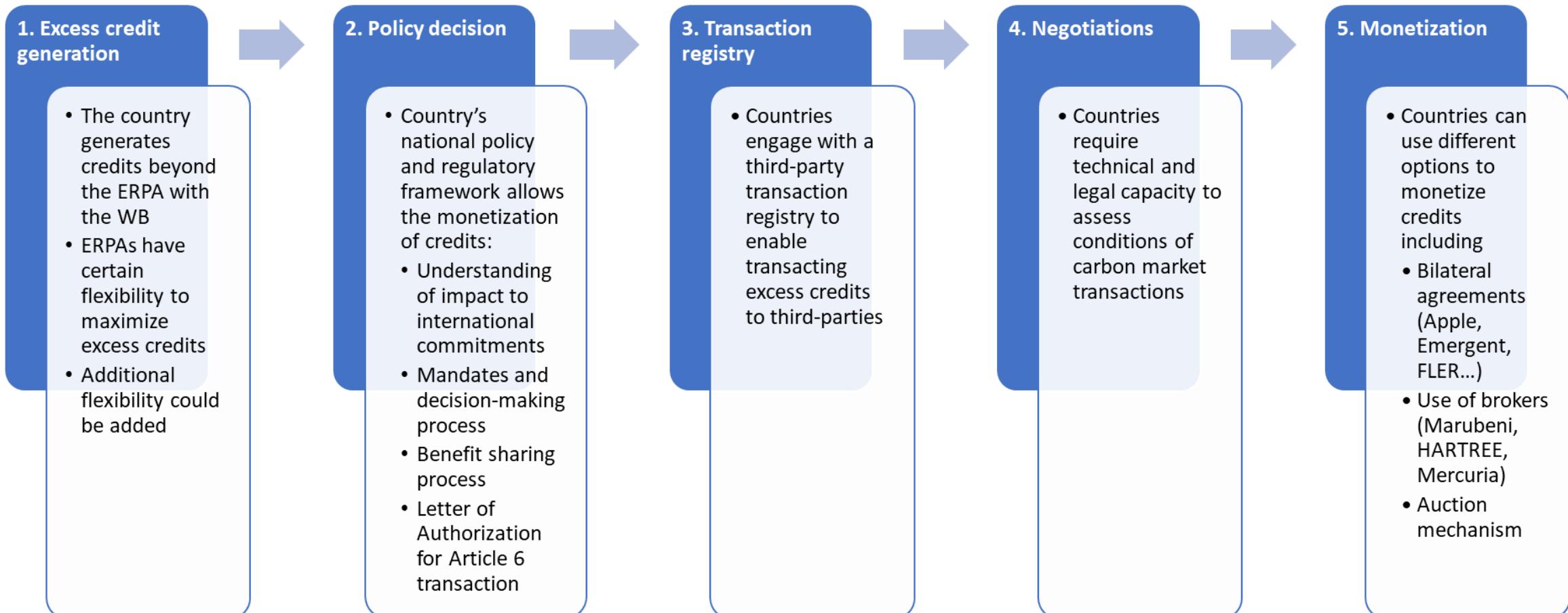




2C

**Excess ER Monetization &  
carbon market  
transaction readiness**

# Pathway to monetization



# Progress of activities

## 1. Excess credit generation

- So far **>20.5 million Excess ERs issued** (Costa Rica, Côte d'Ivoire, DR Congo, Indonesia, Viet Nam)
- **Madagascar** expected to generate Excess ERs shortly (**>1 million ERs**)
- **Costa Rica's ERPA includes additional flexibility**, Chile has informally requested.
- Excess ERs reported in monitoring reports from **Côte d'Ivoire** (3<sup>rd</sup> RP, 8.9 million), **DRC** (2<sup>nd</sup> RP, 2.4 million), and **Ghana** (4<sup>th</sup> RP, 0.5 million), pending verification
- Waiting for CORSIA decision regarding eligibility for Phase 1.

