

# The Forest Investment Program

Recent Developments and Monoculture Tree Plantations



Credits: "Deforestation for palm oil in Peru" by Mathias Rittgerott/Rainforest Rescue/Critical Information Collective



# The Climate Investment Funds (CIFs)

- ▶ The CIFs comprises 4 programs with a total of \$8,3 billion pledged
  - ▶ Clean Technology Fund (CTF)- \$5.6 billion
  - ▶ Pilot Program for Climate Resilience (PPCR)-\$1.2 billion
  - ▶ Scaling-up Renewable Energy Program (SREP)-\$780 million
  - ▶ **Forest Investment Program (FIP) → aims to provide direct investments to developing countries to support their development and REDD+ objectives**





# FIP Current Situation

- ▶ There is a total of 23 FIP countries:
  - ▶ 14 of them already approved as pilot countries
  - ▶ 9 elaborating their Investment Plans (IPs)
- ▶ After the Paris Agreement, the Intended Nationally Determined Contributions (INDC) may become a key source for the development of IPs
- ▶ The FIP also has the Dedicated Grant Mechanisms for Indigenous Peoples and Local Communities (DGM) and the Private Sector Set-Aside Program (PSSA)
- ▶ It has a portfolio of 47 projects which are in different stages:
  - ▶ 4 under the PSSA
  - ▶ 16 under the DGM
  - ▶ 27 agreed in the IP

# FIP Current Situation

- By December 2015, USD 775.2 million pledged from which USD 555.3 are endorsed
- The indicative allocation of money endorsed is:
  - USD 455 million for IP
  - USD 80 million for the DGM
  - USD 20.3 million for the PSSA
- However, the FIP is facing problems with:
  - Limited availability of resources
  - Mobilizing funds
  - The disbursement is just USD 36.1 million
  - Grants vs Loans

	Grants (USD million)	Loans (USD million)
Congo Republic	6,1	17,9
Côte d'Ivoire	8,2	15,8
Ecuador	3,15	20,85
Guatemala	3,15	20,85
Mozambique	10,8	13,2
Nepal	6,1	17,9

Source: based on table presented at the FIP Sub-Committee meeting in November 2015 by AU, CIF

# FIP & Monoculture Tree Plantations

- ▶ **Tree plantations** are acknowledged as a **key driver of deforestation** in many IIPs
- ▶ However, most IIPs include plantations as positive to reduce deforestation
- ▶ Or the definition of forests leaves space for plantations
- ▶ For instance:
  - ▶ Ghana: states the need for further research...*"on crops and trees..**biofuels such as oil palm and jatropha, and trees such as rubber...**to reduce the carbon footprints ..."*
  - ▶ Indonesia: assistance to meet the increasing wood volumes for local and export demand . The **private sector goal in FIP** is to support the business of sustainable forestry both natural and **plantation** to be more efficient



Deforestation for palm oil by Mathias Rittgerott/Rainforest Rescue



## Example I: Support Project for the Development of Agroforestry in Four Provinces (PRODAF), DRC

- Based on **plantations with a few species and monocultures** in four provinces, assuming that plantations will have potential beneficial impacts
- Mainly aimed to establish **palm oil plantations** to reduce forest loss
- Degraded lands poorly defined and broad definition of agroforestry
- No mention if degraded lands were already supporting livelihoods and whose livelihoods
- No explanation on why support to semi-industrial palm-oil is needed and how reduces pressure on natural forests
- Decision to defer the consideration of the concept proposal until additional funds become available

# FIP & Safeguards

- Guidelines or criteria related to the inclusion, full and effective participation of relevant stakeholders on matters that affect their distinctive rights
- When it comes to the local level, safeguards implemented are those of the MDB
- Recommendations made by CS and Indigenous Peoples observers to comply with the UNDRIP and include FPIC were rejected
- FIP guidelines have no specific criteria regarding UNDRIP or FPIC



# The FIP & Safeguards

## ► Peru:

- AIDSEP and CONAP criticized IP due to the lack of consultation, and because it did not comply with safeguards concerning indigenous rights and territories.
- Concerns on strong support provided to private sector interests especially palm oil, plantation and logging

## ► Indonesia:

- Alliance of Yogyakarta Civil Society protested against the IP due to a lack of transparency and inclusion.
- FIP “*will strengthen expropriation and marginalization of rights of indigenous and local communities and women in the governance of forest resources*”.



Alliance of Yogyakarta Civil Society protest by [International Women's Alliance](#)

# Forest Carbon Partnership Facility (FCPC)



- ▶ Another REDD+ related fund which also support plantations and have weak safeguards
- ▶ For instance in the R-PP of:
  - ▶ Burkina Faso: **different types of plantations, including commercial reforestation plantations**, interesting private companies or communities is a measure to achieve REDD+ goals
  - ▶ Indonesia: “Establishment of an additional **fast growing pulp and timber plantations** on non- forest and non -peat lands can create an alternative source of timber and reduce pressure on rain forests and will allow for a **doubling in size of pulp and oil palm production and to a major increase in export revenues**”.



# UN-REDD Programme

- ▶ Supports nationally-led REDD+ processes
- ▶ The UN definition of forest does not distinguish between an old-growth forest and an industrial monoculture tree plantation
- ▶ Support national REDD+ processes leads to support tree plantations
- ▶ Plenty of REDD+ projects based on monoculture tree plantations
  - ▶ Jari Amapá REDD project, Brazil: 65,980 ha. Project run by logging and pulp companies
  - ▶ Kikonda carbon tree plantation project, Uganda: 8000 ha of pine plantations. Law enforcement to impose fines, arbitrarily arrest people, confiscate cattle, deny access to water tanks constructed for the communities.



# Thank you!

Coraina de la Plaza  
Indigenous Rights Advisor and Research Assistant  
[coraina.delplaza@globalforestcoalition.org](mailto:coraina.delplaza@globalforestcoalition.org)  
globalforestcoalition.org

