



Agenda CF29

Interpretation:

French: 2

English: 3

Spanish: 4

Opening

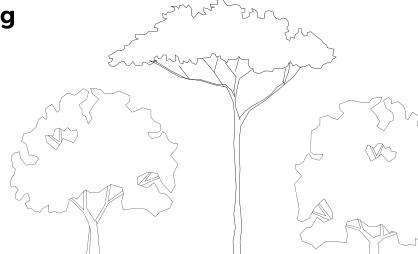
- Facility Issues
 - A. Update on Carbon Fund Progress
 - B. Portfolio Management Update
 - C. Monetization of Excess ERs
 - D. ERPA Flexibility
- E. Impactful BSP
- F. FCPF Standard

O3 Deep Dive

- A. ER Program implementation
- B. ER Monitoring Report preparation
- C. Verification
- D. Transfer of Title
- E. BSP Implementation

04

Closing



3



Agenda Day 1

Monday, January 27, 2025						
Day 1 - Abidjan						
8:30-9:00am Registration						
1. Opening						
9:00-9:15am	 a. Welcome Andres Espejo, FMT Olivier Mahul, Global Manager, World Bank Ellysar Baroudy, Regional Manager West-Africa, World Bank Objectives and Adoption of Agenda Chair: Frédérique Willard, France 					
9:15-10:15am	 2a. Update on Carbon Fund Progress Since CF28 Chie Ingvoldstad, FMT 					
10:15-10:45am	 c. Opening remarks Marie-Chantal Uwanyiligira, World Bank Country Director for Côte d'Ivoire Ministre Konan Jacques Assahore, ministère de l'environnement du développement durable (MINEDD) Ministre Adama Coulibaly, ministère des finances et du budget 					
10:45-11:00am	Coffee Break					
	2. Facility issues					
11:00am-12:00pm	b. Portfolio Management UpdateBouk Berns, FMT					
12:00-1:00pm	 c. Monetization of Excess ERs Chie Ingvoldstad, FMT Keiichi Igarashi, UNFCCC 					
1:00-2:00pm	Lunch break					
2:00-3:00pm	d. ERPA Flexibility • Andres Espejo, FMT					
3:00-3:15pm	Coffee Break					
3:15-4:45pm	e. Impactful BSP • Asyl Undeland, FMT					
End of Day 1						
5:30pm	Departure for dinner					
Dinner & Reception Restaurant Assoyam						



Agenda Day 2

Tuesday, January 28, 2025						
Day 2 - Abidjan						
2. Facility Issues (continued)						
09:00-10:15am	e. FCPF Standard• Andres Espejo, FMT					
10:15-10:30am	Coffee Break					
3. Deep Dive Learning Session						
10:30-10:45am	Introduction to Deep Dive Learning Session • Bouk Berns, FMT					
10:45am-12:15pm	 a. ER Program implementation Facilitated by Philippe Dardel, TTL for Dominican Republic and Guatemala ER Programs 					
12:15-1:15pm	Lunch Break					
1:15-2:45pm	 b. ER Monitoring Report preparation Facilitated by Jean-Dominique Bescond, TTL for Côte d'Ivoire ER Program 					
2:45-3:00pm	Coffee Break					
3:00-4:30pm	verificationFacilitated by Catalina Becerra Leal, FMT					
4:30-5:30pm	Non-carbon benefits and biodiversity considerations • Lauren Kelly, Independent Evaluation Group, World Bank					
End of Day 2						



Agenda Day 3

Wednesday, January 29, 2025					
Day 3 - Abidjan					
Check-out of hotel room					
3. Deep Dive (continued)					
9:00-10:30am	 a. Transfer of Title Facilitated by Markus Pohlmann, World Bank Legal Department 				
10:30-10:45am	Coffee Break				
10:45am-12:15pm	b. BSP ImplementationFacilitated by Asyl Undeland, FMT				
12:15-1:15pm	Lunch break				
4. Closing					
1:15-2:30pm	 a. Presentation on Côte d'Ivoire ER Program, field trip area, and logistics Eric Konan, Elie Kouman, Côte d'Ivoire government Dania Mosa, World Bank Task Team 				
2:30-2:45pm	b. Next Meetings ■ Bouk Berns, FMT				
2:45-3:00pm	c. Conclusions & Closing remarksFrédérique Willard, France				
3:00-3:30pm	Transfer to airport				
5:00-6:00pm	Flight to San Pedro				
6:00-7.00pm	Transfer to hotel				
End of Day 3					