Country	ERs verified (tCO2e)	ERs Paid by FCPF	Excess ERs Issued
Côte d'Ivoire	20,200,036	10,633,492	9,566,544
DR Congo	5,565,432	3,895,802	1,669,630
Indonesia	26,248,238	22,000,000	4,248,238
Viet Nam	16,217,520	11,300,000	4,917,520
Costa Rica	6,896,708	6,796,708	100,000
<b>TOTAL (delivered)</b>	<b>75,127,934</b>	<b>54,626,002</b>	<b>20,501,932</b>

## Progress of activities

### 2. Policy decision

- Funds have been allocated to provide TA to countries to support their policy-decision:
  - **Viet Nam (\$150k)**. Completed. Advisory to Viet Nam including the review of the Forest Carbon decree.
  - **Chile (\$70k)**. In progress. Analytical and Advisory including: a) Analysis of Chile's regulatory framework and assessment of transaction readiness (with FAO); b) Recommendations to operationalize ER monetization; c) Market mapping for Chile decision makers to understand the market opportunities; d) Capacity building.
  - **Côte d'Ivoire (Climate Focus TA contract)**. Assessment of regulatory framework on the ability of government to enter in transactions and applicability of procurement policies. NDC analytics.
  - **DRC (Climate Focus TA contract)**. Assessment of regulatory framework and support to Letter of Intent drafting.
- With focus fully on ERPA extensions, uptake has been slow due to limited country and task team capacity. This is expected to increase now that ERPA extensions are complete.

# Progress of activities

## 3. Transaction registry

- Upgrades to CATS concluded, i.e., improved dashboard, removal labeling, HFLD labeling, CADT connectivity, ...
- ART registry and Verra registry linking concluded.
- Côte d'Ivoire and DRC have discussed with ART to re-issue FCPF ERs.

## 4. Negotiations

- **Carbon transaction TA (225k):** Climate Focus has been hired to provide TA Côte d'Ivoire, DRC and Madagascar. Support in Côte d'Ivoire and DRC advancing well with capacity building on marketing, negotiations, legal contracting and pricing. Challenge remains with the legal advisory and WB policies.
- **Transaction support facility:** Completion had been planned for June 2025, but now expected March/April 2026 and with a different scope. One regional small recipient executed grant in Latin-American and Caribbean region under preparation. A second regional small recipient executed grant in Africa is under discussion. WB will select amongst three potential firms.

## Progress of activities

### 5. Monetization

- Two countries have reached agreements to monetize FCPF credits:
  - **Costa Rica.** An agreement to monetize 100,000 credits set aside as a pilot from the 2<sup>nd</sup> reporting period was reached in December 2024.
  - **Côte d'Ivoire.** At COP30 in Belém an agreement was announced between Côte d'Ivoire and Emergent, valued up to \$23 million.
- Further discussions underway:
  - **DRC:** Negotiation of marketing facilitation LOI with Emergent, and discussions with two other potential buyers. Discussions with WB to understand financial management mechanism. It remains one of the barriers.
  - **Indonesia:** Discussions with Emergent. Ongoing discussions with task team to understand Indonesian financial management mechanism and issues with safeguards.
  - **Viet Nam:** Discussions with Emergent. Pending publication of regulations.
- WB part of the Scaling JREDD+ Coalition and working with partners such as UN-REDD to coordinate monetization efforts (e.g., investors meetings)



**FOREST  
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## Côte d'Ivoire experience

# ER monetization

## Progress and Status of the Transaction

- Côte d'Ivoire Signed Landmark \$23 Million Deal with Emergent for Verified Emission Reductions at COP30 on November 12, 2025.
- Implementation timeline for the conditions for entry into force is still ongoing and is expected to be finalized early February 2026.
- Once the conditions are fulfilled, such as opening of an ART registry account, the transfer of the carbon credits will take place.

