



# Program of Work and Financial Report

## Calendar Year 2009

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## ABBREVIATIONS AND ACRONYMS

CBD	Convention on Biodiversity
CBNRM	Community-based natural resource management
CEFI	Community Enterprise Forum
CGIAR	Consultative Group for International Agricultural Research
CIFOR	Center for International Forest Research
COP	Conference of the Parties
DGIS	Netherlands Directorate General for Development Cooperation
DfID	United Kingdom Department for International Development
DRC	Democratic Republic of Congo
EFI	European Forest Institute
EU	European Union
FAO	Food and Agriculture Organization
FCPF	Forest Carbon Partnership Facility
FEINEX	Forest Enterprise Information Exchange
FGLG	Forest Governance Learning Group
FIP	Forest Investment Program
FLEG	Forest Law Enforcement and Governance
FLEGT	Forest Law Enforcement, Governance and Trade program of the EU
GACF	Global Alliance for Community Forestry
GDPRD	Global Donor Platform for Rural Development
GEF	Global Environment Facility
GFP	Growing Forest Partnerships
GPFLR	Global Partnership for Forest Landscape Restoration
GtCO <sub>2e</sub>	Giga-tons of carbon dioxide equivalent
IAITPTF	International Alliance of Indigenous and Tribal Peoples of the Tropical Forests
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
IFFA	International Farm Forestry Alliance
IIED	International Institute for Environment and Development
ILCF	Investing in Locally Controlled Forests
ISRIC	International Soil Reference Information Center
IUCN	International Union for Conservation of Nature
IUFRO	International Union of Forest Research Organizations
KM	Knowledge Management
MoU	Memorandum of Understanding
NFP	National Forest Program
NRM	Natural Resource Management
ODI	Overseas Development Institute
PPCR	Pilot Program on Climate Resilience
PROFOR	Program on Forests
REDD	Reducing emissions from deforestation and forest degradation
SBSTA	Subsidiary Body for Scientific and Technological Advice
SFM	Sustainable Forest Management
SMFEs	Small and Medium Forest Enterprises



## ABBREVIATIONS AND ACRONYMS

TF	Trust Fund
TFD	The Forests Dialogue
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNFCCC	United Nations Framework Convention on Climate Change
UNFF	United Nations Forum on Forests
UN-REDD	United Nations Collaborative Program on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries
VPA	Voluntary Partnership Agreement
WRI	World Resources Institute



The Program on Forests is a multi-donor partnership, hosted by the World Bank, which was formed to pursue the shared goal of enhancing forests' contribution to poverty reduction, sustainable development and the protection of environmental services (including biodiversity conservation and mitigating the impacts of climate change). Through improved knowledge about different approaches to sustainable forest management, PROFOR seeks to encourage the transition to a more socially and environmentally sustainable forest sector, supported by sound policies and institutions that take a holistic approach to forest conservation and management. For more information, please visit [www.profor.info](http://www.profor.info)



## Introduction

In the 15 minutes or so you will take to read this report, around 4 km<sup>2</sup> of the world's forests will be lost because of deforestation. Another 90 or so forest-dependent people will no longer be able to rely on forests and woodlands to provide key sources of livelihood, like they have for generations because those resources are no longer there. And another 75,000 tons of carbon will be released into the atmosphere because of deforestation.

In September 2009, the World Bank Group issued its *World Development Report 2010: Development and Climate Change*. The WDR emphasized the key role forests and trees have to play in both mitigating the impacts of climate change and in helping rural people adapt to its consequences. It argued that the challenge of climate change requires the global community to 'Act Now. Act Together. Act Differently.'

PROFOR – the multi-donor partnership Program on Forests, hosted by the World Bank – is well-placed to respond to this challenge: to 'act now' by quickly identifying key emerging themes and challenges in the forestry sector and to develop new insights into how these challenges (including climate change) can be addressed; to 'act together' by developing collaborative networks and by building partnerships to help find solutions to the problem of forest conservation and management; and to 'act differently' by supporting innovation, developing new tools, strategies and approaches, and carrying out leading edge analytic work to improve an understanding about how best to maintain forests as a productive part of the rural landscape in developing countries.

We are pleased to present PROFOR's *Program of Work and Financial Report* covering calendar year 2009, which provides an overview of some of the highlights and outcomes from work carried out over the last year. Simply in terms of the number of activities PROFOR has supported, the program has expanded significantly during this reporting period. Some of this was an outcome of bringing various activities related to forest law enforcement and governance into PROFOR, but much of the expansion simply reflects an increased level of demand for services from PROFOR because of its role in representing a multi-donor partnership and in catalyzing ground-breaking analytic work and knowledge activities.

Over the next 15 minutes, we hope you'll get the idea that we are full of passion for what we are doing, and that we believe PROFOR offers a unique opportunity for identifying ways of moving beyond the 'deforestation *status quo*.'

*PROFOR Secretariat  
January 2010*



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## Executive Summary

In 2009, the Program on Forests (PROFOR) had an active portfolio of 33 projects. Disbursements reached \$4.2 million, representing the second consecutive year of significantly increased disbursements. The portfolio was relatively well distributed across PROFOR's four thematic pillars: both in terms of the number of activities and disbursements (livelihoods—\$1.3 million for 10 activities; governance—\$1.2 million for 10 activities; innovative financing—\$787,870 for 7 activities; and cross-sectoral cooperation—\$996,000 for 6 activities). At the end of 2009, PROFOR had an actual fund balance of \$4,878,477 with outstanding undisbursed commitments totaling \$984,876.

Two of PROFOR's activities showed particularly noteworthy results in influencing **policy at the international level**. PROFOR's Large Scale Land Acquisition – Inventory, Policies and Guidance activity is developing policy guidance for governments which are being confronted with investor pressures for land, with the idea that this guidance will better enable them to maximize the long-term benefits from such investments. So far the process has generated a draft guidance note for ensuring agro-investments are made responsibly. Developed through broad consultation, the guidance note was released at the Global Donors Platform for Rural Development Platform Meeting in Rome, and endorsed by the World Bank's operational Vice Presidents in late November 2009. The principles outlined in the note are expected to be more generally adopted as guidance for agriculture and rural development investments, where land acquisition is being considered.

The Landscapes of Opportunity: the Potential for Forest Landscape Restoration to Contribute to Poverty Alleviation, Climate Change Mitigation and Sustainable Forest Management activity, developed in close cooperation with the Global Partnership for Forest Landscape Restoration (GPFLR) concluded from its assessment that, globally, there are more than 1 billion hectares of degraded forests and rural landscapes which could be rehabilitated to address some of the key global land and water management challenges, and local development needs. By producing a map of this information, the activity has already increased the recognition among opinion leaders of the role of landscape restoration in addressing climate change. After a launch in London sponsored by the Prime Minister of the United Kingdom Gordon Brown, the map received recognition and support in official statements from the governments of the United States, Britain, and Norway, increasing the likelihood that landscape restoration will be incorporated in the suite of measures supported to mitigate the impacts of climate change.

PROFOR has also influenced **policy at the regional level**. One example is the activity, Economic Growth and the Drivers of Deforestation in the Congo Basin, which is developing in-depth, multi-sectoral analyses of the major drivers of deforestation and forest degradation in all six of the Congo Basin countries. It is defining methodological tools better to understand the potential impacts of development of other sectors on forests and to help develop forward-looking national REDD+ scenarios. Discussions during a regional workshop in November 2009 revealed that governments found the preliminary findings to be very useful in helping UNFCCC COP negotiators develop an "adjusted reference level" for REDD+. The workshop was also a very good entry point better to articulate their future national REDD+ strategies. The activity has already largely contributed to the understanding that the REDD+ agenda goes far beyond the forestry sector and that a comprehensive REDD+ strategy has to build on a multi-sectoral approach. At the countries' request, a specific modeling scenario on infrastructure is being developed. Countries would like to use the results to adjust their "National Plans for Infrastructure Development" to limit impacts on forest cover.

The Investigating Options and Synergies for REDD+ Payments in the Miombo Eco-Region activity is a regional initiative aimed at improving the understanding among key stakeholders of the opportunities and challenges for developing a scheme of pro-poor payments for avoided deforestation and degradation in the



miombo eco-region. This study identified seven key lessons for making REDD+ pro-poor in the miombo ecoregion. In Zambia, the issues raised in the country study are being incorporated into the country's proposed UN-REDD Joint Program for Implementation. In Mozambique, the discussion catalyzed by this work has been a focus of activities related to the proposed Pilot Program on Climate Resilience submission, and to discussions with the Forest Carbon Partnership Facility and the Growing Forests Partnership. It is expected that Mozambique will submit an Expression of Interest to become a pilot country in the Forest Investment Program, and the country study will contribute to identifying where critical investments in preparing for REDD+ are most needed.

PROFOR is also supporting meaningful initiatives to influence **policy at the national level**. In Turkey, up to 60 percent of the agricultural and pasture land is considered to be degraded. Although government has invested heavily in rehabilitating degraded areas, it lacks a comprehensive approach for prioritizing where investments could yield the highest returns. The Targeting Watershed Rehabilitation Investments in Turkey activity will develop and implement a methodology for prioritizing investments in watershed rehabilitation on the basis of criteria reflecting the risks, extent and nature of land degradation and deforestation and incorporating poverty alleviation objectives. A first map has been produced showing links between land degradation and rainfall-use efficiency. A higher resolution map will come next, with overlays of poverty distribution, highlighting where poor households are most affected by a degraded environment. Influencing national policy, the activity has helped to catalyze action in preparing a national strategy for watershed rehabilitation better to inform its budget allocation process.

In India, PROFOR is supporting the Forest Enterprise Information Exchange (FEINEX). This activity is linking small forest enterprises to markets, service providers and policy processes through a database, membership system and web portal. The experience has also been used to develop two modules of Forest Connect's toolkit, meant to facilitate small and medium forest enterprises' (SMFEs') ability to connect to emerging markets, service providers and policy processes in all countries. In the process of developing the SMFE database, the governments of India's states of Orissa and Maharashtra approached the proponents (CEFI) to design the Five Year Action Plan and Strategy for the State Ministries of Environment and Forests. The FEINEX strategy has now been accepted by both governments.