Update on Carbon Fund Progress since CF28

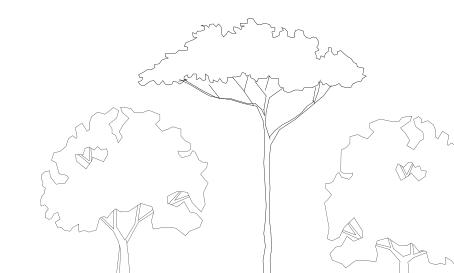
Carbon Fund
Portfolio

Measurement, Reporting, and Verification (MRV)
(+ CATS, CORSIA, ICROA, ICVCM)

Sharing Knowledge and Raising Visibility

O Concluding Messages

OS Social Inclusion of Forest-Dependent Indigenous Peoples and Local Communities







Carbon Fund Portfolio





Emission Reductions Payment Agreements

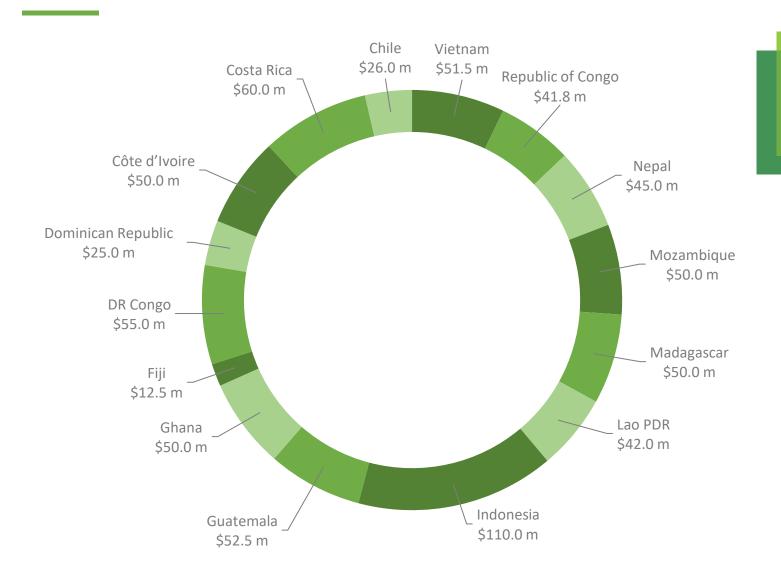
- Total number of ERPAs signed to date = 15
 - Chile, Costa Rica, Côte d'Ivoire, Democratic Republic of the Congo, Dominican Republic, Fiji, Ghana, Guatemala, Indonesia, Lao PDR, Madagascar, Mozambique, Nepal, Republic of the Congo, Viet Nam
- Total ER Contract Value of the 15 ERPA signed Countries: \$721.3 million (144 million ERs)

What is an ERPA?

An ERPA is an agreement signed between Country Participants and the World Bank (acting as trustee of the FCPF Carbon Fund) for the sale, transfer of, and payment for emission reductions (ERs) generated from the ER Program.



Carbon Fund Commitments



Total \$721.3 M



Noteworthy Progress & Results

- ERPA payments for verified Contract ERs made to date: 8 countries, US\$179.3 million
- Total expected payments (Verified ERs and ER advance payments): over \$419 million expected by end CY25
- Additional/Excess ERs: Currently estimated to be 36.1 million emission reductions by end CY25 (with 100k already monetized in carbon markets by Costa Rica).
- BSP implementation: Mozambique, Ghana, Costa Rica, Madagascar, CIV, Lao PDR Indonesia and Viet Nam have started implementing their BSPs, with over 240,000 beneficiaries receiving benefits.





Communications and Visibility

- Regular content published in partnership with World Bank regional offices:
 - Chile Press Release on first payment (Jan 2025)
 - Chile blog on building resilient future for forests
 - Viet Nam feature story on benefit sharing impacts
 - Lao PDR first payment
- Annual Report and Year in Review blog posted
- Marketing materials under development to support country efforts in monetizing excess credits



DECEMBER, 2024

How is Chile building a resilient future for its...

READ MORE >



NOVEMBER, 2024

FCPF Quarterly Newsletter November 2024

READ MORE >



OCTOBER, 2024

FCPF 2024 Annual Report

READ MORE >



Communication highlights



JULY, 2024 | RESULTS STORY, ANNOUNCEMENT

The Lao PDR received a payment of \$16 million from the World Bankadministered Forest Carbon Partnership Facility for reducing greenhouse gas emissions



NOVEMBER, 2024 | NEWSLETTER, RESULTS STORY

FCPF Quarterly Newsletter November 2024



JULY, 2024 | RESULTS STORY

Forests and People in Focus at Global REDD+ Knowledge Day



DECEMBER, 2024 | RESULTS STORY

How is Chile building a resilient future for its forests?

