

## 2b. Portfolio Management Update

# FCPF Carbon Fund Contributions to Date

## FCPF Carbon Fund Donor Contributions as of March 31, 2024 (in \$ thousands)

Participant Name	Total	Outstanding	FY21	FY20	FY19	FY18	FY17	FY16	FY15	FY14	FY13	FY12	FY11	FY10	FY09
Australia	18,392											5,658	12,735		
BP Technology Ventures	5,000												5,000		
Canada	5,015											5,015			
European Commission	6,709													362	6,347
France	5,114								114				5,000		
Germany	321,295			55,974	57,265	29,616	54,771	13,329	32,108	27,280	6,556	15,443	21,125	3,819	4,009
Norway	297,087			27,166	27,618	12,640		58,352			161,310				10,000
Switzerland	10,796											10,796			
The Nature Conservancy	5,000														5,000
United Kingdom	181,582		71,489	92,153									17,940		
United States of America	18,500						4,500				4,000		10,000		
<b>Committed Funding</b>	<b>874,492</b>	<b>0</b>	<b>71,489</b>	<b>175,292</b>	<b>84,883</b>	<b>42,256</b>	<b>59,271</b>	<b>71,681</b>	<b>32,222</b>	<b>27,280</b>	<b>171,866</b>	<b>36,912</b>	<b>71,800</b>	<b>4,181</b>	<b>25,356</b>

\$874.5  
million

# Carbon Fund Financial Situation: Sources and Uses Summary

Carbon Fund Sources and Uses Summary (\$m)	
	Current Situation
<b>Sources</b>	<b>937.0</b>
<b>Number of ER Programs</b>	<b>15</b>
<b>Uses</b>	<b>871.8</b>
<b>Signed ERPAs</b>	<b>721.3</b>
<b>Costs over Fund Lifetime (FY10 to FY29)</b>	<b>150.5</b>
Fixed Costs	47.5
ER Program Costs	93.0
ER Program's Reversal Management Mechanism	10.0

# Available for purchase of ERs

Carbon Fund Sources and Uses Summary (\$m) as of March 31, 2024	
Sources	937.0
Available for purchase of ERs	786.6
Signed ERPAs (15)	721.3
<b>Total uncommitted</b>	<b>65.3</b>

# ERPA Commitments

Country	Contract Vol. (tCO <sub>2</sub> e)	Contract Value	HFLD	HFLD proportion
Chile	5,200,000	\$ 26,000,000		
Costa Rica	12,000,000	\$ 60,000,000		
Côte d'Ivoire	10,000,000	\$ 50,000,000		
Dominican Republic	5,000,000	\$ 25,000,000		
DR Congo	11,000,000	\$ 55,000,000	11,000,000	
Fiji	2,500,000	\$12,500,000		
Ghana	10,000,000	\$ 50,000,000		
Guatemala	10,500,000	\$ 52,500,000		
Indonesia	22,000,000	\$ 110,000,000		
Lao PDR	8,400,000	\$ 42,000,000		
Madagascar	10,000,000	\$ 50,000,000		
Mozambique	10,000,000	\$ 50,000,000		
Nepal	9,000,000	\$ 45,000,000		
Republic of Congo	8,359,000	\$ 41,795,000	8,359,000	
Viet Nam	10,300,000	\$ 51,500,000		
<b>TOTAL</b>	<b>144,259,000</b>	<b>\$ 721,295,000</b>	<b>19,359,000</b>	<b>13%</b>

# Portfolio updates - overview

## ER Monitoring Reports

- **1<sup>st</sup> Reporting Period**
  - 15 submitted and reports available online
- **2<sup>nd</sup> Reporting Period**
  - 4 submitted and reports available online
- **3<sup>rd</sup> Reporting Period**
  - 1 submitted and under review

## Validation & Verification

- **1<sup>st</sup> Reporting Period**
  - 7 completed and reports available online; 8 ongoing
- **2<sup>nd</sup> Reporting Period**
  - 2 completed, 2 ongoing
- **3<sup>rd</sup> Reporting Period**
  - 1 not yet started

