



# 2b

## Portfolio Management Update

**FOREST  
CARBON  
PARTNERSHIP  
FACILITY**



## FCPF Carbon Fund – Contributions to date

### FCPF Carbon Fund

Donor Contributions as of November 30, 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 (\$m)</b>                       | <b>963.6</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</b>            | <b>150.5</b>      |
| Fixed Costs (FY10 to FY29)                 | 47.5              |
| ER Program Costs                           | 93.0              |
| ER Program's Reversal Management Mechanism | 10.0              |

Total uncommitted funds **91.8**

# 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 published
- **2<sup>nd</sup> Reporting Period** → 6 submitted and published
- **3<sup>rd</sup> Reporting Period** → 2 submitted and 1 published

### Validation & Verification

- **1<sup>st</sup> Reporting Period** → 8 completed and published, 7 ongoing
- **2<sup>nd</sup> Reporting Period** → 4 completed and published, 2 ongoing
- **3<sup>rd</sup> Reporting Period** → 1 ongoing

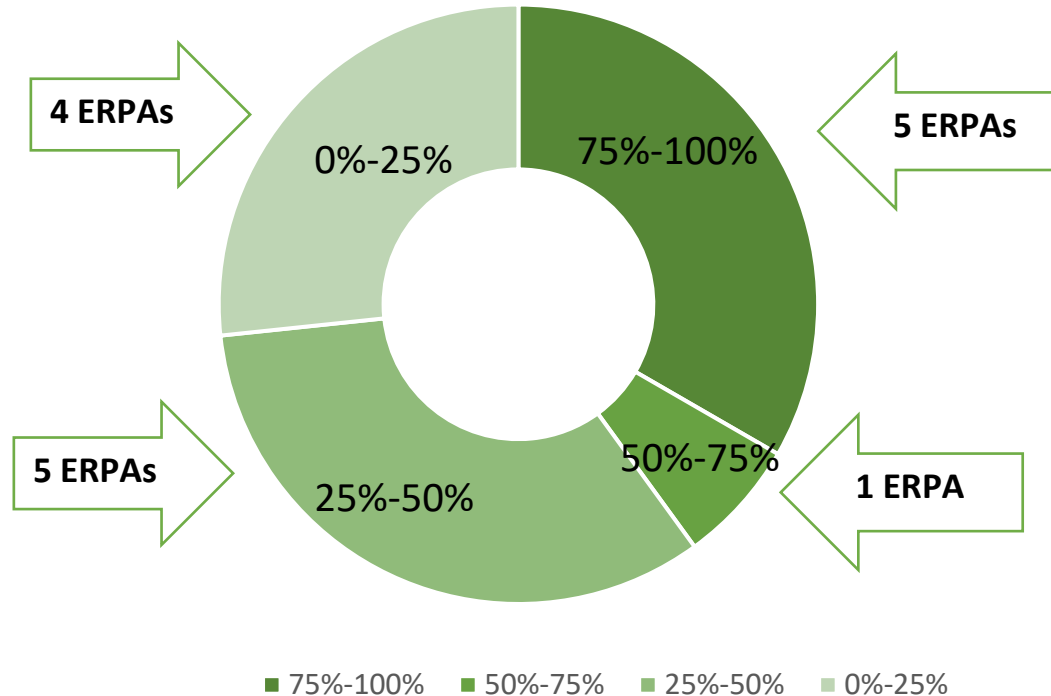
### ERPA Payments

- **Payments for verified Contract ERs:** \$179.3 million made to date
- **ER advance payments:** \$21.5 million made to date (Indonesia & Mozambique)
- **Total Contract ER payments expected (verified and ER advance):** By end CY25 \$419 million