Featured stories, blogs, and press releases:



AUGUST, 2024 | RESULTS STORY

Viet Nam Leads in Forest Protection through Innovative Carbon Program



DECEMBER, 2024 | RESULTS STORY

Momentum in Forest Carbon Progress: 2024 and Beyond



OCTOBER, 2024 | NEWSLETTER, RESULTS STORY

FCPF 2024 Annual Report



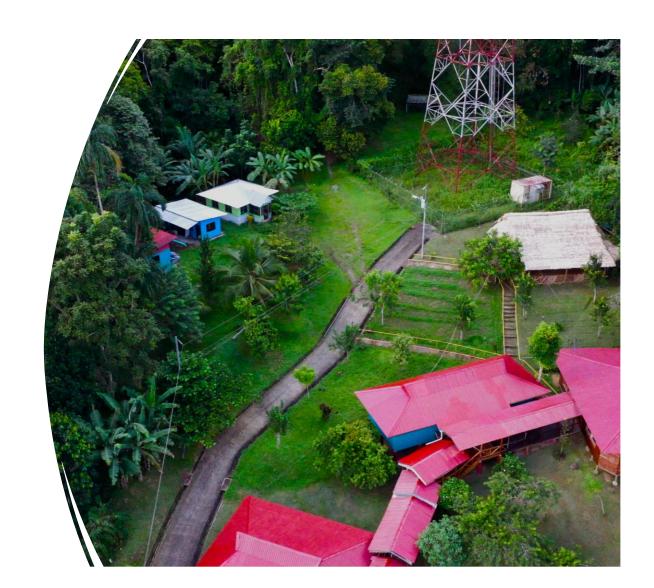
RESULTS STORY, ANNOUNCEMENT | JANUARY, 2025

Chile Receives \$5.1 Million for Reducing 1.03 Million Tons of Carbon Emissions



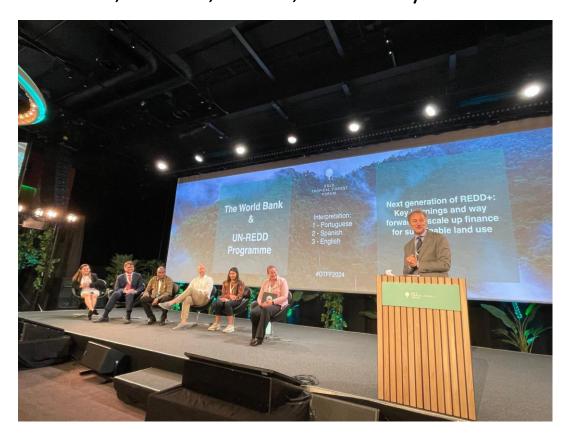
Planned content Jan-Jun 2025

- Multimedia package on Chile
- Photo mission and feature planned in Côte d'Ivoire
- Multimedia package (feature story, video, social media) planned on Costa Rica second payment/ benefit sharing/ and sale of credits





World Bank, UN-REDD panel at the Oslo Tropical Forest Forum (OTFF), June 25-26, 2024, Oslo, Norway



- Thanks to Norway's invitation to the OTFF, the World Bank and UN-REDD collaboratively organized a panel session on June 25 titled "Next Generation of REDD+: Key Learnings and the Way Forward to Scale Up Finance for Sustainable Land Use," with speakers representing REDD+ countries, Indigenous Peoples, and the private sector.
- The panel highlighted the importance of partnerships, robust policies, carbon market integrity, and inclusive processes in scaling up finance for sustainable land use through REDD+.
- Around 120 participants, including ministers, policy makers, multilateral institutions, civil society, Indigenous Peoples, and the private sector attended the event.



REDD+ Knowledge Day, June 27, 2024, Oslo, Norway



- Organized by the World Bank, including the FCPF and ISFL, in collaboration with UN-RFDD.
- The event gathered over 140 participants from governments, Indigenous Peoples (IP) organizations, civil society organizations (CSOs), nongovernmental organizations (NGOs), academia, donors, the World Bank, and the United Nations, representing more than 40 countries
- The sessions explored timely REDD+ topics including:
 - The REDD+ financing architecture;
 - Expanding from REDD+ to broader AFOLU;
 - Innovations in MRV;
 - Transfer of title and carbon credit ownership;
 - Effective and inclusive benefit sharing;
 - Partnering with private sector for sustainable supply chains.
 - Dialogue and exchange on other topics at knowledge café.