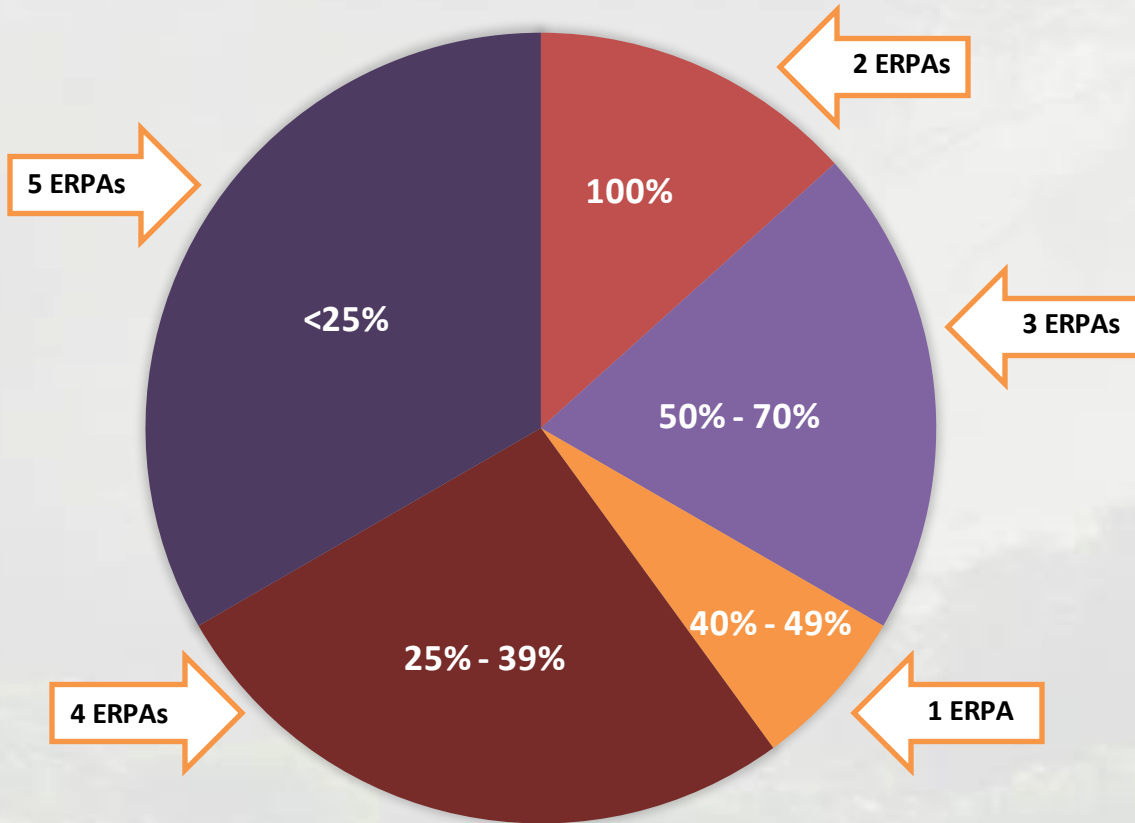
## ERPA Payments

- **Payments for verified Contract ERs:** 5 payments made (**\$88 million**), 4 additional payments expected to complete by end FY24 (\$86 million)
- **Total Contract ER payments expected (verified and ER advance):** By end FY24 \$177 million, by end CY24 \$358 million

# ER MR submission – Validation & Verification Status

ER MR#	Status	# of countries	Countries
<b>1<sup>st</sup> RP</b>	VV completed	7	Costa Rica, Côte d'Ivoire, Ghana, Lao PDR, Madagascar, Mozambique, Viet Nam
	VV ongoing an expected to complete in FY25 (before December 2024)	8	Chile, DR, DRC, Guatemala, Fiji, Indonesia, Nepal, ROC
<b>2<sup>nd</sup> RP</b>	Verification completed	2	Mozambique, Ghana
	Verification expected to complete within FY24	2	Costa Rica
	ER MR not submitted	11	All remaining ERPAs
<b>3<sup>rd</sup> RP</b>	ER MR submitted	1	Mozambique

# ER Delivery – ER Program & Portfolio



% ERPA delivered*	Countries	# of RPs left
100%	Indonesia, Viet Nam	2
50% - 70%	Costa Rica,	1
	Cote d'Ivoire, Guatemala	2
40% - 49%	Ghana	2
25% - 39%	Lao PDR	1
	DR Congo, Fiji	2
	Nepal	1
<25%	Chile	1
	DR, Madagascar, Mozambique, ROC	4

- **50%** ER delivery expected to date at portfolio level (Contract ERs only)
- **67%\*** of the portfolio has reported an ER delivery of more than 25% of their ERPA Contract volumes