## ER MR submission – Validation & Verification Status

| ER MR#                   | Status                                                    | # of countries | Countries                                                                          |
|--------------------------|-----------------------------------------------------------|----------------|------------------------------------------------------------------------------------|
| <b>1<sup>st</sup> RP</b> | Validation & Verification (VV) completed                  | 8              | Chile, Costa Rica, Côte d’Ivoire, Ghana, Lao PDR, Madagascar, Mozambique, Viet Nam |
|                          | VV ongoing and expected to complete within FY25           | 7              | DR, DRC, Guatemala, Fiji, Indonesia, Nepal, ROC                                    |
| <b>2<sup>nd</sup> RP</b> | Verification completed                                    | 3              | Costa Rica, Mozambique, Ghana                                                      |
|                          | Verification ongoing and expected to complete within FY25 | 2              | Côte d’Ivoire, Madagascar                                                          |
|                          | ER MR not submitted                                       | 10             | All remaining ERPAs                                                                |
| <b>3<sup>rd</sup> RP</b> | Verification ongoing and expected to complete within FY25 | 1              | Mozambique                                                                         |
|                          | ER MR submitted                                           | 1              | Ghana                                                                              |

# ER Program and Portfolio Delivery – Verified and Reported



| % ERPA delivered* | Countries                        | # countries | # of RPs left |
|-------------------|----------------------------------|-------------|---------------|
| 75% - 100%        | Côte d'Ivoire, Ghana, Madagascar | 5           | 1             |
|                   | Indonesia, Viet Nam              |             | 2             |
| 50% - 75%         | Costa Rica                       | 1           | 1             |
| 25% - 50%         | Lao PDR, Nepal                   | 5           | 1             |
|                   | DR, DRC, Fiji                    |             | 2             |
| 0% - 25%          | Chile                            | 4           | 1             |
|                   | ROC, Guatemala                   |             | 2             |
|                   | Mozambique                       |             | 1             |

- **58%** Contract ER delivery expected at portfolio level based on ER MRs submitted to date
- **73%\*** of the portfolio has reported an ER delivery of more than 25% of their ERPA Contract volumes (Contract ERs only)
- **7** countries reported Excess ERs (Costa Rica, Côte d'Ivoire, DR Congo, Guatemala, Indonesia, Madagascar and Viet Nam)

\* based on submitted ERMRS and Verification Reports

# ER Program Updates

## Africa

| ER Program           | Key issues                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Côte d'Ivoire</b> | <ul style="list-style-type: none"> <li>• Verification of the second Reporting Period (RP) ongoing and expected to be completed by FY25.</li> <li>• Potential Excess ERs in the RP2 – WB supporting the government through ongoing discussions and technical support on how to monetize these Excess ERs in carbon markets.</li> <li>• Payment for first RP (\$35M) was made in June 2024 and benefits have started reaching beneficiaries.</li> </ul>                                                                                                                                                                                                                                      |
| <b>DR Congo</b>      | <ul style="list-style-type: none"> <li>• Completion of the Validation and Verification (VV) of the first RP is pending the demonstration of ER Title.</li> <li>• ER title transfer process: Homologation process has been finalized and issued. The government is also required to submit three additional letters to confirm their ability to transfer title. One letter has been submitted to the WB and the other two have been drafted and are still pending signature.</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 carbon market.</li> </ul> |
| <b>Ghana</b>         | <ul style="list-style-type: none"> <li>• ER MR for the third RP submitted in November and completeness check is ongoing. Verification expected to start by Q3 FY25.</li> <li>• Distribution of the benefits from the first payment has been completed, with over 200,000 beneficiaries reached. Distribution of the benefits from the second payment is ongoing.</li> <li>• TPM assessment of the BSP implementation is ongoing and summary report expected to be ready in Q3 FY25.</li> </ul>                                                                                                                                                                                             |