REDD+ Knowledge Day, June 27, 2024, Oslo, Norway (Cont'd)

- Over 92% of the participants rated the overall quality of the event as "Excellent" or "Good".
- Participants appreciated the opportunity to exchange knowledge with peers, engage directly with technical experts and REDD+ program coordinators, learn from the experiences of other countries, and network.
- Participants also expressed a desire for longer exchange sessions and more time allocated for discussion and Q&A.
- Going forward, the FMT and UN-REDD will focus on enhancing the effectiveness of knowledge activities by collaborating on joint knowledge events and products, continuing support for SSKE events, refining the design and delivery of knowledge initiatives, and increasing the participation of Indigenous Peoples, Local Communities, and the private sector in knowledge exchange activities.

This collaboration has fostered further partnerships between the World Bank and UN-REDD, focusing on operations and knowledge management in key technical areas such as social inclusion, safeguards, and MRV, and in selected countries.

More info: https://www.forestcarbonpartnership.org/redd-knowledge-day-evidence-action-now





INNOVATE4CLIMATE (I4C), Berlin, September 10-12, 2024

- The I4C is an annual global forum for both private and public sector players to connect and collaborate on carbon markets and climate financing instruments.
- FCPF hosted a panel discussion on "the future of the REDD+ financing architecture", on September 11, 2024. The session shared the latest discussions and engaged in dialogue the implications for programming and access to various sources of finance in REDD+ countries, bringing views from REDD+ countries and indigenous people.
- The discussion underscored the importance to expand beneficiary access both horizontally (across landscapes) and vertically (to carbon markets) while addressing barriers like carbon pricing, illegal activities, and capacity building. Tailored benefitsharing schemes for IPs and LCs should reflect local contexts, offering financial, governance, and capacity-building benefits to sustain long-term engagement.





Excess Emission Reduction Workshops in Madagascar (October 1-3) and Côte d'Ivoire (October 7-9)



- The workshops aimed to support the two client countries to better understand the context, options, and related technical, commercial, and legal requirements on how to best monetize emission reductions.
- Discussions also included benefit sharing and institutional arrangement requirements.
- Following the workshops, meetings were held with the Ministers of Environment in both countries and the Ministry of Finance and Budget in Côte d'Ivoire who expressed their interest in monetizing their excess ERs and requested Bank support.



Global Knowledge Exchange Workshop: Social Integrity in Forest Carbon November 13 -15, 2024, Bangkok, Thailand

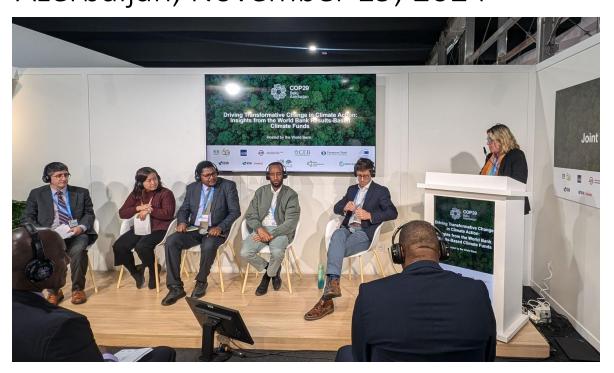




- The event, cofinanced by EnABLE, FCPF, and ISFL, brought together over 40 participants from teams implementing emissions reduction programs.
- The discussions focused on managing social risks, strengthen benefit-sharing plans, and enhancing the social and environmental integrity of forest carbon initiatives.



Panel event at COP 29 "Driving Transformative Change in Climate Action: Insights from the World Bank Results-Based Climate Funds", Baku, Azerbaijan, November 19, 2024



- The event discussed evolution of the RBCF, the role of results-based payments in meeting climate targets, and prospective support. The panel brought together speakers representing Indigenous Peoples, program entities and donors.
- Madagascar's Minister of Environment and Sustainable Development announced that Madagascar has generated excess ERs with the FCPF program and is calling for other buyers on the market.
- Côte d'Ivoire's technical advisor, on behalf of the Minister of Environment, Sustainable Development, and Ecological Transition, commended the FCPF's approach and support.

A recording of the event is available for viewing <u>here</u>.