PROFOR has also made a contribution to helping find solutions to the problems of forest management by developing **collaborative networks and building partnerships** both within activities and among organizations and individuals. Within the Forest Connect activity—which is developing a toolkit to facilitate small and medium forest enterprises' (SMFEs') ability to connect to emerging markets, service providers and policy processes—PROFOR staff have helped the proponents to coordinate their initiative with the FEINEX activity, and with the FAO's National Forest Program Facility. It has also helped to link to the country-level development of the Growing Forest Partnerships initiative. In Mozambique, this synergy is helping to shape donor forest financing in favor of SMFEs. Links with The Forest Dialogue's dialogue on Investing in Locally Controlled Forests are helped to cement links with the Global Alliance for Community Forestry through a Memorandum of Understanding, and with the International Farm Forestry Alliance whose American representatives have already proved a great source of support to Forest Connect.

As part of its governance work in the Mekong Region, PROFOR co-hosted a workshop in Hanoi, Vietnam in November 2009 on Improving FLEG in the Mekong Region. The workshop allowed Lao's newly established Department for Forest Inspection to share views and experiences with their Vietnamese counterparts and plan implementation of a Lao–Vietnamese memorandum of understanding on forest law enforcement. Mekong participants as well as donors were also able to liaise with staff from the recently established European Forest Institute (EFI) FLEGT–Asia program. The EFI program is building its work program to support FLEGT and



the Voluntary Partnership Agreement process in Asia. The Hanoi workshop was co-organized by PROFOR and EFI and has provided a framework for mutual coordination.

In 2009, PROFOR's mandate to **generate, synthesize and share innovative knowledge** has been exemplified by a few products. A body of work has been developed contributing innovative thinking to the question of forests' role in mitigating climate change. These have been summarized in one document, and when the results are available, shall be the basis of a synthesis that will look at the works collectively to draw broader conclusions. A report entitled *The Rainforests of Cameroon: Experience and Evidence from a Decade of Reform*, which was published and translated with PROFOR support, was also synthesized into a note which draws lessons from the process for successful reform processes more generally. PROFOR has also taken advantage of international fora such as the Eighth United Nations Forum on Forests, World Forestry Congress, and Forest Day in Copenhagen to share its activity findings and portfolio achievements.

In addition to ensuring PROFOR's ability to deliver on its mandate of generating, synthesizing and sharing innovative knowledge, communications efforts over the last year focused on improving communications material on the partnership itself, by strengthening reporting tools, creating a bi-annual portfolio newsletter, and ensuring donor and trust fund visibility.



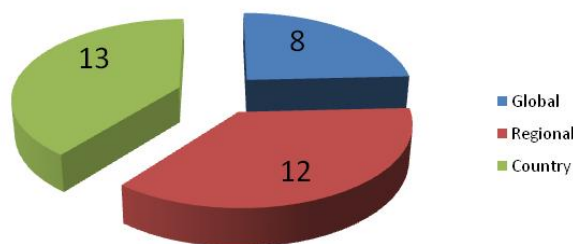
## Portfolio Achievements and Impacts in 2009

In 2009, the Program on Forests (PROFOR) initiated 20 new activities, and had an active portfolio of 33 projects, up from 21 projects the previous year. Disbursements reached \$4.2 million, representing the second consecutive year of significantly increased disbursements, but below the targeted level of \$5 million per year.

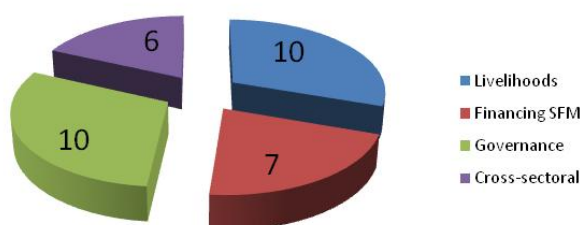
PROFOR continues to organize its work around its four thematic areas. The 33 activities under implementation during the calendar year saw a relatively well-balanced thematic distribution (livelihoods—10 activities; governance—10 activities; innovative financing—7 activities; and cross-sectoral cooperation—6 activities) as well as in terms of commitments: (livelihoods—\$1.3 million; governance—\$1.2 million; innovative financing—\$787,870; and cross sectoral—\$996,000). There has been a significant expansion of activities in the governance thematic area (from 3 activities worth \$522,604 in commitments in 2008) primarily due to the alignment of PROFOR and the former Forest Law Enforcement and Governance (FLEG) trust fund. The number of cross sectoral activities supported has also seen growth. Five new activities have been identified in this area through the programmatic window.

While the details of all activity progress, findings and impacts are described more fully in Annex III, we would like to highlight a few key activities that are representative of PROFOR's added value in informing global, national, and local policy discussions about forests and forestry, and in generating knowledge and innovation.

Activities by Geographic Scope



Activities by Thematic Area



### Informing Policy: International Level

**Large Scale Land Acquisition – Inventory, Policies and Guidance.** This activity, which was introduced in the last progress report, is developing policy guidance for governments which may be faced with or interested in large scale land acquisition, enabling them to maximize the long-term benefits from such investments. It is doing so by:

- *inventorying land acquisition trends*, and assessing drivers of land acquisition in terms of global demand, agro-ecological potential, land values, and aggregate investment determinants.
- *characterizing the related policy, legal and institutional settings* in Angola, Benin, DRC, Ethiopia, Liberia, Mozambique, Nigeria, Sudan, Tanzania, Zambia, Cambodia, Indonesia, Laos, Pakistan, Ukraine, Argentina, Brazil, Mexico, Paraguay, and Peru. .
- *analyzing the social and environmental impacts* of implementation at the project level in the Democratic Republic of Congo, Liberia, Mexico, Mozambique, Sudan, Tanzania, Ukraine, and Zambia through a

combination of a literature-based macro- analysis and in-depth analysis of investment-specific social and environmental impacts.

**Findings:** This work, which is still underway, has revealed that large-scale land investments tend to be correlated with poor governance and weak regulatory environments. It also appears that countries with large areas of ‘available’ land (which is agro-ecologically suitable for cultivation) are likely to be the subject of significant investor interest (because of water availability, transport infrastructure and other factors.) While the policy framework for land acquisition varies significantly across countries and regions, it is becoming clear that many Governments, especially in Africa, are ill-equipped to deal effectively with large-scale land investments because there is limited recognition of existing land rights, a lack of transparency, inadequate consultation with local users, and because the capacity to enforce minimum standards of social and environmental sustainability and economic viability is poorly developed. While many communities are compensated for transferring their land rights to large-scale investors, most are not compensated for the loss of livelihoods; there are few mechanisms for ensuring that investors honor their community agreements.

An important driver of investor interest in land acquisition has been the growing demands for biofuels. Rapid growth of oilseed production has also been the major driver of expansion of agricultural land area in developing countries, especially soybean in Latin America and oil palm in Southeast Asia. Palm oil is now the most important vegetable oil in both production and trade. In addition, there is some evidence (though difficult to quantify) that expectations of future carbon market payments are driving the acquisition of forest areas.

Building on preliminary findings, a draft guidance note was prepared which outlines seven principles for ensuring agro-investments are made responsibly: The guidance note emphasizes the need for:

1. *Respect for existing land and resource rights:* Existing rights to land and natural resources are recognized and respected.
2. *Food security:* Investments do not jeopardize food security, but rather strengthen it.
3. *Transparency, good governance and a sound enabling environment:* Processes for accessing land and making associated investments are transparent, monitored, and ensure accountability.
4. *Consultation and participation:* Those materially affected are consulted and agreements from consultations are recorded and enforced.
5. *Economic viability:* Projects are viable economically, respect the rule of law, reflect industry best practice,

#### Box 1: Sustainable Livelihoods and PROFOR

Activities in the Livelihoods thematic area supported by PROFOR during CY 2009 focused on two key areas – (i) increasing competitiveness of community-based forest activities and improving rural livelihoods, and (ii) examining ways of developing forestry and watershed plans and activities that enhance the contribution of forests to rural livelihoods. In the Kyrgyz Republic, for example, PROFOR support is helping to analyze structural and institutional hindrances to maximizing the benefits which forest resources provide to poor rural communities.

The analysis is providing an enhanced factual basis for the growing debate in the country concerning the future of its forests, and its findings are expected to help inform government efforts to improve forest management. In Mexico, PROFOR work is underway to strengthen the value chain for indigenous and community forestry operations. The principal objective of this work is to support the development of more effective and efficient forest sector policies of relevance to Mexico’s unique Community Forestry Enterprise (CFE) sector, to strengthen their competitiveness potential and to expand opportunities for the development of commercially-viable and sustainable forest management and forest-based enterprises, enhancing the contribution of the Community Forestry Sector to employment generation and poverty reduction, and contributing to economic development and sustainability of Mexico’s forest sector.

In Albania, Macedonia, and Serbia, in CY 2009, PROFOR supported a new closed regional initiative to develop themes linking sustainable forest livelihoods and property rights. Finally, in India, PROFOR is providing support to document best practices and lessons learnt from watershed management initiatives in the states of Himachal Pradesh, Uttarakhand and Karnataka. This effort is meant to better inform policy makers and public spending decisions about how watershed rehabilitation can improve rural livelihoods.

and result in durable shared value.

6. *Social sustainability*: Investments generate desirable social and distributional impacts and do not increase vulnerability.
7. *Environmental sustainability*: Environmental impacts are quantified and measures taken to encourage sustainable resource use, while minimizing and mitigating the negative impact.

**Impact:** The draft guidance note has benefited from consultations with a wide group of diverse stakeholders, including at a side event to the UN General Assembly in New York (September 2009), the European Development Days in Stockholm (October 2009), a dedicated Land Day in Rome in conjunction with the Annual Meeting of the Global Donor Platform (January 2010), and most recently a private sector consultation on the FAO *Voluntary Guidelines for Responsible Governance of Land and Natural Resources* (January 2010). These guidance principles are set out in two papers and were formally released jointly with FAO, IFAD, and UNCTAD at the GDPRD Platform Meeting in Rome. With respect to mainstreaming this PROFOR output into the Bank, the principles were endorsed by the Bank's operational Vice Presidents in late November, 2009, and are expected to be more generally adopted as guidance for agriculture and rural development investments.

**Landscapes of Opportunity: the Potential for Forest Landscape Restoration to Contribute to Poverty Alleviation, Climate Change Mitigation and Sustainable Forest Management (SFM)**: This activity, developed in close cooperation with the Global Partnership for Forest Landscape Restoration (GPFLR)—and building on work already done by WRI and IUCN—assessed the potential for forest landscape restoration to help address some of the key global land and water management challenges, by producing map-based information to persuade decision-makers and opinion leaders of the important role restoration can play in addressing poverty, climate change and SFM and for identifying investment priorities.