# ER Program Updates

Africa

| ER Program               | Key issues                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Madagascar</b>        | <ul style="list-style-type: none"> <li>• Verification of the second RP ongoing and expected to be completed by FY25.</li> <li>• Potential Excess ERs - WB supporting the government through ongoing discussions and technical support on how to monetize these Excess ERs in carbon markets.</li> <li>• Distribution of benefits has started, and all 18 initiatives have submitted their Utilization Plans with details of their planned activities. These Plans have been validated by the REDD+ entity (BNCCREDD) allowing for the sharing of carbon benefits. To date, 70% of the first ER Payment has been distributed to beneficiaries.</li> </ul> |
| <b>Mozambique</b>        | <ul style="list-style-type: none"> <li>• Third Party Monitoring (TPM) on the BSP implementation was conducted between March-September 2024 and a summary report is available on the <a href="#">FCPF website</a>. The ER Program has already been incorporating the recommendations from the TPM assessment, with advancements on the benefit distribution, and allocation of 45% of the benefits up to date.</li> <li>• ERPA restructuring for reduction of the ER volume. Since Mozambique expects underperformance, an ERPA amendment is being finalized.</li> </ul>                                                                                  |
| <b>Republic of Congo</b> | <ul style="list-style-type: none"> <li>• Completion of the VV of the first RP is pending the demonstration of ER Title.</li> <li>• ER title transfer process is pending signature of one sub-agreement.</li> <li>• Second ERPA amendment was approved in October 2024 and includes an intermediary bank account to transfer the ERPA payments in USD.</li> <li>• Revision of the BSP is ongoing.</li> </ul>                                                                                                                                                                                                                                              |

# ER Program Updates

Asia Pacific

| ER Program       | Key issues                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Fiji</b>      | <ul style="list-style-type: none"> <li>VV for first RP currently ongoing and expected to be completed within FY25.</li> <li>Work also ongoing related to legal and administrative procedures to ensure readiness for ER title transfer and payment after VV concludes.</li> </ul>                                                                                                                                                                                                                |
| <b>Indonesia</b> | <ul style="list-style-type: none"> <li>VV for first RP 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. Several ERPA compliance aspects also need to be addressed before the payment can be made.</li> <li>BSP implementation of the US\$ 20.9 million is ongoing. Distribution to sub-national government has been completed and distribution to communities is now ongoing.</li> </ul> |
| <b>Lao PDR</b>   | <ul style="list-style-type: none"> <li>Payment for first RP (\$16M) was made in July 2024 and preparations for the distribution of benefits is ongoing.</li> </ul>                                                                                                                                                                                                                                                                                                                               |
| <b>Viet Nam</b>  | <ul style="list-style-type: none"> <li>Viet Nam has fulfilled the entire 10.3 million Contract ERs and payment for the first RP was made in March 2024. BSP implementation is ongoing and progressing well.</li> <li>Funds have been disbursed to all the six provinces, and distribution to the beneficiaries within the provinces is ongoing. First BSP implementation report is expected in Q3 FY25.</li> </ul>                                                                               |
| <b>Nepal</b>     | <ul style="list-style-type: none"> <li>VV for first RP currently ongoing and expected to complete within FY25.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                        |