MRV Knowledge and Learning Events







- October 7, 2024 9:00 - 10:15 AM DC Time
 - Online (Webex) & In-Person (MC3-850)

Technologies for expediting the forest related MRV process



nder the UN climate convention (UNFCCC), countries are working on improving their systems for measuring their greenhouse gas (GHG) emissions and emission reductions, reporting this to the UNFCCC or another body, and subjecting this eported data to a review and verification process. This process of measurement, reporting and verification (MRV) allows countries to, for example, access carbon markets, engage in Article 6 of the Paris Agreement or simply meet their reporting equirements to the UNFCCC

The World Bank Community of Practice (CoP) on MRV and Registries seeks to enhance these efforts and support the mainstreaming of robust MRV methodologies, infrastructure, and capacity through World Bank operations. The World Bank CoP on MRV and Registries is now organizing a series of BBBs aimed at WBG Staff interested in developing their understanding of MRV matters and supporting clients in improving their MRV capabilities.

The third BBB in this series will be focused on the state of the art MRV technologies tested under "The Next generation MRV for land use ER Programs" ASA (P178735). This project was implemented to explore innovative technology solutions aimed at expediting the MRV process. By considering state-of-the-art technology solutions tailored to each MRV phase, the ASA sought to identify opportunities to enhance and expedite the MRV cycle. The project's findings and recommendations are considered crucial for the development of robust and scalable cloud-based data architectures for forest monitoring, enabling countries





- October 17, 2024 2:00 – 3:30 PM DC Time Coffee and tea will be served
 - (MC10-100) & Online (Webex)

Technology-based Carbon Dioxide Removals - A New Frontier in Climate Change Mitigation



Besides reducing greenhouse gas emissions, carbon dioxide removal (CDR) from the atmosphere will be required to stay climate safe. Nature-based solutions such as afforestation are already a well-established and proven practice, but available land is limited. More and more it is recognized that deployment of technological solutions at very large scale might be required such as Direct Air Carbon Capture and Storage, Bio Energy Carbon Capture and Storage, Ocean Alkalinity Enhancement, Enhanced Weathering, and high-permanence Biomass carbon

Against this background, major economies have started to promote development and implementation of technology-based

Join us to learn from world-leading experts what potential for climate mitigation and industrial development technologybased CDR might have, where the various technologies stand, what MRV approaches and systems can be used, what financial instruments are needed to promote CDR, what developing countries can do to benefit from potential CDR opportunities and how the World Bank could help







- October 16, 2024
- 9:00 AM 2:00 PM DC Time Light breakfast and lunch will be provided
- In-Person (MC3-850) & Online (Teams)

Carbon crediting standards and MRV methodologies for technology-based Carbon Dioxide Removal



This seminar will take stock of existing carbon crediting standards for technologybased Carbon Dioxide Removal (CDR). It is organized as a technical expert discussion and includes both Monitoring, Reporting, and Verification (MRV) methodologies, as well as procedural and governance aspects where specific to technology-based CDR.

The objective of the seminar is to assess where the technical knowledge and capacity stands to enable environmentally and socially integer quantification and

crediting of technology-based CDR acknowledging that removal credits might be traded on carbon markets, becoming part of regulatory policies or being promoted by taxation and spending (climate finance) policies. On that basis gaps and potential next steps to fill these gaps will be identified.

The discussion will be organized in two parts: carbon crediting standards and regulation, and MRV methodologies for CDR

Disrupting Forest MRV Workshop







"Disrupting" Forest MRV

Towards a Digital Measurement, Reporting & Verification (dMRV) System for Forests

Forests are a critical component of the key ecosystems for a livable planet and provide range of socio-economic benefits and ecosystem services for sustainable growth, employment, and improved livelihoods. Well-managed forests are a key contribution to both climate resilience and mitigation.

There is a need to scale-up global action to protect and enhance this valuable resour The World Bank Group reflects the value of healthy forests in the new Corporate Scorecard and is embarking on a Global Challenge Program for Forests for Development Climate and Biodiversity to scale work on forests across the globe. A key challenge remains on being able to undertake measurement, reporting, and verification (MRV) of the work on forests and forest carbon (and eventually other ecosystem services) in a manner that is cost-effective and appropriate in a development context.

Technology is evolving at an accelerated pace and is now providing new opportunities to leverage sensors, earth observation, cloud computing, AI, and digital platforms to help rethink traditional MRV systems. This initial workshop is to help explore the state-of-the art and the challenges and opportunities to move towards a global digital MRV (dMRV) framework that can leverage modern technology to be part of an end-to-end framework to incentivize meaningful forest action.

- The Climate Change Knowledge and Learning Series is a WB-funded initiative that draws on expert contributions from across the Bank, including FMT staff.
- Additionally, Carbon Asset Tracking System (CATS) trainings were conducted for Chile and Costa Rica in September and October.