**Findings:** This assessment concluded that, globally, there are more than 1 billion hectares of degraded forests and rural landscapes where restoration opportunities may be found. Forest and landscape restoration in these areas could sequester somewhere around 140 GtCO<sub>2</sub>e up to 2030. The assessment, backed up by a preliminary global mapping of degraded landscapes with key statistics, was launched at a Ministerial Roundtable on Forest Landscape Restoration, held in London, on November 26. Various communications materials (a briefing note, a map in leaflet format, Google Earth links, powerpoint slides, and posters) were developed for the event. The findings were included in a GPFLR press release jointly issued by the UK government and IUCN on November 26 and thereafter by the German Environment Ministry and WRI. In addition to the high level event in London, the findings were also presented during the UNFCCC COP in 2 sessions during Forest Day 3, specifically in the opening remarks for the sub-Plenary on degradation and restoration and in the remarks made by Gerhard Dieterle as a panelist in a learning event.

The World Bank, and PROFOR, hosted a follow-up strategy session with key GPFLR members in Washington, DC in January 2010 to identify next steps. The Partnership is proposing that early action should be taken to develop several more in-depth national assessments (tentatively for Ghana and Mexico), and that additional global analyses would be critical better to identify the global carbon mitigation potential of landscape restoration, and to develop a clearer understanding of the economics of restoration for carbon and other benefits. The PROFOR Secretariat intends to stay active in this partnership, and has indicated its interest in co-financing two national assessments (provided there is country-driven demand for these), as well as further global analysis (but only as part of a much larger consortium of interested institutions).

## Box 2. Financing for Sustainable Forest Management

Creating a sustainable forest sector requires new and innovative approaches to forest financing, both better to account for how forest resources are valued, as well as to ensure that public and private financial resources are mobilized for investment. PROFOR has emphasized in its analytic work how markets can be reformed to make sustainable forestry more profitable and to give standing trees greater value.

Forest carbon is rapidly becoming an area of empirical interest. In addition to the activities referred in the progress report, PROFOR financed a small 'think piece' exploring the potential to incorporate carbon accounting into forest certification systems. It is anticipated that this will lead to a second phase activity, which will develop some of the themes identified in the original note in greater depth, to be complemented by country case studies. There is increasing concern about the potential equity impacts of forest carbon finance. Carbon projects which are claiming to generate additional social and biodiversity benefits are proving attractive to buyers with these interests. PROFOR has been supporting analytic work to look at the social impacts of a selection of forest carbon projects which are already underway, better to describe a methodology for developing an *ex ante* assessment during preparation. Several country specific studies related to forest financing have been supported as well.

In Mozambique, PROFOR also supported the preparation of prefeasibility studies to contribute to the development of a better understanding of how a forest carbon intervention could be integrated into community-based natural resource management activities, with a particular focus on institutional requirements and financial implications. Outside of the forest carbon framework, analytic work is being carried out in Croatia to look at sustainable financing possibilities for nature conservation, building on contingent valuation studies, and prevailing practices in transition economies to finance protected areas.

Further opportunities for communicating the results of this work are expected to include the Commonwealth Forestry Conference and UNFCCC SBSTA in June, IUFRO meetings in August, the CBD COP in October, and the UNFCCC COP in November.

**Impact:** The assessment has already increased the recognition among opinion leaders of the role of landscape restoration in addressing climate change. After the launch in London, the map received recognition and support in official statements from the Governments of the US, Britain, and Norway, increasing the likelihood that landscape restoration will be incorporated in the suite of measures supported to mitigate the impacts of climate change. 'Selling' restoration to REDD+ negotiators in Copenhagen recently was markedly easier than it had been before the results of the assessment had been announced and widely disseminated. A recent NY Times and Herald Tribune opinion piece focused on the huge opportunity for forest landscape restoration to address climate change. Discussions between the GPFLR and the World Bank have identified opportunities for linking

selection of countries for national assessments with FCPF countries and those selected for FIP pilots.

## Informing Policy: Regional and National Levels

**Economic Growth and the Drivers of Deforestation in the Congo Basin:** Though deforestation rates in the Congo Basin countries have historically been low, this is likely to change due to many different drivers: demographic growth, the expansion of subsistence agriculture and fuelwood collection, and the development of the industrial agriculture, transport, mining and energy sectors. Congo Basin countries lack robust analytical tools for understanding how the development of economic sectors can affect forest cover and for strengthening their positions in international negotiations on REDD+ mechanisms. In collaboration with multiple partners, PROFOR is supporting an in-depth, multi-sectoral analysis of the major drivers of deforestation and forest degradation in all six of the Congo Basin countries (Cameroon, Central African Republic, Gabon, Democratic Republic of Congo, Equatorial Guinea and Republic of Congo). This activity is expected to define methodological tools better to understand the potential impacts of development of other sectors on forests and to help develop forward-looking national REDD+ scenarios.

**Findings:** Modeling supported by this activity, to date, has indicated that external pressures (commodity prices, the global demand for agricultural products such as meat, and biofuels) are likely significantly to affect forest cover in the Congo Basin. Regional models have tested the impact of "policy shocks" such as (i) a 15% increase in international meat demand by 2030, and (ii) a 15% increase of the international biofuels demand

by 2030. These types of shocks are likely to have significant impacts on forest cover loss in the Congo Basin (though the impacts are likely to be more severe in Southeast Asia and in Amazonia). Moreover, the impacts would be indirect. For example, although it is highly unlikely that livestock production will significantly expand in the Congo Basin in response to growing global demands for beef, the same demands are likely to create incentives to produce feedstock in the Congo Basin which can be exported to Amazonia and other cattle producing areas. With respect to biofuels, the direct impact of this policy shock is unlikely to be very important (despite the fact that most of the countries in the Basin have been approached by investors interested in palm oil development). Although Congo basin countries have great potential in terms of land suitability for oil palm, poor infrastructure and governance remain major constraints to large-scale plantation developments.

**Impact:** Discussions during a regional workshop in Kinshasa in November 2009, which was convened to present preliminary findings from some of the modeling work, were seen as very useful to help negotiators to develop an “adjusted reference level” for REDD. The workshop was also a very good entry point better to articulate their future national REDD strategies, particularly important in the context of FCPF operations, and relevant as well to a regional REDD project financed by the GEF. The activity has already largely contributed to the understanding that the REDD agenda goes far beyond the forestry sector and that a comprehensive REDD strategy has to build on a multi-sectoral approach. During the workshop in Kinshasa, participants gained an awareness of the linkages between different sectors and pressures on forests. In most of the Congo Basin countries, national REDD working groups have now been established and most sectoral ministries are represented on these.

At the countries’ request, a specific modeling scenario on Infrastructure (mainly on roads) will be developed. Countries have indicated that they would like to be able to use the results of this scenario to see how the “Plan National de développement des Infrastructures” (National Plan for Infrastructure Development) could be adjusted to limit its impact on forest cover.

**Targeting Watershed Rehabilitation Investments in Turkey.** Up to 60 percent of the agricultural and pasture land in Turkey is considered to be degraded. Government has invested heavily in rehabilitating extensive degraded areas, partly through reforestation, but also through introducing improved land management practices. One of the problems for Government is that it lacks a comprehensive approach for prioritizing where these investments could yield the highest returns. This activity is developing and implementing a methodology for prioritizing investments in watershed rehabilitation on the basis of clear and objective criteria, reflecting the risks, the extent and nature of land degradation and deforestation and, to the extent possible, incorporating poverty alleviation objectives. It closely complements pipeline analytic work on public spending management, because it seeks to identify where public resources should be allocated to address the two key objectives of tackling the problem of rural poverty, and addressing land degradation.

Work associated with this activity is being undertaken by the International Soil Reference Information Center (ISRIC) in partnership with Turkish institutions, including the Ministry of Environment and Forests. A launch workshop was held in Ankara in November 2009, with a wide group of stakeholders to gain feedback on the approach proposed, and to develop collaborative mechanisms for working with local partners.

**Impact:** A low-resolution national-scale map has been produced to show patterns of land degradation (based on vegetative cover and rainfall-use efficiency). This is expected to lead to preparation of a higher resolution map, with overlays showing the distribution of poverty, and poverty-environment hotspots, better to understand where poor households are most affected by a degraded environment. The activity has helped to catalyze action in preparing a national strategy for watershed rehabilitation – an initiative of the Turkish State Planning Office – better to inform its budget allocation process. A national workshop outlining the first steps in developing the strategy is expected to be convened in February 2010. PROFOR supported work will be a building block in the development of the national strategy.

**Investigating options and synergies for REDD+ payments in the Miombo Eco-region:** The aim of this activity has been to improve an understanding, among decision-makers in government, community-based organizations and the private sector, of the opportunities and challenges for developing a scheme of pro-poor

payments for avoided deforestation and degradation in the miombo eco-region. The analysis is meant to inform and to facilitate stakeholders' awareness of the application of REDD+ payments at the national, regional, and local levels and the options for maximizing pro-poor returns in these payments, drawing strongly on existing successes and lessons from the conservation sector.

Three national level assessments were carried out, in Namibia, Zambia and Mozambique, focusing on the policy and legal environment for REDD+, lessons from community-based natural resource management (CBNRM), land uses competing with REDD+ and their values and how to make REDD+ schemes more pro-poor. A Regional synthesis paper has been prepared as well, which was based on workshop findings where the main elements that characterize pro-poor REDD+ in the miombo eco-region based on CBNRM experiences were discussed

**Findings:** Because of the poor's role in driving land use change in southern Africa, REDD+ in the miombo eco-region will need to take a pro-poor approach and, in doing so, need to follow some principles, with a minimum requirement being to do no harm to the poor. This study identified seven key lessons for making REDD+ pro-poor in the miombo ecoregion. Briefly, pro-poor REDD+ is more likely to be successful in the long term in reducing rates of deforestation if:

1. rights to land, resources and carbon are clarified, and reside with farmers and communities;
2. there are legal and policy frameworks in place that value and reward land uses other than agriculture;
3. farmers are compensated in a manner which addresses the full range of woodland uses such clearing for agriculture; timber and energy (charcoal);
4. implementation allows communities, local government and supporting organizations to adapt activities to meet local conditions;
5. underlying governance challenges, at all scales, are identified and explicitly tackled;
6. the potentially severe impacts of climate change on ecosystems, agriculture and livelihoods in the region and recognized and accounted for in implementation; and
7. if implementation acknowledges and accounts for the high variability in REDD+ opportunity costs across countries, and within the same country, and that local circumstances dictate the actual price at which the supply of carbon credits is guaranteed.