# ER Program Updates

Latin America

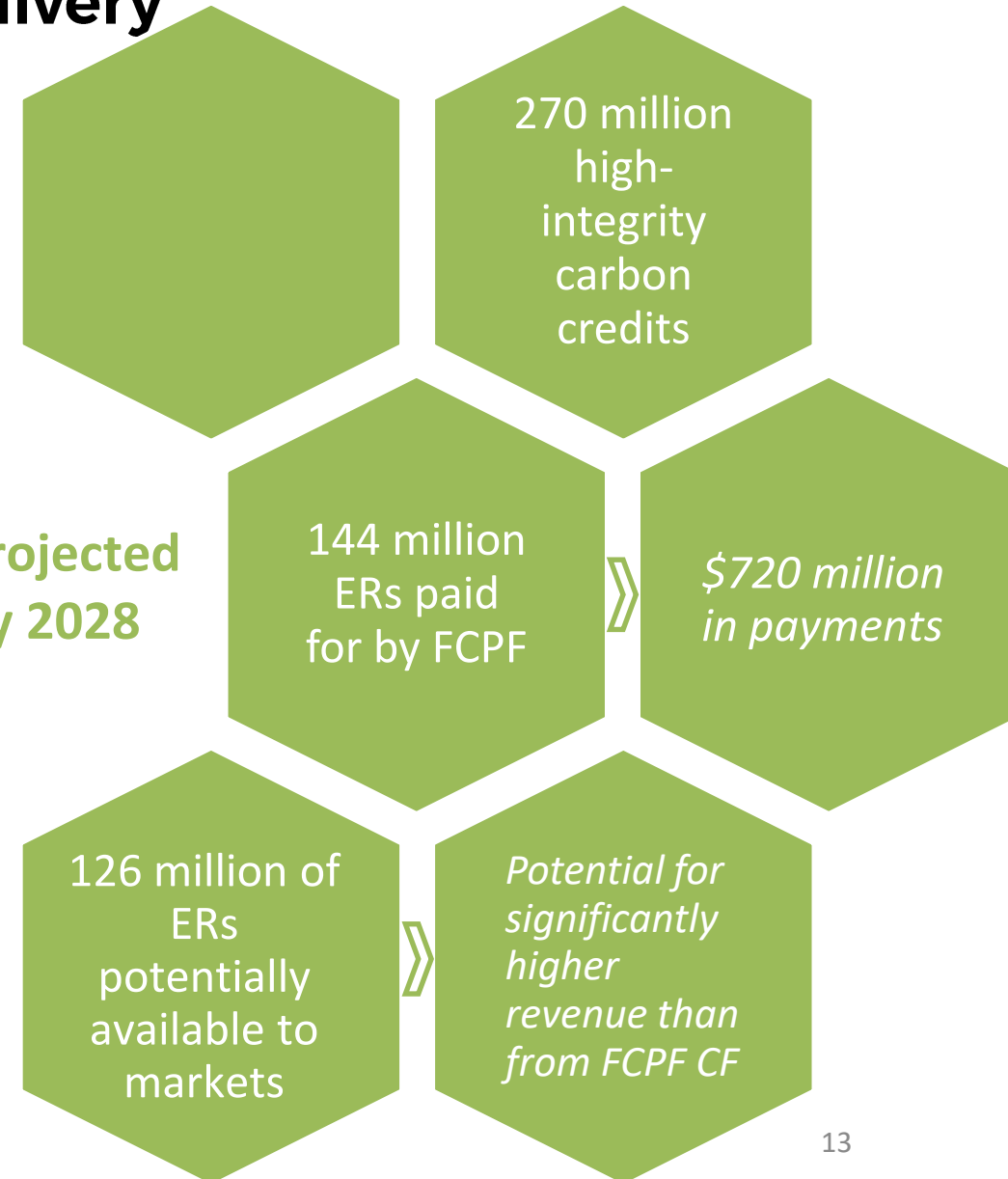
| ER Program                | Key issues                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|---------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Chile</b>              | <ul style="list-style-type: none"> <li>VV for RP 1 and 2 ER has been finalized and payment of \$5.1M was processed in December 2024.</li> <li>BSP revision is ongoing and expected to be finalized in Q3 FY25.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Costa Rica</b>         | <ul style="list-style-type: none"> <li>Verification for the second RP was finalized in June 2024 and payment for 3.2M ERs (\$16.2M) issued in October 2024. Out of the verified and issued ERs, 100,000 ERs were set-aside from the second RP for Costa Rica to monetize in carbon markets (after CFP no-objection). The 100,000 will follow the FCPF-BSP for the distribution of benefits to beneficiaries and the the ERPA is being amended to reflect the set-aside volume.</li> <li>272k ERs (\$1.4M) from the first RP were also issued and paid in October 2024 (after conclusion of supplementary verification) for the additional forest land from which the gov. was able to sign more sub-contracts to demonstrate ER title transfer ability.</li> </ul> |
| <b>Dominican Republic</b> | <ul style="list-style-type: none"> <li>VV of the first RP 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>Guatemala</b>          | <ul style="list-style-type: none"> <li>VV of the Reporting Period 1 ER MR is ongoing, expected to complete within FY25.</li> <li>The ER Title Transfer is on track and the government should be able to demonstrate the ER title transfer for 100%, based on the contracts that have been signed.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                       |



## ERPA Extension - projected FCPF Delivery

- On May 9, 2024, the **WB Board of Directors approved – upon endorsement by Carbon Fund Participants and recommendation of the WB President** – the extension of the FCPF Carbon Fund from December 31, 2025, to December 31, 2028.
- To deliver the full projected emission reductions from the 15 programs, the individual ER Program's ERPAs need to be extended from the current closing date of December 31, 2025.
- Currently, 270 million high-integrity ERs are projected to be delivered by 2028, of which 144 million would be paid by FCPF and 126 million could be made available to markets (per clients' sovereign decision).

