) and gender inclusion) in view of the changed assumptions since 2011, when the M&E framework was first prepared. FMT will initiate the next steps to develop the ToRs for hiring an expert to begin this process in January 2017 and seek OC and DP feedback on the ToRs. FMT will provide an update at PC23.</p> <p>It is suggested that aligning country reporting systems (R3.(RF&CF)) and options for future evaluations of the FCPF (R1 (FE)) are included in the scope of work of the consultant to lead revision of M&E Framework which will be commissioned for this recommendation. In addition FMT will reach out to other external evaluations of FCPF (IEG, NICFI etc.) to source the potential for synergies and report at PC23.</p> <p>The FMT is in the process of improving the Facility level Monitoring Tool for tracking readiness and could consider a similar tracking tool for monitoring milestones for the Carbon Fund. FMT will present such a tool at CF16.</p> |

| | Recommendation for Future Evaluations | |
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| R1. (FE) | <p>Implement future evaluations in real-time and under a framework contract. The PC should amend the Charter for evaluations and set up a real-time, independent evaluation under a framework contract in order to assess and provide timely feedback and an opportunity to facilitate learning about the achievements and challenges of the FCPF. In order to facilitate the work of future Evaluation Teams, the FMT, Delivery Partners and REDD Countries should improve the availability of the contact details of key stakeholders. In addition, provide sufficient resources for in-depth field level lessons learning and stakeholder feedback from all continents by increasing the number of field visits and recruitment of local consultants. This second evaluation shows that it is especially challenging to obtain first-hand information from Africa and small islands, due to communication challenges. Ensure that all entities expected to follow up on the evaluations' recommendations, including the PC, provide a systematic response in order to be compliant with OECD DAC evaluation quality standard.</p> | <p>Joint response had agreed that there is no need to amend the FCPF Charter with respect to purpose, and frequency of evaluations.</p> <p>The relevant aspect of recommendation suggesting that PC consider other forms of evaluations is considered under R8 (RF&CF).</p> |