### Box 3: PROFOR and its work on Forest Governance

Poor forest governance can cost governments and forest owners as much as USD15 billion annually because of losses from illegal logging and evasion of forest charges. One of PROFOR's objectives is to enhance the quality of forest governance. PROFOR activities support empirical research and analysis to increase transparency and accountability in the sector and to contribute to a better understanding of forest law enforcement.

A suite of activities in Latin America which PROFOR is supporting (e.g. Strengthening forest governance and rule of law in Peru, Supporting the establishment of Local Forest Consultative Councils in Honduras, Development of National Timber Yield Tables for Mahogany and Cedar sawn wood) provides opportunities for tool-development, knowledge sharing, stakeholder dialogue and building up participatory governance. In a similar vein, more than 70% of tropical forests are in states that are characterized as "fragile" or "post-conflict." A recently initiated PROFOR activity focuses on analyzing the key post conflict challenges which need to be addressed to effect credible and sustainable improvement of forest governance in post-conflict states. "Follow the money" aptly sums up the idea that corruption, lack of transparency and illegal activities will thrive where money flows are difficult to track. To help develop robust financial tracking systems, PROFOR is initiating the first phase an analytic effort to develop best-practice principles for forestry public expenditure reviews and for establishing and tracking parameters for assessing institutions effectiveness. The power of information, communications and technology (ICT) in improving governance is being explored through another PROFOR activity. Finally, and building on a recent report put together by the forest governance team (*Roots for Good Forest Outcomes: A conceptual framework for Governance reforms*), PROFOR is supporting the development of indicators to baseline the quality of forest governance and measure progress in improvement.

**Impact:** In Zambia, the issues raised in the country study are being incorporated into the country's proposed UN-REDD Joint Program for Implementation, and in Mozambique, the discussion catalyzed by this work has been a focus of activities related to the proposed Pilot Program on Climate Resilience (PPCR) submission, and discussions with FCPF and with the Growing Forests Partnership. It is expected that Mozambique will submit an Expression of Interest to become a pilot country in the Forest Investment Program (FIP), and the country study will contribute to identifying where critical investments in preparing for REDD+ are most needed.

**Forest Enterprise Information Exchange (FEINEX):** This activity is being supported as a complement to work with Forest Connect, and is aimed at reducing poverty by better linking small forest enterprises to markets, service providers and policy processes. To do so, the activity evaluated the service delivery environment for agribusiness enterprises in the Indian states of Orissa, Maharashtra, Tamil Nadu, Uttarakhand, Kerala and Chhattisgarh.

A database of more than 5000 entries was developed, identifying small and medium scale forest enterprises (SMFEs), service providers, suppliers, buyers, and research institutions across the 6 states. As the project progressed, interest from SMFEs escalated. The database -- for the first time in India -- recognizes the economic importance of SMFEs working with Non-Timber Forest Products (NTFP), and includes over 1000 small enterprises working in this sector, classifying and categorizing them by product, so that service providers are better able to focus on this important subsector. A membership system and mechanism has been developed, which is now web-accessible. Final testing is being carried out to improve the database interface as a means for enabling SMFEs to link to each other and to their service providers via mobile devices.

A beta version of a portal—which houses the database, provides market information such as price of raw materials, a database of new technologies in processing, extraction, production etc—is currently being tested for launch in early 2010. A mechanism to verify information has also been designed

**Impact:** Knowledge from India's SMFE sector and service delivery to enterprises has been shared with the Forest Connect activity and significantly informed their process of developing a toolkit. The activity proponent Community Enterprise Forum (CEFI) used the experience to also develop two modules of Forest Connect's toolkit.

In the process of developing the SMFE database, the governments of Orissa and Maharashtra also approached CEFI to design the Five Year Action Plan and Strategy for the State Ministries of Environment and Forests. The FEINEX strategy was designed and proposed and has now been accepted by both governments.

## Networking and Coordination

**Forest Connect:** The networking and collaboration catalyzed by this activity has been a good example of the innovative approach PROFOR nurtures and supports. Among other outputs, the Forest Connect activity has developed a draft set of tools meant to facilitate small and medium forest enterprises' (SMFEs') ability to connect to emerging markets, service providers and policy processes. The toolkit was developed through original research, market studies, networking, and through workshops and collaboration with key partners such as the NFP facility.

**Impact:** By working in close collaboration with FAO's NFP facility, which provided tremendous support for development of the toolkit, the team was able to tap into the varied and rich input from the NFP facility coaches in the design of the toolkit, and ensured their buy-in into its eventual roll out. Synergies identified by PROFOR also ensured that work developed in India on the Forest Enterprise Information Exchange fed into this process with CEFI, which developed two of the toolkit's modules.

Other linkages have been a good outcome of the Forest Connect alliance. For example, the World Bank is supporting the ‘Growing Forests Partnerships’ initiative, in an effort to create a national platform for civil society organizations to identify and prioritize forest investments. Country partners working with Forest Connect, from Ghana, Guatemala and Mozambique are now engaged with the Growing Forests Partnerships Reference Group, which is playing a key role in informing its development. The strong overlap between the GFP core countries and the Forest Connect alliance is helping to build synergies between these initiatives. For example, in Mozambique, efforts are being made to shape donor forest financing initiative in favor of SMFEs. The Ghana team has been involved in the work leading to the historic signing of the VPA agreement.

There have also been concerted efforts to increase the complementarity of Forest Connect alliance activities with those of the EU, DGIS and DFID funded Forest Governance Learning Group (FGLG), which operates in seven African and three Asian countries. The FGLC network has an ongoing focus on social justice in forestry with a thematic emphasis on local rights and enterprise. Presentations on small forest enterprise development have helped to inform international FGLG meetings.

More recently a delegation of Forest Connect partners from IIED, Guatemala, Lao PDR and Nepal participated in The Forests Dialogue (TFD) thematic dialogue on Investing in Locally Controlled Forests (ILCF). This helped to cement links with the Global Alliance for Community Forestry (GAFC) with which a Memorandum of Understanding is being prepared, the International Farm Forestry Alliance (IFFA) whose American representatives have already proved a great source of support to Forest Connect, and the International Alliance of Indigenous and Tribal Peoples of the Tropical Forests (IAITPTF). It also represents an important opportunity for creating synergies between stakeholder groups, and building on other initiatives, such as the ‘Growing Forests Partnerships’ (GFP), which is increasingly being aligned with work of the TFD. PROFOR’s engagement with these multiple partners was catalytic in bringing about these synergies.

**Workshop on Improving Forest Governance in the Mekong Region:** As part of an activity on Forest Governance and Law Enforcement (fleg) in the Mekong Region, PROFOR co-hosted a workshop in Hanoi, Vietnam in November 2009 on "Improving FLEG in the Mekong Region" (Vietnam, Lao PDR, Cambodia and Thailand). As the economic and environmental importance of fleg has been growing in the region, and the regulatory framework in the EU and US on wood products’ import requirements has been changing, government, industry and other stakeholders in the region came together to determine how to address this paradigm shift in trade policy.

The workshop provided opportunities for networking at two levels: staff from the newly established Department for Forest Inspection (Lao PDR) met with their Vietnamese counterparts to share views and experiences. This also provided opportunities to plan implementation of a Lao–Vietnamese MoU on forest law enforcement. Representatives from the Cambodian private sector participated in the workshop but public officials could not participate.

The workshop also gave the opportunity for the Mekong participants as well as donors to liaise with staff from the recently established European Forest Institute (EFI) FLEGT–Asia program. The EFI program is building its work program to support FLEGT and VPA process in Asia. The Hanoi workshop was co-organized by PROFOR and EFI and it provided a framework for mutual coordination.

**Roots for Good Forest Outcomes: An Analytical Framework for Governance Reforms:** This report provides a comprehensive analytical framework through which countries can conduct in-depth diagnoses of their forest governance. Developed through extensive literature review and expert opinion, the framework is underpinned by five building blocks of the primary and sub-component elements of forest governance. The advantage of constructing a framework such as this include, among others: having a common understanding of the nature and scope of forest governance among various stakeholders; addressing the “missing middle” problem to improve understanding of the real drivers of illegality and poor governance; formulating targeted and actionable interventions to improve forest governance to make informed choices regarding reform



priorities; and having a better understanding of the political economy challenge, including identifying actions that strengthen the demand for good governance. The five building blocks are:

1. Transparency, Accountability, and Public Participation
2. Stability of Forest Institutions and Conflict Management
3. Quality of Forest Administration
4. Coherence of Forest Legislation and Rule of Law
5. Economic Efficiency, Equity, and Incentives

The next stage for this conceptual framework would involve field testing under country-specific situations, including their specific objectives, and developing the diagnostics for a number of countries. Particular emphasis will be given to countries participating in REDD programs and those with significant land-tenure issues.

#### Box 4. PROFOR support for Cross-Sectoral Activities

Sustainable forest management requires coordination and collaboration across several sectors to ensure that policies and practices are not undermined by activities stimulated by general macroeconomic policy shifts or changed levels of investment in other sectors such as agriculture, energy, mining, and transportation. PROFOR works to identify how various sectoral policies impact SFM by targeting support to processes rooted in participatory multi-sectoral approaches, such as the World Bank's development lending or the FAO's national forest programs. For example, PROFOR is supporting a multisectoral effort to identify the major forest-related issues and challenges in eastern and southern Africa. Through a multi-sectoral lens, the analysis will help to develop a regional strategic overview to help governments develop forestry investments and programs anchored in sound economic, social and environmental objectives. A similar exercise is just getting underway in West Africa. As described elsewhere in the progress report, PROFOR is seeing the cross-sectoral impact that some of its research is having: modeling developed to analyze the drivers of deforestation in the Congo Basin has begun to identify the external pressures and policy shocks likely to affect forest cover in the Basin over the next decades. Initial findings have motivated governments in the region to request specific modeling scenarios for transportation infrastructure's effects. As a result of the work on mapping the potential for forest landscape restoration, one billion hectares of degraded forests and rural landscapes has been identified as having potential for forest landscape restoration to help address issues such rural poverty and carbon mitigation.

The framework was developed in close coordination between FLEG consultants and staff (prior to the PROFOR-FLEG alignment), and World Bank staff giving it a true grounding in real development contexts, and meaning that as PROFOR takes on responsibility of field-testing it will have the buy-in of World Bank regional staff.

