

**Managing Forest Resources for Sustainable Development
An Evaluation of World Bank Group Experience
and Draft Management Response**

Report to the Board of Executive Directors from the

Committee on Development Effectiveness*

Meeting of February 4, 2013

The Committee on Development Effectiveness (CODE) met to consider *Managing Forest Resources for Sustainable Development: An Evaluation of World Bank Group Experience* (CODE2012-0054) and *Draft Management Response* (CODE2013-0003).

The Committee welcomed the Independent Evaluation Group's (IEG's) evaluation of the World Bank Group's support for Managing Forest Resources for Sustainable Development.

The Committee expressed strong and unambiguous support for continued World Bank Group (WBG) engagement in the Forests Sector. The Committee agreed that the WBG has a unique and key role to play in supporting effective sustainable forest management in client countries, including supporting timber concession reform. The Committee underscored that WBG support to the sector, on the whole, has had a positive impact on environmental outcomes and on improving forest governance.

CODE welcomed Management's agreement with most of IEG's recommendations. The Committee, however, disagreed with IEG's recommendation regarding timber concession reform in tropical moist forest countries. The Committee was not in favor of undertaking a parallel review to the ongoing safeguard review. Furthermore, CODE had questions on the comprehensiveness of the analysis underpinning the recommendation.

CODE urged Management to continue to assess how the WBG can best add value in the challenging Forests Sector. It welcomed the proposed Forests Action Plan, to follow up on the 2002 Forests Strategy. CODE requested that in this forward looking context strengthened poverty reduction targets should be articulated, short-term proxy indicators for long-term impacts developed and improved monitoring and evaluation frameworks established. In particular, the Committee stressed that future interventions by the WBG should include rigorous assessments of expected economic, environmental, social and poverty impacts to improve implementation when engaging in timber concession reform in challenging environments. CODE also looked forward to the Action Plan addressing how forests support can be integrated into wider smart land use policies.

* This report is not an approved record.