

Frequently Asked Questions— Dedicated Grant Mechanism for Indigenous Peoples and Local Communities (DGM)

What is the Dedicated Grant Mechanism?

The [Dedicated Grant Mechanism](#) for Indigenous Peoples and local communities (DGM) is part of the [Forest Investment Program](#) (FIP) – a window of the [Climate Investment Funds](#) that provides funding to countries to address the direct and underlying drivers of deforestation and forest degradation. Within the FIP, the DGM is an innovative program aimed at facilitating the effective participation of Indigenous Peoples and local communities in the design and implementation of activities that reduce deforestation and forest degradation at the local, national and global levels. The goal of the DGM is to build capacity and empower forest dependent communities so that they have a greater role in the design and implementation of forest policies and programs which impact them. It ensures that these communities lead on the governance of the program and will be the ones to set their priorities and implement programs aimed at conserving their forests and natural environment.

The DGM is designed to enhance the capacity of, and support on-the ground activities to be carried out by Indigenous Peoples and local communities in the pilot countries¹ of the FIP. In each FIP pilot country the program will have a menu of options for communities aimed towards fostering better management of forest landscapes, reducing emissions from deforestation and forest degradation (also known as REDD+), enhancing technical and negotiations skills and enhancing access to information and alternative income generation options.

How was the Dedicated Grant Mechanism developed?

The Dedicated Grant Mechanism was designed by Indigenous Peoples and local community representatives, reflecting their priorities and interests. The CIF Administrative Unit and the multilateral development banks (MDBs) have supported the process. First, an overarching design was developed by a global working group of Indigenous Peoples and local communities. This formed the basis for the framework operational guidelines for the program which includes the objectives, principles, governance arrangements and criteria for funding. The design of the country-specific DGM projects are based on the Framework Operational Guidelines.

How does the Dedicated Grant Mechanism relate to the Forest Investment Program?

At the pilot country level, the DGM is complementary to the investment projects and programs supported under the country's FIP investment plan. Each country FIP investment plan has an annex on the DGM where these linkages are specified. Activities in countries will be tailored to the priorities of the communities while being aligned with the strategic objectives of the forest investment plan in the country.

¹ Currently Brazil, Burkina Faso, Democratic Republic of Congo, Ghana, Indonesia, Lao Peoples' Democratic Republic, Mexico, and Peru are pilot countries of the FIP.

How is the Dedicated Grant Mechanism structured? The DGM has two components – one focusing on the global level and the other on the country level. Conservation International is the global executing agency and national executing agencies will be selected in each country by the respective National Steering Committees.

How is the Dedicated Grant Mechanism organized and governed?

The DGM is governed by Indigenous Peoples and local communities-led Steering Committees at the global and national levels.

A Global Steering Committee will be established with representation from Indigenous Peoples groups and local communities from the pilot countries of the FIP, a member from a non-FIP country and representatives from the World Bank and the Global Executing Agency. Until the DGM National Steering Committees are established in the countries, a Transitional Committee with transitional membership from the countries is fulfilling this role. A Global Executing Agency (GEA) serves as the secretariat to the Global Steering Committee and will carry out the tasks as outlined in the Operational Guidelines of the DGM. Conservation International, USA is the Global Executing Agency for the DGM. The GEA will be the repository of the information on the DGM and maintain its website.

Each country program will be overseen by a National Steering Committee, which will be established through a consultative self-selection process in each pilot country. The National Steering Committee will guide the implementation of the country program and make funding decisions on eligible grant proposals. Indigenous Peoples and local communities will have a majority in the National Steering Committee. A National Executing Agency (NEA) will be selected to implement the program in each pilot country. The NEA will carry out the administrative and fiduciary management of the project under the oversight of the NSC in the country. The selection of the NEA will be done by the National Steering Committee in each country.

How much money does the Dedicated Grant Mechanism represent and who can access these resources?

The indicative allocation is US\$50 million in grant resources to the DGM as follows:

Country	Allocation (million US\$)
Brazil	6.5
Burkina Faso	4.5
Democratic Republic of Congo	6.0
Ghana	5.5
Indonesia	6.5
Lao PDR	4.5
Mexico	6.0
Peru	5.5
Global Component	5.0
Total	50.0

In order for funding to be channeled in each country, a DGM project will be developed in accordance with World Bank operational policies and procedures and approved by the World Bank Board. Funds will be channeled through a National Executing Agency.

What is the status of the country projects?

The Brazil DGM project has been approved and will start operations on the ground soon. Project development is ongoing in Indonesia, Peru, Burkina Faso, Democratic Republic of Congo and Mexico which are all expected to become operational in late 2015 and early 2016. The DGM web page will be updated frequently with information on these projects.

Where can I get more information?

For more information see the [DGM website](#) which has links to the background documents, current project documents, reports on the selection of National Steering Committees and other news on the DGM.

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