#### **Rethinking Forest Partnerships and Benefit Sharing: Insights on What Makes Collaborative Arrangements Work for Communities and Landowners:**

As more forest area is being designated for use by local communities and indigenous peoples, and as private sector investment in the forest sector increases, establishing and maintaining positive working relationships with local communities is an essential part of gaining access to natural resources and local skills and labor. Likewise, the success or failure of afforestation and reforestation activities and programs will rely in many respects on the effective cooperation of forest-

dependent people. These developments are giving partnerships and benefit-sharing arrangements between local and outside partners greater prominence than they have generally had in the past.

This report presents evidence from a large number of surveys and interviews that were intended to capture the priorities and concerns of the different partners that have been involved in collaborative arrangements. The results aim to inform the design and conduct of partnerships and arrangements between different stakeholders who have different interests but who also potentially have much to gain through mutually-beneficial outcomes. They also provide important practical insights into what concepts such as "trust" and

“mutual respect” consist of in practical terms, and how their presence or absence can impinge, sometimes decisively, on operational effectiveness.

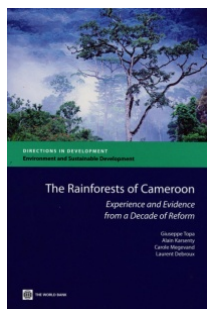
Similar to the work done on the “Roots of Good Forest Outcomes” this report benefitted from the input of PROFOR staff in collaboration with various parts of the World Bank.

**World Bank regional coordination:** PROFOR’s continued work in developing its window of programmatic support, by collaborating with the World Bank’s technical and operational staff, remains a valuable way for identifying critical areas where targeted initiatives can be launched, and for mainstreaming the global good practices developed under PROFOR’s strategic window into Bank practice. There are three specific advantages of working with Bank operational staff in developing PROFOR’s programmatic activities. First, Bank regional staff play a key role in increasing the Secretariat’s capacity, at a very low marginal cost, to ensure that quality control processes for PROFOR outputs are in place and that fiduciary standards in the management of trust funded activities are met. For example, regional standards for the production of analytic outputs, such as those financed by PROFOR, always require internal and external peer review to ensure that these outputs are robust. Second, the capacity of the Bank to use its convening power to bring about multi-stakeholder collaboration with PROFOR activities is greatly enhanced by working with regional staff, who are well-networked with governments, local donor representatives, civil society organizations, and local academic and policy research institutions. Third, Bank regional and technical staff are often at the cutting edge, in terms of understanding where there are strategic points of entry for achieving lasting and effective policy change when it comes to sustainable forest management. This is a capacity which is simply not otherwise available to the Secretariat, but which helps greatly to inform PROFOR going forward.

## Knowledge Innovation, Synthesis and Sharing

**PROFOR and Climate Change:** Climate change was the focus of much discussion in 2009. IPCC studies and reports showed that climate change is expected to hit developing countries the hardest. At stake are recent gains in the fight against poverty, hunger and disease, and the lives and livelihoods of billions of people in developing countries. As a result, PROFOR placed a greater emphasis on climate change, with seven of its 33 activities having a climate change dimension. Individually, these activities contributed insights in to and concrete ideas about how to strengthen the role of forests in mitigating climate change, particularly by contributing to a better understanding of how to tackle the REDD+ agenda – reducing emissions from deforestation and degradation. They shall also form the basis of a synthesis which is planned to look at the works collectively to draw broader conclusions.

**Production and Training of Poverty-Forests Linkages Toolkit:** After the piloting of the Poverty-Forests Linkages Toolkit was completed in 2008, PROFOR Secretariat staff committed considerable resources into developing a field-compatible version of the toolkit, and to providing training in its use. The first training was provided to over fifty World Bank staff and external participants during the World Bank’s annual Sustainable Development Network Forum in March 2009. The training drew on the expertise of Neil Bird of the Overseas Development Institute (which had been instrumental in piloting the toolkit), as well as of Cornelius Kazoora of Uganda’s Sustainable Development Center (which had successfully used to toolkit in mainstreaming poverty-forests perspectives into national development processes). A second training is planned for a key audience of FAO National Forest Program Facility (NFP Facility) country coaches, in February 2010. It is hoped that this group will be instrumental in the bringing about the wider use of toolkit in their countries. The toolkit has been produced in hard copy, as well as on a CD, and can also be accessed on-line through the PROFOR website ([www.profor.info](http://www.profor.info)).

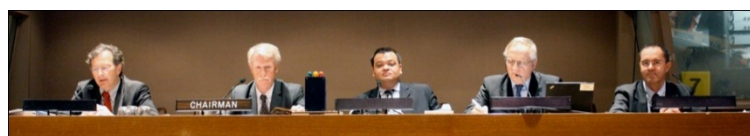


**The Rainforests of Cameroon: Experience and Evidence from a Decade of Reform:** Last year, to give greater momentum to and to extract lessons from experience with a decade of reform in Cameroon's forest sector, PROFOR supported the World Bank Africa Environment team in publishing and translating into French *The Rainforests of Cameroon: Experience and Evidence from a Decade of Reform*. The report analyzed the process of

forest sector reform in Cameroon: its phasing, technical, political, and economic drivers, achievements, shortcomings, and lessons learned. This year, to synthesize the learning further, the Secretariat worked with the team of authors to develop a note, entitled “Policy Reform Lessons: An Example from the Forestry Sector in Cameroon”, which shares the broader policy reform implications learned through the process of analyzing Cameroon’s forest sector reforms. This note has served as a prototype for a new PROFOR Knowledge Notes series.

**UNFF8 Side Event: Forest Financing Strategies and Country Experiences:** On April 20, 2009, PROFOR and the NFP Facility took advantage of government delegates gathered at UNFF8 in New York to host a side event presenting “Forest Financing Strategies and Country Experiences”.

It provided an up-to-date assessment of financing needs for sustainable forest management (SFM) at the global level, and how these needs are being supported, as well as the challenges and opportunities for forest financing, at the national level within the specific context of Guatemala.



Speakers included Gerhard Dieterle, the World Bank Forest Advisor; Jerker Thunberg, NFP Facility Manager, FAO, who made introductory remarks; Markku Simula, lead author of "[Financing Flows and Needs to Implement the Non-Legally Binding Instrument on All Types of Forests](#)", who presented financing flows and needs; Marco Boscolo of NFP Facility who presented a summary of country experiences, and Rafael Rodriguez of the Instituto Nacional de Bosques (INAB), who talked about how this applied to Guatemala. A joint discussion paper was developed for, and distributed at the event.

**XIII World Forestry Congress:** PROFOR took advantage of the gathering of nearly 7000 participants in Buenos Aires, Argentina in October 2009 to share its publications on CDROM, disseminate the **Poverty-Forests Linkages Toolkit** and discuss the findings of some of its activities. Its flagship activity at the Congress was a Side Event to an audience of nearly 500 people entitled “Impacts of the New Wave of Investment in Large-Scale Farming on Forests and People” which addressed the impacts of large scale land acquisition for farming, as well as the impacts of global trade and farm investments, on forests and people, within Asia, Africa, and Latin America. The event was moderated by PROFOR program manager, Peter Dewees, and consisted of presentations by Derek Byerlee (CGIAR) on [impacts of large scale land acquisition for farming on forests and people](#), with emphasis on Asia and Africa; and Pablo Pacheco (CIFOR) on [Impacts of global trade and farm investments on forests and people](#), with emphasis on Latin America. Discussants were David Brown of ODI, and Markku Kanninen of CIFOR.



PROFOR staff also held meetings with activity proponents on the following: Forest Connect Phase II, joint work with FAO and the NFP Facility on forest financing, and next steps for the Poverty-Forests Linkages Toolkit.

## Administrative Overview

### Staffing

This year was one of many staff changes. On May 1st, Peter Dewees joined as PROFOR’s manager, bringing with him sixteen years of operational experience in forestry and natural resource management at the World Bank, especially in Africa and Eastern Europe and Central Asia. In September, PROFOR welcomed Jane Li as Operations Analyst, strengthening the trust fund’s administrative and financial processes. In December, Anne Davis Gillet, PROFOR’s Communications Officer, took up new responsibilities. The PROFOR team is

currently in the process of interviewing candidates for her position. For a full list of PROFOR staff, please see Annex I.

## Communications and Knowledge Management

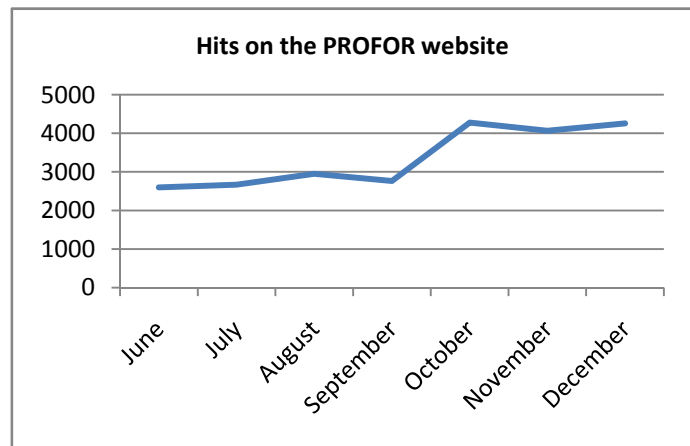
Communications staff were heavily involved in supporting the activities listed under the Knowledge Innovation, Synthesis and Sharing rubric over the last year. Listed below are additional achievements and statistics.

**Portfolio Communications:** Several changes were made in an effort to strengthen communications about the PROFOR multidonor partnership as whole. Mid-year reporting and reporting on the Program of Work were revised to highlight PROFOR's achievements and impacts rather than activities and outputs. An electronic bi-annual portfolio newsletter was developed, starting in July 2009, enhancing communications on activities under development. The objective was to inform activity proponents, donors, World Bank regional staff and other potential interested parties of work underway to create synergies and to try to minimize the duplication of efforts across the global forestry community. The first issue of the newsletter received 122 reads via the website, but it was widely distributed through PROFOR's listserve and through the internal World Bank e-mail network. The newsletter also adds functionality to enable readers to sign-up to receive the newsletter and other news. This function has received 100 subscription requests since July 2009.

A concerted effort was made to improve donor visibility through inclusion of country logos on all Secretariat-produced material, and we continue to hold activity proponents accountable to displaying the PROFOR logo on all materials produced.