Francophone Africa SSKE Workshop: *Article 6, Standardized Crediting Framework (SCF), and REDD+,* Côte d'Ivoire, February 3-5, 2025

- FCPF and Carbon Initiative for Development (Ci-dev) are collaboratively organizing a regional workshop on Article 6 strategies, SCF implementation, and REDD+ readiness, for several Francophone African countries, scheduled on February 3-5, 2025, following the FCPF CF29 meeting.
- Burkina Faso, Côte d'Ivoire, Madagascar and Mali will be invited to the workshop given their progress with FCPF, Ci-Dev and SCALE.
- The workshop aims to:
 - Learn from the progress and experiences of countries implementing REDD+ programs to enhance readiness for accessing RBCF.
 - Foster regional partnerships to accelerate shared climate goals through innovative approaches.
 - Build capacity to advance the implementation and governance of the SCF for Article 6.2 transactions, enabling access to international carbon markets under the Paris Agreement.
 - Assess barriers to establishing Article 6-compliant infrastructure and collaboratively identify practical strategies to facilitate transactions under this framework.





Framework Note for Social Inclusion in Results-Based Mitigation Initiatives

- The Framework Note for Social Inclusion in Results-Based Mitigation Initiatives (FN) a comprehensive resource for World Bank and other practitioners that are involved in preparation, implementation, monitoring & evaluation of the REDD+ jurisdictional programs in FCPF, ISFL BioCF, and SCALE's and beyond.
- It contains main challenges and opportunities for the social inclusion and guides on operational approaches and strategies to enhance it.
- It is a useful instrument for countries and development partners to identify priority areas and activities for resource allocation and to ascertain whether and how progress in social inclusion is occurring.
- It has Social Inclusion (SI) targeting with suggested practical and actionable country-level strategies to address barriers to inclusion and amplify development outcomes.
- The SI Targeting Methodology serves as a framework for EnABLE to assess and prioritize proposed approaches to support specific ER Programs.
- The FN is to be published in early 2025.



Supporting capacities for the Design and Implementation of Benefit Sharing Arrangements

- In partnership with CIFOR-ICRAF, a practical resource—A Methodological Background for Impactful Benefit Sharing—that can be used to understand and strengthen benefit sharing within RBCF initiatives.
- This resource will be critical to develop an approach for the benefit sharing in SCALE and beyond.
- As part of this endeavor, two in-depth studies were conducted in Costa Rica and Viet Nam.
- An online training module will be prepared by the end of FY25.



Impacts Enabling Certification - Progress

- A methodology for **Impacts Enabling Certification** that would allow countries and stakeholders to receive additional financing to support generation of non-carbon benefits at scale is being finalized.
- It aims to incentivize countries and raise resources to amplify non-carbon development outcomes, such as secured land tenure for IPs and LCs, women; their engagement in decision making on climate actions and finance, and support to their resilient livelihoods systems. Stacked on FCPF (and potentially other) crediting, this certificate will allow to recognize efforts that prioritize generating additional benefits beyond what is required in Emissions Reductions Programs.
- Indicators have been developed following consultations with stakeholders (CSOs, potential buyers, etc.).
- Expected outputs include: The development of clear guidelines and requirements, costbenefit analysis and lessons learned, strategy for engaging with buyers and payment of premium to one country.



Findings from TPM Mozambique

	First ER Payment				
Beneficiary	Planned Allocations US\$	Planned Allocations %	Actual Disbursement US\$	Disbursed against Allocation	
Communities (CBOs)	4,066,112.90	70%	424,156.44	10%	
Private Sector	1,161,746.60	20%	\$ -	0%	
Gilé National Park	232,349.30	4%	232,349.30	100%	
Provincial Government	116,174.70	2%	116,174.70	100%	
District Government	232,349.30	4%	232,349.30	100%	
Total for Beneficiaries	5,808,732.80	100%	1,005,029.74	17%	
Margin of Performance	321,512.40		321,512.40		
Operational Costs	300,000.00		300,000.00		
Other Costs	621,512.40		621,512.40		
Totals	6,430,245.20		1,626,542.14		

- Stakeholder engagement Strong stakeholder engagement in BSP design through the Zambezia Multi-Stakeholder Landscape Forum, but inactive in implementation because of lack of funding.
- Communications The implementing entity (FNDS) launched a successful communications campaign about the BSP, which resulted in a large number of proposals from community-based organizations (1099).
- Benefit distribution 100% allocation to government entities, but as of the TPM, only 10% of allocation to 133 community-based organizations and 0% to 12 private sector entities.
- **Delays** The delays in benefits to Community Based Organizations (CBOs) and private sector resulted primarily from a protracted (2-year) process for hiring a service provider to support CBO formalization. FNDS tried to fill the gap, but lacked the resources and expertise.
- ER effectiveness Some activities were funded that are unlikely to impact ERs. The criterion that the BSP should fund activities that contribute to reducing deforestation was not included in project review, as the benefits were seen as a reward for performance.