## Country Experience with the Transaction with Emergent

First carbon transaction experience (a pilot phase for the newly launched Carbon Market Bureau (BMC)).

## Processes and Institutional Arrangements

- The Ministry of Finance (MoF) is the signatory entity of the ERPA and the Ministry of Environment (MoE) is the implementing entity. The Foundation for Parks and Reserves distributes all ERPA benefits per the BSP.
- The BMC, under the MoE, is responsible for coordinating carbon negotiations in Côte d'Ivoire.
- A negotiation committee was established by the BMC, composed of representatives from the Ministry of Environment, Ministry of Finance, Legal Affairs Directorate, National Public-Private Partnership Committee, ERP, REDD+ Executive Secretariat, and the Parks and Reserves Foundation.



# ER monetization

## Identified Challenges and Lessons Learned

### Challenges:

- Insufficient negotiations experience by the Carbon Market Bureau team.
- Communication and distribution of information among all entities involved was lacking.
- The new climate law came into force in 2025; it is being applied for the first time.
- Unclear roles and responsibilities of the different entities.

### Lessons Learned:

- The importance to seek technical assistance from development partners and consulting firms (UNDP, GGGI, World Bank, Climate Focus) to properly conduct the negotiation process. Make use of the WB's convening power.
- Having a business lawyer is crucial.
- Update the Manual of Procedures, which outlines the principles, rules, and procedures for developing, registering, and implementing carbon projects, to clarify roles and responsibilities of each entity.

## Next Steps Planned

- Complete the credits transaction with Emergent (open an ART account and cancel the credits under CATS) (this has been taking a long time due to new staff in the MoF and unclear roles and responsibilities).
- Look for additional buyers for the remaining 7 million excess ERs.

# Carbon market transaction readiness

Overview of the country's carbon market infrastructure of transactions in voluntary carbon market and article 6

## Legal and institutional framework

- A climate Law No. 2025-528 of June 25, 2025, which specifies the ownership of carbon credits (Article 70) and establishes the national carbon registry
- Decree No. 2024-658 of August 1, 2024, establishing the Carbon Market Office (BMC); it is the institution responsible for coordinating Côte d'Ivoire's participation in the Carbon Market.
- Decree No. 634 MINEDDTE/CAB of December 16, 2024, approving the Manual of Procedures, which outlines the principles, rules, and procedures for developing, registering, and implementing carbon projects, as well as the rules related to the international transfer of carbon credits generated in Côte d'Ivoire.

In summary, the BMC is the coordination structure; it relies on a Procedures Manual and a national carbon registry developed and validated in 2024.



# Carbon market transaction readiness

## Overview of the country's plans to participate in VCM transactions and Article 6

The Carbon Mechanism Participation Manual of Procedure applies to all carbon projects developed in the territory of Côte d'Ivoire, including:

- Carbon projects developed under Article 6;
- Carbon projects developed on the voluntary market; and
- Mitigation activities to be developed under non-market-based approaches.

Projects eligible for carbon markets are those included in the conditional measures of the NDC (Forestry, Waste, Agriculture, Energy).