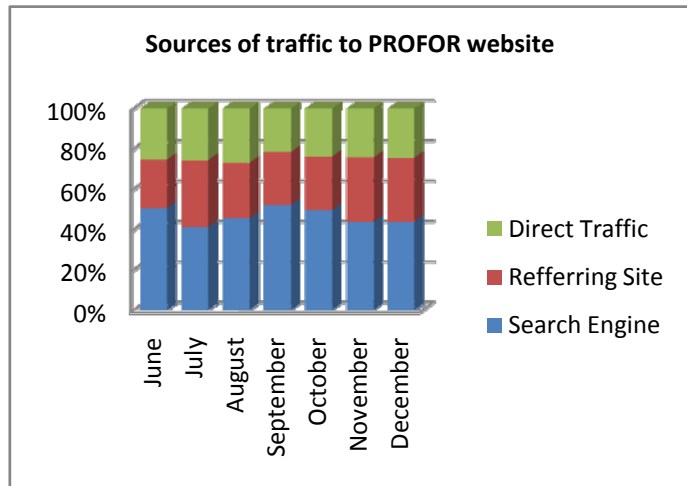
**Outreach:** PROFOR publications and presentations were shared at the following fairs and gatherings during 2009: World Bank Agriculture and Rural Development Week (March, Washington, DC), FAO World Forestry Week (March, Rome), United Nations Forum on Forests 8 (April, New York), FAO World Forestry Congress (October, Buenos Aires), presentation on PROFOR/FLEG at Side event during International Tropical Timber Council (November, Yokohama). In addition, PROFOR staff were requested to, and gave, a presentation to USAID and US Treasury staff on PROFOR and FLEG activities (February, Washington, DC).

**Web.** In late 2008, because of security breaches at some of the World Bank's more prominent sites, the World Bank mandated that websites for all World Bank-managed trust funds would need to be transferred to World Bank servers. The transfer process was completed in April 2009, with site statistics only made available starting in June. Pageviews continue to increase, with a marked increase in October and December when PROFOR publications were made available at the World Forestry Congress in Buenos Aires and Forest Day on the sidelines of the Conference of the Parties in Copenhagen.



The primary source of traffic to the site was from various search engines (between 43 and 50%) with Google being the lead engine. Another 30% consistently comes from referrals from other sites, with the lead referral being the World Bank site.

In an effort to draw greater interest in PROFOR-financed activities and programs, a new ‘Opportunities’ link was created on the PROFOR website on which any open tenders, or PROFOR-financed consultancies or job opportunities managed by the Secretariat, are announced. The website lists these and links users to the UN Development Business procurement notifications to enable interested firms and individuals to respond to tender opportunities. In addition, a new e-mail address, PROFOR\_jobs@worldbank.org, has been created to enable interested firms and individuals to respond to a central registry, when opportunities arise. With respect to tenders which are managed by World Bank regional operational staff, these continue to be announced in UN Development Business per standard World Bank procurement practice.



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### Budget and Financial Projections

Disbursements of funds for PROFOR-financed activities in CY 2009 totaled \$4.2 million, nearly double the level of disbursement in CY 2008, but less than the targeted disbursement level of \$5 million, and somewhat less than the forward projections which had been made in the previous Progress Report. The lower-than-planned rate of spending was the result of a decision by the Secretariat, which was taken to reflect the fact that a significant planned donor contribution did not materialize. Additional savings accrued because of delays in recruitment of additional Secretariat staff and other significant efficiency gains. Administrative costs in CY2009, for example, were only 54 percent of those projected in the Work Program.

The \$5.4 million fund income recorded in CY 2009 includes the carryover of the undisbursed balance of the FLEG Trust Fund. Planned income for CY 2010, based on current donor commitments totals \$3.5 million, which (in addition to the current fund balance of \$5.9 million less carryover commitments of \$985,000) will be sufficient to cover the proposed work program for CY 2010. However, beginning in CY 2011, significant and growing shortfalls are expected, and, given the current portfolio of outstanding donor commitments, PROFOR would have to significantly scale back its activities beginning next calendar year.

With respect to leveraging, PROFOR activities continue to generate significant co-financing. In CY2009, for every dollar committed to a PROFOR activity, another \$0.70 was generated in co-financing.

The budget for CY 2009 PROFOR activities is summarized in the Tables below. Table 1 shows current and planned revenues and expenditures for the period from CY 2009 to CY 2012. Funding sources are shown in Table 2. Table 3 summarizes staffing expenditure.

With respect to staffing costs, in the past, these have typically been kept very low, and this trend has continued. For activities which are implemented by Bank regional staff, staffing costs financed by PROFOR account for 13 percent of the funds disbursed. (These are usually complemented by significant World Bank administrative budget resources and other sources of co-financing.) With respect to Secretariat staffing costs, these are indicated in the attached table.

**Table 1: PROFOR Expenditures for CY 2009 and Budget Projections, 2010 to 2012**

	Actual		Projection			
	CY2002-2008	CY2009	CY2010	CY2011	CY2012	
<b>Trust Fund Income</b>						
PROFOR Paid-in Donor Contribution	11,819,671.69	3,746,229.63	3,465,046.13	2,103,845.07	445,524.16	1/
PROFOR Investment Income	527,114.19	71,072.65	51,975.69	31,557.68	6,682.86	2/
FLEG TF Balance	-	1,590,226.77	-	-	-	3/
FLEG Investment Income	-	21,352.03	-	-	-	
Other Receipts	14,795.20	-	-	-	-	
<b>Total Income</b>	<b><u>12,361,581.08</u></b>	<b><u>5,428,881.08</u></b>	<b><u>3,517,021.82</u></b>	<b><u>2,135,402.75</u></b>	<b><u>452,207.02</u></b>	
<b>Disbursements</b>						
PROFOR Programmatic Window	-	1,715,111.00	2,892,300.00	2,892,300.00	2,892,300.00	4/
PROFOR Strategic Window	7,108,096.03	1,632,783.54	4,112,477.23	4,186,887.51	4,218,069.75	5/
FLEG Strategic Window	-	692,823.41	-	-	-	6/
PROFOR Administrative fees	590,983.58	187,311.49	173,252.31	105,192.25	22,276.21	7/
<b>Total Disbursements</b>	<b><u>7,699,079.61</u></b>	<b><u>4,228,029.44</u></b>	<b><u>7,178,029.54</u></b>	<b><u>7,184,379.77</u></b>	<b><u>7,132,645.95</u></b>	
<b>Fund Balance Retained</b>	-	4,662,501.47	5,863,353.11	2,202,345.40	(2,846,631.63)	8/
<b>Total Actual Fund Balance</b>	<b><u>4,662,501.47</u></b>	<b><u>5,863,353.11</u></b>	<b><u>2,202,345.40</u></b>	<b><u>(2,846,631.63)</u></b>	<b><u>(9,527,070.56)</u></b>	9/

**Note:**

- 1/ Donor contribution is presented in detail on the Funding Sources table.
- 2/ The investment income for CY2010-2012 is estimated at 1.5% of PROFOR paid-in donor contribution of the year.
- 3/ FLEG TF is aggregated fund balance of FLEG parent TF053912 and two HQ managed Child TFs, TF055097 and TF055098, by end of CY2008. All donor contribution has been received and administrative fees paid. FLEG TF has a closing date of 12/31/2010.
- 4/ Programmatic Window refers to PROFOR Child Trust Funds disbursed to regional departments for project execution based on the approved concepts notes. It is projected that in CY2011-2012 PROFOR will implement the same level of activities as planned in CY2010.
- 5/ PROFOR Strategic Window disbursements are for expenditures of HQ managed activities under Child TF051840 & TF051864, including co-term staff costs, consultant fees, contractual services, travel, communications and other miscellaneous expenses for PROFOR related programs.
- 6/ FLEG Strategic Window disbursements are for expenditures of HQ managed activities under Child TF055097 & TF055098. The projected disbursements in CY2010-2012 are included in the PROFOR Strategic Window as part of the alignment process.
- 7/ Administrative fees are calculated at 5% of expected paid-in donor contribution of the year.
- 8/ Fund balance retained from the previous calendar year
- 9/ CY2009 fund balance consists of outstanding commitments of \$642,424.81 in PROFOR strategic window, and \$342,451.48 in FLEG strategic window. They are expected to be disbursed in CY2010.

**Table 2: Sources of Funding, as of January 4, 2010**

Overall Donor	Currency	CY02-05	CY2006	CY2007	CY2008	CY2009	CY2010	CY2011	CY2012	Total
<b>Commitments</b>										
EC	EUR	-	1,200,000.00			3,600,600.00				4,800,600.00
Finland	EUR	200,000.00	300,000.00	300,000.00	534,200.00	400,000.00				1,734,200.00
Germany	EUR	-		180,000.00		200,000.00				380,000.00
Italy	EUR	-		210,000.00	250,000.00					460,000.00
Japan	USD	900,000.00								900,000.00
Netherlands	EUR	-		190,000.00	19,538.04					209,538.04
Switzerland	USD	875,000.00				900,000.00				1,775,000.00
United Kingdom	GBP	2,250,000.00		500,000.00	1,500,000.00					4,250,000.00

Paid-in Donor	Currency	CY02-05	CY2006	CY2007	CY2008	CY2009	CY2010	CY2011	CY2012	Total
<b>Contribution</b>										
EC	USD	-		573,972.00	507,484.80	1,857,684.63				2,939,141.43
Finland	USD	239,920.00	380,040.00	407,610.00	798,517.08	557,080.00				2,383,167.08
Germany	USD	-		243,108.00		299,540.00				542,648.00
Italy	USD	-			648,166.00					648,166.00
Japan	USD	900,000.00								900,000.00
Netherlands	USD	-			306,566.74					306,566.74
Switzerland	USD	375,956.36	374,538.01	125,245.70		219,975.00				1,095,715.07
United Kingdom	USD	3,908,947.00		1,031,000.00	998,600.00	811,950.00				6,750,497.00
<b>Subtotal</b>		<b>5,424,823.36</b>	<b>754,578.01</b>	<b>2,380,935.70</b>	<b>3,259,334.62</b>	<b>3,746,229.63</b>				<b>15,565,901.32</b>
<b>Outstanding Donor Contribution</b>										
EC	USD						1,813,845.07	1,813,845.07	345,499.16	3,973,189.30
Switzerland	USD						290,000.00	290,000.00	100,025.00	680,025.00
United Kingdom	USD						811,201.06			811,201.06
<b>Subtotal</b>							<b>2,915,046.13</b>	<b>2,103,845.07</b>	<b>445,524.16</b>	<b>5,464,415.36</b>
<b>Under Preparation</b>										
United Kingdom	USD						400,000.00			400,000.00
Finland	USD						150,000.00			150,000.00
<b>Subtotal</b>							<b>550,000.00</b>			<b>550,000.00</b>
<b>Total Donor Contribution</b>		<b>5,424,823.36</b>	<b>754,578.01</b>	<b>2,380,935.70</b>	<b>3,259,334.62</b>	<b>3,746,229.63</b>	<b>3,465,046.13</b>	<b>2,103,845.07</b>	<b>445,524.16</b>	<b>21,580,316.68</b>
<b>World Bank</b>	USD	520,000.00	280,000.00	280,000.00	140,000.00	423,017.10	435,707.61	448,778.84	462,242.21	2,989,745.76
<b>Total Sources of Funding</b>		<b>5,944,823.36</b>	<b>1,034,578.01</b>	<b>2,660,935.70</b>	<b>3,399,334.62</b>	<b>4,169,246.73</b>	<b>3,900,753.74</b>	<b>2,552,623.91</b>	<b>907,766.37</b>	<b>24,570,062.44</b>