\* based on submitted ERMRS and Verification Reports



# ER Program Updates

## AFRICA

ER Program	Key issues
<b><i>Côte d'Ivoire</i></b>	<ul style="list-style-type: none"><li>• Validation and Verification (VV) of the first Reporting Period (RP1) completed</li><li>• Payment is currently under process</li></ul>
<b><i>DR Congo</i></b>	<ul style="list-style-type: none"><li>• VV of RP1 ER MR is currently ongoing and progressing well, expected to complete in first half FY25</li><li>• ER title transfer process – homologation order – expected to complete by July 2024</li><li>• DRC has potential excess ERs from the 30% share of reported ERs that can be retained by the country. These excess ERs can be used as DRC prefers including to sell in the market.</li></ul>
<b><i>Ghana</i></b>	<ul style="list-style-type: none"><li>• VV of RP2 ER MR completed and payment is under process</li><li>• BSP implementation pertaining to RP1 payment is ongoing (more info in Annex 2 of <a href="#">RP2 ER MR</a>)</li></ul>

# ER Program Updates

## AFRICA

ER Program	Key issues
<b><i>Madagascar</i></b>	<ul style="list-style-type: none"><li>• RP1 payment was made in November 2023</li><li>• Distribution of benefits to beneficiaries has not yet started. Ministerial procedures related to the implementation of the BSP are yet to be completed.</li></ul>
<b><i>Mozambique</i></b>	<ul style="list-style-type: none"><li>• Third Party monitoring (TPM) on the implementation of the BSP was conducted recently to better understand the delays in distribution of the benefits to the communities.</li><li>• TPM report will be available online on the FCPF website</li></ul>
<b><i>Republic of Congo</i></b>	<ul style="list-style-type: none"><li>• VV for RP1 ER MR is currently ongoing and progressing well, expected to complete in first half of FY25</li><li>• ROC has a US\$ 1 million advance payment that is currently under process</li><li>• Decree defining the 15% allocation of ERPA payments to the government is currently awaiting approval</li></ul>

# ER Program Updates

## ASIA PACIFIC

ER Program	Key issues
<b><i>Fiji</i></b>	<ul style="list-style-type: none"><li>• VV for RP1 ER MR currently ongoing and expected to complete in the first half of FY25</li><li>• Work also ongoing related to legal and administrative procedures to ensure readiness for ER transfer and payment after VV concludes</li></ul>
<b><i>Indonesia</i></b>	<ul style="list-style-type: none"><li>• VV for RP1 ER MR is yet to conclude. Findings related to the assessment of the reversal risk set-aside are yet to be closed due to ongoing internal government processes.</li><li>• BSP implementation of the US\$ 20.9 million is ongoing</li><li>• Distribution to sub-national government has been completed and distribution to communities is now ongoing following the completion of legal process related to the Intermediary Agencies.</li></ul>
<b><i>Lao PDR</i></b>	<ul style="list-style-type: none"><li>• VV for RP1 ER MR recently completed and payment is under process</li></ul>
<b><i>Viet Nam</i></b>	<ul style="list-style-type: none"><li>• Viet Nam has fulfilled the entire 10.3 million Contract ERs and BSP implementation is ongoing and progressing well.</li><li>• Funds have disbursed to all the six provinces, and distribution to the beneficiaries within the provinces is ongoing. First BSP implementation report is expected in the first half of FY25.</li></ul>
<b><i>Nepal</i></b>	<ul style="list-style-type: none"><li>• VV for RP1 ER MR currently ongoing and expected to complete in the first half of FY25</li></ul>

# ER Program Updates

## LATIN AMERICA

ER Program	Key issues
<b><i>Chile</i></b>	<ul style="list-style-type: none"><li>• Validation &amp; Verification (VV) of the Reporting Periods 1 and 2 ER MRs is ongoing, expected to complete within FY25</li></ul>
<b><i>Costa Rica</i></b>	<ul style="list-style-type: none"><li>• VV for RP2 ER MR is expected to complete within FY24</li><li>• More ERs (about 270K ERs) from RP1 also expected to be issued within FY24 as ER title transfer confirmed from additional private forest lands.</li><li>• Payment for RP2 ERs and additional RP1 ERs will be processed together once verification report and supplemental statement from VVB for the respective periods are issued</li></ul>
<b><i>Dominican Republic</i></b>	<ul style="list-style-type: none"><li>• Validation &amp; Verification (VV) of the Reporting Periods 1 and 2 ER MRs is ongoing, expected to complete within FY25</li><li>• Payment may be delayed as legal and administrative processes related to ER title transfer is still ongoing.</li></ul>
<b><i>Guatemala</i></b>	<ul style="list-style-type: none"><li>• Validation &amp; Verification (VV) of the Reporting Periods 1 and 2 ER MRs is ongoing, expected to complete within FY25</li><li>• Guatemala has potential excess ERs due to the sweep cap provisions under the ERPA. These excess ERs can be used as Guatemala prefers including to sell in the market.</li></ul>

THANK YOU!

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