Recommendations and lessons learned from TPM Mozambique

- Broad decision making and engagement. Multistakeholder platform for engagement in BSP implementation are important for adding expertise, transparency, accountability and experience
- **Procurement process in countries takes time.** The contracting process can be lengthy and need to be considered.
- There have been insufficient resources for government implementers. The ability of the PE to effectively engage with the large number of CBO applicants, private sector companies and other stakeholders depends on the available resources.
- Opportunities to identify and build relationships between CBOs and private sector companies should be strengthened. Its important to engage private sector and civil society actors starting with the call for proposals, preparation and selection of proposals, and subsequent capacity-building and support.
- Contribution to emissions reductions should be a core criterion in selection of investments from the BSP. Highlight these criteria in all communication efforts during the public call for proposals, during the support provided to applicants by governmental authorities and service providers, and in subsequent assessment of final proposals.
- Non-carbon benefits need to be monitored. Ensure that there is a clear process for monitoring and documenting non-carbon benefits.
- Careful evaluation of the capacity of the beneficiaries to access and use the BSP funds through the proposed activities is a key.



Social Inclusion, Resilience and Adaptation Benefits in FCPF and SCALE: EnABLE

- EnABLE objective is to promote and strengthen social inclusion of target beneficiaries in emissions reductions programs in order to maximize their carbon and non-carbon benefits.
- Target beneficiaries and constituencies are Indigenous Peoples, Local Communities, and other disadvantaged and marginalized groups depending on the country and jurisdiction context (including women, youth, and people with disabilities).
- **EnABLE Timeline**: 2020-2030
- EnABLE capitalization: US\$77.9M
- EnABLE supporting 15 FCPF ER Programs (US\$65.3M of Germany contribution (BMZ))
- EnABLE supporting SCALE operations (US\$12.6M of UK contribution (DESNZ))



Enhancing social inclusion in FCPF ER Programs - EnABLE

Knowledge and Capacity Building

- EnABLE Country Knowledge and Capacity
 Building (KCB) programming has been under
 implementation in 13 of the 15 FCPF Carbon Fund
 countries.
- Examples of activities include: multistakeholder platforms for climate finance dialogue, participatory mapping of IPs and CSOs, assessments with local CSOs on inclusion of marginalized groups in FCPF ERPs, and identifying entry points for BSPs and ERPs implementation.
- Results:
- + 2000 stakeholders engaged in workshop, trainings and consultations
- +35 knowledge and awareness raising products
- direct collaboration with over 20 CSOs to advance social inclusion in BSP implementation

Country Programming

- 4 projects (at US\$16M) started implementation in Indonesia, Mozambique, Ghana and Fiji, implemented by local CSOs
- 3 projects (at US\$11M) are expected to be launched in FY25 in Costa Rica, Nepal, and Lao PDR
- 1 project proposal for Madagascar has been endorsed based on the outcomes of the work undertaken in the KCB by the SC and are under preparation
- 4 project proposals under preparation in Guatemala, Côte d'Ivoire, DRC and ROC





MRV - requirements and Verifications

- The FMT prepared and hosted four sessions on updates to the Reversal Risk Assessment. About 60 Representatives from 12 FCPF ER Programs attended the sessions.
- During FY25, FMT facilitated **training sessions with VVBs** (AENOR, SCS and Aster Global) to present latest updates to FCPF Requirements and refresh concepts to new VVB members. The VVB mandatory exam was updated by the FMT to incorporate recent developments.
- The FMT has prepared and is executing a work plan to improve the Validation and Verification process including trough better outreach to Programs and more efficient reporting of data and ERs.
- Considering the limited capacity of VVBs, the FMT is working with VVBs to define a mid-term engagement plan to secure their services. ICONTEC, a Colombian VVB has made significant progress to obtain its accreditation.
- The FMT is working with ANAB to update the Validation and Verification guidelines based on the latest versions of the ISO requirements. Updated version of the guidelines is expected before the end of FY25.