Note:

1. EC: 2 annual payments of €1260187 upon confirmation that 50% of total funds are committed for FY11-FY12, €240039 final payment upon confirmation that 90% of total funds are committed

2. SDC: \$290000 on or before 5/1/2010, \$290000 on or before 5/1/2011, \$100000 on or before 5/1/2012

3. DFID: The last installment of £500000 CoF request has been submitted to DFID in Jan 2010.

4. World Bank Estimated Contribution in CY2009 (for PROFOR HQ Staff):

WB Staff	# Staff Week	Staff Cost	Indirect Cost	Total CY2009
<b>Total</b>	<b>71.3</b>	<b>366,832.70</b>	<b>56,184.40</b>	<b>423,017.10</b>

World Bank estimated contribution in CY2010-2012 is calculated at 3% annual increase based on contribution in CY2009

**Table 3: PROFOR Staffing and Administrative Costs, Current and Projected**

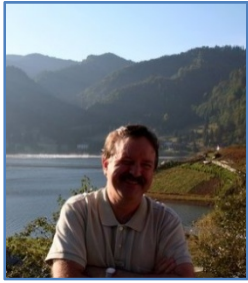
	Actual	Projection			
	CY2009	CY2010	CY2011	CY2012	
<b>WB Staff</b>					
Total HQ Staff Costs	577,898.03	765,603.46	833,718.63	858,416.90	
# of PROFOR Financed Core HQ Staff	4	5	5	5	1/
# of Non-PROFOR Financed Core HQ Staff	2	2	2	2	2/
<b>STC/STTs</b>					
Total Core STC/STT Fees	140,485.40	209,837.16	216,132.28	222,616.25	
Total Non-Core STC/STT Fees	228,870.14	457,740.28	457,740.28	457,740.28	
Total STC/STT Fees	369,355.54	667,577.44	673,872.56	680,356.53	
# of PROFOR Financed Core STC/STTs	2	3	3	3	3/
# of PROFOR Financed Non-Core STC/STTs	7	14	14	14	4/

Note:

1. Core HQ staff and STC/STT costs are expected to increase by 3% every year during CY2010-2012. PROFOR team is in the process of recruiting a Financing Specialist, and expects him/her to start in Jun, 2010. His/her staff costs are referenced to F level staff costs.
2. Peter Dewees is funded by WB budget as agreed in the PROFOR TF Administrative Agreement. Tuukka Castren is funded by a trust fund set up between WB and the Finnish Government.
3. 4 Core STC/STTs worked 70 staff weeks on PROFOR & FLEG activities in CY2009, equivalent to 1.6 full staff year.
4. 29 Non-Core STC/STTs worked 301 staff weeks on PROFOR & FLEG non-administrative related programs in CY2009, equivalent to 6.8 full staff year.



## Annex I: PROFOR Secretariat Staff



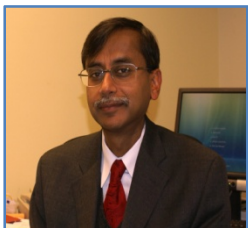
**Peter Dewees, *PROFOR Program Manager***, joined the PROFOR team in May 2009, from the Europe and Central Asia Region of the World Bank, where he had worked as Lead Environment Specialist since 2002, and was responsible for activities related to the forestry, watershed management, and nature protection, with a particular interest in the role and impact of EU accession. In 2005 he completed a major analytic study on how forest institutions in ECA have responded to the economic transition, focusing specifically on the challenges of institutional reform. Prior to joining ECA, he held the position of Lead Natural Resource Management Specialist in the Africa Region, where, in addition to his natural resource management portfolio, he also worked on issues related to environmental policy and institutions; refugee resettlement and reintegration; the conservation and development of cultural heritage; woodfuel management; and community-driven natural resource management activities in Eastern and Southern Africa. He holds a DPhil from Oxford University.



**Tuukka Castrén** is a *Senior Forestry Specialist* and the *Team Leader* of the Forest Law Enforcement and Governance (FLEG) Program in the World Bank Sustainable Development Network. Prior to working at the World Bank, he was with the Ministry for Foreign Affairs, Department for Development Policy in his native Finland, where he first joined the Ministry as an economic adviser, and later became the senior adviser for development policy. He has also worked in private sector forest consulting for many years earlier in his career. Mr. Castrén has university degrees both in forestry and economics from the University of Helsinki.



**Diji Chandrasekharan Behr** is a *Natural Resource Economist* with PROFOR, and works on the livelihood and cross-sectoral pillars of PROFOR. Her professional interests include adaptation to climate change, impact of sectoral policies on forest resources and forest dependent people, community-based natural resource management, and institutional dimensions of natural resource use (specifically, tenure and rights). Diji has worked in South Asia and more recently in East and West Africa. She is also involved in conducting analytical studies and strategic environmental and social assessments. Diji holds a Masters in Agriculture and Applied Economics from the University of Wisconsin-Madison, and a Ph. D in Natural Resource Management and Policy from Cornell University.



**Nalin Kishor** is a *Senior Natural Resources Economist*, and the *Coordinator* of the Forest Law Enforcement and Governance (FLEG) Program in the World Bank Sustainable Development Network. His work interests focus on the governance of sustainable forestry and natural resource management, trade growth and income distribution, institutional reforms, incentive compatible systems and diagnostics approaches and indicators for forest governance. He is a co-author of, *The Quality of Growth (OUP)* , a book on sustainable development. He holds a Ph. D in economics from the University of Maryland--College Park, with a specialization in natural resource and environmental economics.



**Anne Davis Gillet** was PROFOR's *Communications Specialist* from December 2007 to December 2009. She came to the job with 17 years of networking and communications experience at the World Bank, working with audiences in both donor countries and client countries. Her primary professional interest is in creating communities of practice. She spent her childhood in Africa and has worked on crisis communications issues in conflict states on that continent. She holds an MBA from the *Ecole Nationale de Ponts et Chaussées*. Unfortunately, in January 2010, Anne left the team for a new opportunity with the Bank's Information Services Group. The Secretariat has been working to find a replacement.



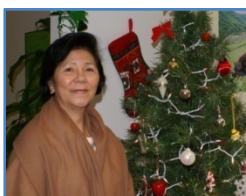
**Jane Li** joined the PROFOR team in September 2009 as the PROFOR *Operations Analyst*. Her main responsibilities include the trust fund financial management and work program coordination. Previously, she worked for 11 years in the International Finance Corporation (IFC), the private sector arm of the World Bank Group, first at the IFC China country office, then at the IFC headquarter in Washington DC. She holds an MBA from the Robert Smith School of Business at the University of Maryland, and a BA from the China Foreign Affairs University.



**Edgar Maravi** is a *Natural Resources Specialist* for the PROFOR team. He is originally from Peru, and holds a Master's Degree in Public Policy from Harvard University and a degree in Agricultural Engineering, specializing in tropical agronomy, from the Universidad Agraria in Peru. Prior to joining the Bank, he worked at WWF as the Director of the WWF-Peru. He has also worked at the Smithsonian Tropical Research Institute, as well as various positions in rural development in the public sector and international agencies in Peru.



**Juen Juen Lee** is the PROFOR *Communications Analyst*. Her main duties comprise of knowledge dissemination projects, website coordination, and events planning and management. She joined the PROFOR team in April, 2009 from the World Bank Publisher, where she was the Marketing and Promotions Associate. Previously, she has held various communications positions at WorldSpace Satellite Radio, and White Kat records. She was also the Corporate Governance Analyst for RiskMetrics, a spin-off corporation of JPMorgan. Juen Juen holds a degree in international business from Marymount University.



**Genalinda A. Gorospe** joined the PROFOR team in 2008 as the *Program Assistant*. She has worked more than 15 years for the World Bank and IFC in areas of international finance, corporate governance, procurement and budget monitoring, event planning and office management. Her previous positions included working with the Philippine Veterans Bank as Chief, Loans & Discounts department and as Executive Assistant to the Ambassador of Yemen to the United States. She holds a Bachelor's degree in Accounting/Banking & Finance from the Philippine Women's University.

## Annex II. Overview Chart of Activities According to Thematic Area

This chart includes all activities that were in some way active during calendar year 2009. Additional information on the status of each activity is provided in Annex III.

