

10/4/2017

**[Approved by mail]: Forest Investment Programme, Peru (FIP) IDB -- XFIPPE033A
Proposed Decision**

Dear FIP Sub-Committee members,

Please find attached a proposal entitled, *Peru: Forest Investment Program*, submitted by the Government of Peru and the Inter-American Development Bank (IDB) for your review and approval of USD 19.5 million in grant funding, USD 16.8 million in non-grant funding, and USD 450,000 as second tranche of project preparation and supervision costs.

The FIP Sub-Committee is requested to note that the following projects in the endorsed FIP Investment Plan for Peru were combined into the proposed *Peru: Forest Investment Program*:

- Integrated Forest Landscape Management Along the Main Route Between Tarapoto and Yurimaguas in the Regions of San Martin and Loreto;
- Integrated Landscape Management Along the Main Route Between Puerto Maldonado and Inapari and in the Amarakaeri Communal Reserve; and
- Strengthening National Forest Governance and Innovation

The FIP Sub-Committee is requested to approve the following decision:

The FIP Sub-Committee approves a FIP allocation of USD 19.5 million in grant funding, and USD 16.8 million in non-grant funding for the proposal entitled, *Peru: Forest Investment Program*, submitted by the Government of Peru and the Inter-American Development Bank (IDB).

The FIP Sub-Committee notes the final estimate of USD 1,200,000 for project implementation and supervision services and approves USD 450,000 as the final tranche of funding for such services.

For your information the following tables summarizes the allocation of FIP resources for Peru under the endorsed Investment Plan, and the overall resource availability in the FIP program. The Trustee has confirmed that there are sufficient resources available for the commitment requested.

Peru: FIP Investment Plan		USD million		
		Grant	Credits	Total
Endorsed Allocation (endorsed October 2013)		26.80	23.20	50
Approved Project Preparation Grants				
Integrated Forest Landscape Management Along the Main Route Between Tarapoto and Yurimaguas in the Regions of San Martin and Loreto		0.37		0.37
Integrated Land management in Atalaya, Ucayali Region		0.40		0.4
Integrated Landscape Management Along the Main Route Between Puerto Maldonado and Inapari and in the Amaraeri Communal Reserve		0.37		0.37
Strengthening National Forest Governance and Innovation		0.36		0.36
Project Submitted for Approval				
Forest Investment Programme		19.5	16.8	36.3
Total approved funding if above request is approved		21.000	16.800	37.800
Total allocation remaining		5.800	6.400	12.200

Figures as of September 30, 2017

FIP Resource Tracking Table

Amounts expressed in USD million

	Grant	NonGrant	Total
Funds Available to Support FIP Programming (as of August 31, 2017)	109.37	130.03	239.40
Add: Pledges/Contributions Receivable	9.47	25.58	35.05
Less: Project Submitted for Approval			
XFIPPE033A: Integrated Forest Landscape Management Along the Main Route Betw	19.50	16.80	36.30
MPIS (Balance of \$250,000 for each project)	0.45		
Subtotal	135.66	257.65	393.31
Less: Pipeline Projects to be Submitted for Approval 1/	119.9	146.0	265.9
Level of Overprogramming, if any	15.77	111.64	127.42

Note: The table does not include projected admin budget for FY18-FY21(\$11.18M).

1/ Includes projects/programs under endorsed allocations plus related fees.

The FIP Sub-Committee is requested to note that this proposal was submitted to the CIF Administrative Unit before the deadline of September 30, 2017.

To provide any comments that you may have on this proposal, please click [here](#). Kindly refer to the attached guidance and FAQ documents.

If we do not receive an objection to the proposed decision by close of business on **October 18, 2017**, the decision will be approved.

Sincerely,

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Manager

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