MRV - R&D, Methods and Guidance, and Capacity Building

FMT members representing the WB in the Leads Group of the Global Forest Initiative (GFOI) participated in 2 important events:

- The Research and Development and Methods and guidance Components of the GFOI held a workshop in Potsdam, 23-25 October 2024, Germany to elaborate good practice guidance in the use of Biomass Maps and Remote sensing-based biomass estimates to inform emissions estimates from forest change
- An MRV South-South knowledge exchange was held in Rome 25-28
 November 2024 to discuss <u>Enhancing forest monitoring through global collaboration on National MRV systems</u>. Discussion included technical MRV aspects as well as MRV for commodities









CATS - WB ER Transaction Registry

- One training session on the CATS onboarding process of external users and entities has been conducted in Chile (September 2024).
- In collaboration with Verra and ART registries, sessions on third-party transactions mechanisms were held with Madagascar (October 2024), Côte d'Ivoire (October 2024) and Costa Rica (October 2024).
- CATS supported the ER issuances and transactions under the FCPF CF ERPAs of Costa Rica (September 2024) with 4.6M of ERs and Chile (December 2024) with 2M of ERs. The total transacted volume in CATS so far is 58.3M of ERs (equivalent to US\$291.3M), making it the most important transaction platform for jurisdictional REDD+ so far.
- The first external transaction from CATS was conducted in November 2024 for 100k ERs from Costa Rica in collaboration with ART Registry. Those FCPF credits have been already reissued in ART Registry to facilitate monetization.



CORSIA, IC-VCM, ICROA

- In FY23, the FCPF was fully approved by ICAO to provide CORSIA-eligible units for its 2021-2023 compliance period (Pilot Phase).
- In FY24, the FCPF was provisionally approved by ICAO to provide CORSIA-eligible units for its 2024-2026 compliance period (first phase).
- A new application including adjustments was submitted on March 29th. A briefing meeting with the TAB from ICAO took place on May 22nd.
- In Nov 2024 ICAO ratified its decision of provisionally accepting the FCPF for the first phase. The main pending condition is related to the double claiming procedures, namely the mechanism for compensating the revocation of the Letter of Authorization and Assurance. A new application will be submitted in March 2025.
- ICROA and IC-VCM: Draft applications for ICROA and IC-VCM are ready. The application to ICROA is being updated to align with the recently released new template. IC-VCM application is pending discussions internal WB decision-making.











Concluding messages (1)

Here and now

- Our priority remains the delivery of Emission Reductions (ER), with 34.8 million ERs delivered in 2024 (43 million credits in total) of which 5.1 million are Excess ERs. This represents a near quadrupling of ER payments, with the FCPF disbursing \$142 million in CY 2024 (compared to \$36.5 million in 2021-2023).
- This record level of payment puts a spotlight on the **implementation of Benefit Sharing Plans**, a cornerstone of the FCPF ER programs. Close collaboration with EnABLE enhances the inclusivity of all relevant stakeholders, while early lessons and insights are both used to improve existing BSPs and inform the design of new ones under SCALE.
- Thanks to the extension of the FCPF Carbon Fund to 2028 granted by CFPs and the WB Board of Directors, the FMT is receiving requests from countries to extend the **ERPAs** beyond 2025.
- Monetization of credits is becoming increasingly relevant to countries. Costa Rica has recently monetized its first 0.1 million ERs, and at COP29 Côte d'Ivoire and Madagascar announced their intent to enter the carbon market with their expected Excess ERs in the short term. Currently, ten countries have a total of over 77 million credits under verification, of which over 27 million would be Excess ERs. Workshops and support work are ongoing to allow all interested eligible countries to explore this path.



Concluding messages (2)

Cementing our legacy

- The FCPF was launched to pilot results-based climate finance for verified ERs, aiming for financially sustainable programs. Countries need to transition from FCPF finance to alternative climate finance for continued climate action.
 - Extending ERPAs is crucial for REDD countries to deliver verified emission reductions, receive climate finance, implement benefit sharing plans, pilot carbon markets, and ease the post-FCPF transition of ERPAs.
 - The **strategy shift** from maximizing ERPA delivery to maximizing climate finance for REDD countries, through ERPA flexibility, will enable more countries to pilot carbon markets and mobilize additional finance.
 - The FCPF Standard will transition to a third-party entity, providing REDD countries with ongoing carbon finance pathways post-FCPF, with various Standard options based on country contexts.
 - SCALE capitalization, currently beyond \$200 million, allows the World Bank to support eligible FCPF countries to further increase the ambition of their ER Programs.