<b>LIVELIHOODS</b>																	
Project Name	Level	Thematic Group	PO/TF No.	Status	Vendor/Managing Unit	Starting Date	Planned Delivery	Total PROFOR Commitment	Total Co-Financing Commitment	PROFOR Disbursement to Date	Co-Financing Disbursement to Date	Total Project Cost to Date	Origin of Co-Financing	Project Staff Expenses	Travel Expenses	Other Expenses	WB Staff Expenses
Forest Connect - Developing A Tool Kit	Global	Livelihoods	7147880	Closed	IIED	6/19/2008	10/31/2009	153,042	142,527	152,852	142,527	295,379	IIED, FAO, NFP	83,727	6,365	62,760	-
Poverty Forest Linkages Toolkit	Global	Livelihoods	7150271	Closed	Overseas Development Institute	2/26/2009	3/6/2009	4,047	-	3,488	-	3,488	n.a.	-	-	3,488	-
Development Of 3 Case Studies	Regional (Mexico, Guatemala, Honduras)	Livelihoods	7147508	Open	RAINFOREST ALLIANCE	5/22/2008	3/30/2010	150,000	104,280	97,500	96,298	193,798	Rainforest Alliance	73,253	11,610	22,816	-
Private & Community Forestry Developing Livelihoods On The Basis Of Secure Property Rights In South East Europe	Regional (Albania, Macedonia, Serbia)	Livelihoods	7145656	Closed	Confederation of European Forest	1/2/2008	8/31/2009	150,000	30,000	150,000	27,845	177,845	CEPF, FAO, SNV	78,664	29,047	42,289	-
Forest Enterprise Information Exchange	Country-India	Livelihoods	7147863	Open	Community Enterprise Forum	6/18/2008	2/28/2010	156,011	16,500	109,208	25,948	135,156	IIED, CEFI	96,265	33,964	24,855	-
Lessons From Indian Watershed Management Projects	Country - India	Livelihoods	TF09432 1	Open	SASDA	4/25/2009	2/28/2010	130,075	-	5,942	-	5,942	n.a.	-	1,399	-	4,542
Mexico Community Forestry Enterprise Competitiveness And Access To Markets	Country - Mexico	Livelihoods	TF09481 8	Open	LCSAR	7/15/2009	12/31/2011	150,000	-	-	-	-	n.a.	-	-	-	-
Forests And Rural Livelihood In The Kyrgyz Republic - Development Potentials	Country - Kyrgyz Republic	Livelihoods	TF09539 1	Open	ECSSD	11/1/2009	10/31/2011	120,000	56,000	-	-	-	WB	-	-	-	-
Support For Targeting Watershed Rehabilitation Investments In Turkey	Country - Turkey	Livelihoods	TF09428 2	Open	ECSSD	4/1/2009	2/28/2015	150,036	128,136	15,000	10,000	25,000	WB, FAO	15,000	-	-	-
Livelihoods And Sustainable Management Of Drylands Forests In Eastern And Southern Africa	Regional - Eastern and Southern Africa	Livelihoods	TF09525 8	Open	AFTEN	9/18/2009	4/30/2011	150,000	25,000	-	-	-	WB	-	-	-	-
<b>Total</b>								<b>1,313,211</b>	<b>502,443</b>	<b>533,989</b>	<b>302,618</b>	<b>836,607</b>	<b>-</b>	<b>346,909</b>	<b>82,385</b>	<b>156,208</b>	<b>4,542</b>

## FINANCING SFM

Project Name	Level	Thematic Group	PO/TF No.	Status	Vendor/Managing Unit	Starting Date	Planned Delivery	Total PROFOR Commitment	Total Co-Financing Commitment	PROFOR Disbursement to Date	Co-Financing Disbursement to Date	Total Project Cost to Date	Origin of Co-Financing	Project Staff Expenses	Travel Expenses	Other Expenses	WB Staff Expenses
Design principles to maximize learning	Global	Financing SFM	7152728	Open	CIFOR - Center for International	9/24/2009	2/28/2010	150,000	274,586	15,000	-	15,000	PACKARD Foundation, DFID, USAID	31188	8511	3957	0
Pro-Poor REDD - How will we know?	Global	Financing SFM	7152226	Open	Forest Trends	7/31/2009	2/28/2010	94,600	151,500	18,920	86,059	104,979	Forest Trends, CCBA, Rainforest Alliance, Fauna & Flora Int'l, USAID, Moore Foundation	10797	1074	1460	0
Dialogue on Forest and Poverty Reduction	Global	Financing SFM	7143379	Close	Yale School of Forestry and	6/6/2007	12/10/2009	70,000	40,000	70,000	40,000	110,000	BWI, TNC-Bolivia, CEDES, April, FPAC, SIDA, Mond	38700	21000	10300	0
SFM Certification Schemes	Global	Financing SFM	7151919	Close	Indufor Oy	6/26/2009	10/2/2009	25,000	-	25,000	-	25,000	n.a.	25000	0	0	0
Preparing REDD in Dry-Land Forests	Regional (Mozambique, Namibia, Zambia)	Financing SFM	7148313	Close	IIED	7/23/2008	8/31/2009	148,270	50,000	148,270	-	148,270	CIFOR	114314.41	6228.57	27727.02	0
Carbon Project in Mozambique	Country - Mozambique	Financing SFM	7147821	Close	Indufor Oy	6/16/2008	11/30/2009	150,000	95,425	141,765	95,425	237,190	MFA, IIED	91250	40715	9800	0
PROFOR SUPPORT FOR BEST PRACTICES IN FINANCING PROTECTED AREAS	Country - Croatia	Financing SFM	TF094062	Open	ECSSD	3/25/2009	2/28/2010	150,000	-	88,907	-	88,907	n.a.	60000	7719.56	2889.82	18873.76
<b>Total</b>								<b>787,870</b>	<b>611,511</b>	<b>507,862</b>	<b>221,484</b>	<b>729,346</b>	<b>-</b>	<b>371,249</b>	<b>85,248</b>	<b>56,134</b>	<b>18,874</b>

## GOVERNANCE

Project Name	Level	Thematic Group	PO/TF No.	Status	Vendor/Managing Unit	Starting Date	Planned Delivery	Total PROFOR Commitment	Total Co-Financing Commitment	PROFOR Disbursement to Date	Co-Financing Disbursement to Date	Total Project Cost to Date	Origin of Co-Financing	Project Staff Expenses	Travel Expenses	Other Expenses	WB Staff Expenses
Forest Governance and Transparency in the Amazon Region	Regional (LAC)	Governance	7144886	Close	IUCN The World Conservation Union	10/23/2007	12/31/2009	254,017	-	254,017	-	254,017	n.a.	254017	0	0	0
Forests Governance Tool Box	Regional (LAC)	Governance	7149817	Close	ACICAFOC	1/9/2009	5/30/2009	38,000	-	33,699	-	33,699	n.a.	33699	0	0	0
Development of National Timber	Regional (Peru, Guatemala)	Governance	7153311	Open	INTERCOOPERATION	11/24/2009	6/30/2010	65,600	-	6,560	-	6,560	n.a.	6560	0	0	0
Madagascar's Forest Management.	Country - Madagascar	Governance	7147425	Close	International Resource Group	5/16/2008	7/31/2009	40,000	-	36,915	-	36,915	n.a.	36914.6	0	0	0
Guatemala Forest Sector Governance	Country - Guatemala	Governance	7147160	Open	Centro Agronomico Tropical De Inves	4/30/2008	6/30/2010	143,700	-	96,970	-	96,970	n.a.	96970	0	0	0
Consultancy Services CONADEH plus 6 STCs in Honduras	Country - Honduras	Governance	7152631	Open	Comisionado Nacional de Derechos	9/14/2009	5/31/2010	86,000	-	50,572	-	50,572	n.a.	50571.96	0	0	0
STRENGTHENING FOREST GOVERNANCE AND RULE (Phase II)	Country - Peru	Governance	7152333	Open	IUCN The World Conservation Union	8/11/2009	6/30/2010	130,000	-	73,000	-	73,000	n.a.	73000	0	0	0
Support Forest Governance in Nicaragua	Country - Nicaragua	Governance	7148437	Open	GLOBAL WITNESS	8/6/2008	12/31/2009	85,000	-	58,500	-	58,500	n.a.	58500	0	0	0
Publication of the Cameroon Sector Policy Reform Report	Regional (Sub-Saharan)	Governance	P092619	Close	AFTEN	10/1/2007	5/29/2009	78,809	104,660	78,809	104,660	183,470	WB	32922	0	45887.47	0
FLEG MEKONG PHASE I	Regional - Asia	Governance	TF094063	Open	ARD	3/12/2009	2/28/2015	310,000	-	87,357	-	87,357	n.a.	53110.86	20243.89	6584.05	0
<b>Total</b>								<b>1,231,126</b>	<b>104,660</b>	<b>776,399</b>	<b>104,660</b>	<b>881,059</b>	<b>-</b>	<b>696,265</b>	<b>20,244</b>	<b>52,472</b>	<b>-</b>

## CROSS SECTORAL

Project Name	Level	Thematic Group	PO/TF No.	Status	Vendor/ Managing Unit	Starting Date	Planned Delivery	Total PROFOR Commitment	Total Co-Financing Commitment	PROFOR Disbursement to Date	Co-Financing Disbursement to Date	Total Project Cost to Date	Origin of Co-Financing	Project Staff Expenses	Travel Expenses	Other Expenses	WB Staff Expenses
Landscapes of Opportunity	Global	Cross Sectoral	7152712	Open	IUCN	9/23/2009	9/20/2010	96,000	46,000	57,600	26,315	83,915	IUCN/DGIS, DFID, CF, Packard Foundation	24133	4861	0	0
Land Acquisition study	Global	Cross Sectoral	7151296, 7151158, 7151157, 7150115, 7144759	Open	Klaus Deininger	5/18/2009	12/31/2009	300,000	945,000	110,304	211,500	321,804	TFESSD, WB, FAO-CP, Hewlett Foundation, SCD	108775	1514	15	0
STUDY ON ECONOMIC GROWTH AND DRIVERS OF DEFORESTATION IN THE CONGO BASIN	Regional - Cameroon, Gabon, DRC, Republic of Congo, CAR and Eq. Guinea	Cross Sectoral	TF093774	Open	AFTEN	2/9/2009	4/30/2011	150,000	600,000	21,760	-	21,760	DFID, TEFSSD, FCPF, Norway	18480.19	3124.4	0	155.12
FORESTRY IN THE SUB-SAHARAN AFRICA: CHALLENGES & OPPORTUNITIES	Regional - Sub-Saharan Africa	Cross Sectoral	TF094281	Open	AFTEN	4/6/2009	4/30/2011	150,000	24,000	44,265	8,680	52,945	FAO-CP Prog	36760	0	0	605.48
WEST AFRICA FOREST STRATEGY	Regional - West Africa	Cross Sectoral	TF094706	Open	AFTEN	9/8/2009	4/30/2011	150,000	15,000	8,988	2,000	10,988	n.a.	0	0	0	8988
PROFOR SYRIA FORESTS	Country - Syrian Arab Republic	Cross Sectoral	TF094632	Open	MNSSD	6/1/2009	6/30/2011	150,000	192,750	-	-	-	n.a.	0	0	0	0
<b>Total</b>								<b>996,000</b>	<b>1,822,750</b>	<b>242,917</b>	<b>248,495</b>	<b>491,412</b>	<b>-</b>	<b>188,148</b>	<b>9,499</b>	<b>15</b>	<b>9,749</b>