**Projected  
by 2028**



## ERPA Extension – portfolio overview

By 31 Dec 2025

### **Finalized**

*10 payments to 8 countries*

*35.9 million ERs paid for (\$179.3M)*

*2 countries with Excess ERs (6M Excess ERs total)*

### **In Progress & Expected**

*10 RPs under verification, 77.7M ERs total (of which 47.6M Contract ERs (\$238M), remainder to market or subject to call option (30.1 million))*

Extension until 31 Dec 2028

### **Yet to start (projections)**

*60.7M Contract ERs (\$304M)*

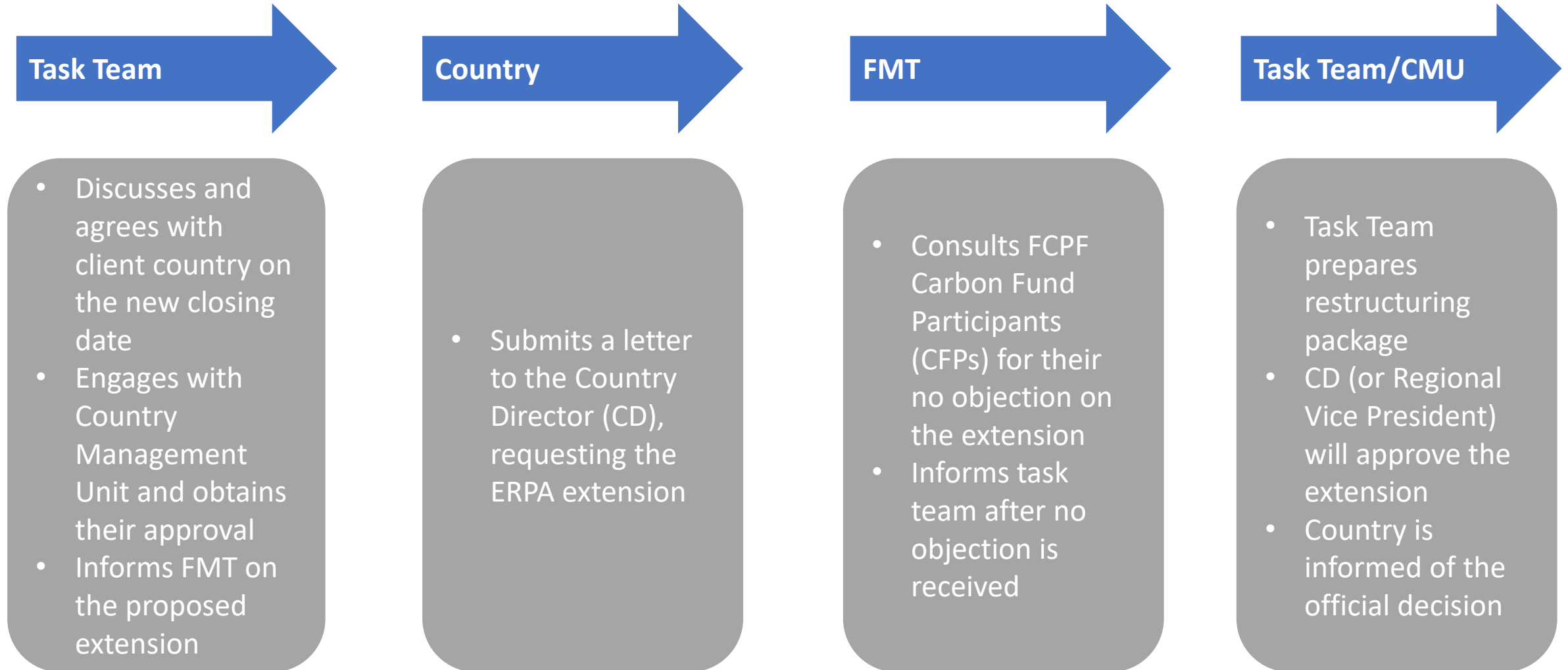
*89.9M Excess ERs*

ERPA Contract Volume:

144.2 million (\$721.3M)

Expected Excess ERs: 126M

## ERPA Extension – Process







**Thank you!**

[forestcarbonpartnership.org](https://forestcarbonpartnership.org)

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