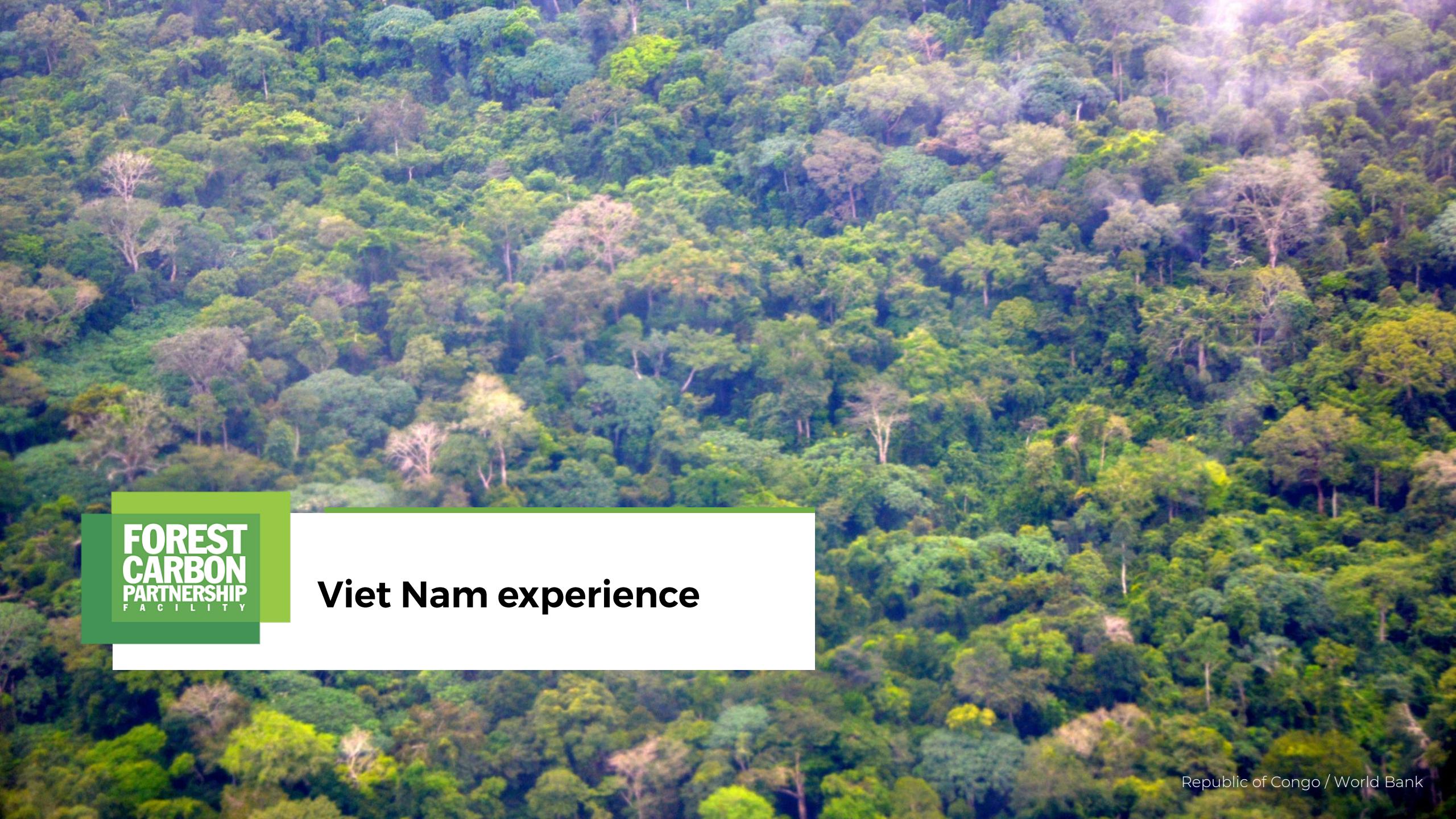
- NDC 3.0 has been prepared and published on the UNFCCC website, paving the way to ITMO generation.

## Existing challenges and gaps in market participation

- Little understanding of the carbon market participation process among stakeholders
- Insufficient viable and advanced projects
- Need to assess the share of ERs that should contribute to NDC objectives and those that can be sold as ITMOs

## Next steps

Strengthening capacity of national stakeholders' including the BMC on the carbon market and project development



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**Viet Nam experience**

# PLAN FOR TRANSFERRING REMAINING EMISSION REDUCTION UNDER ERPA FROM THE NORTH CENTRAL REGION (VIET NAM)

(PRESENTED AT THE FCPF 31<sup>st</sup> CARBON FUND MEETING)

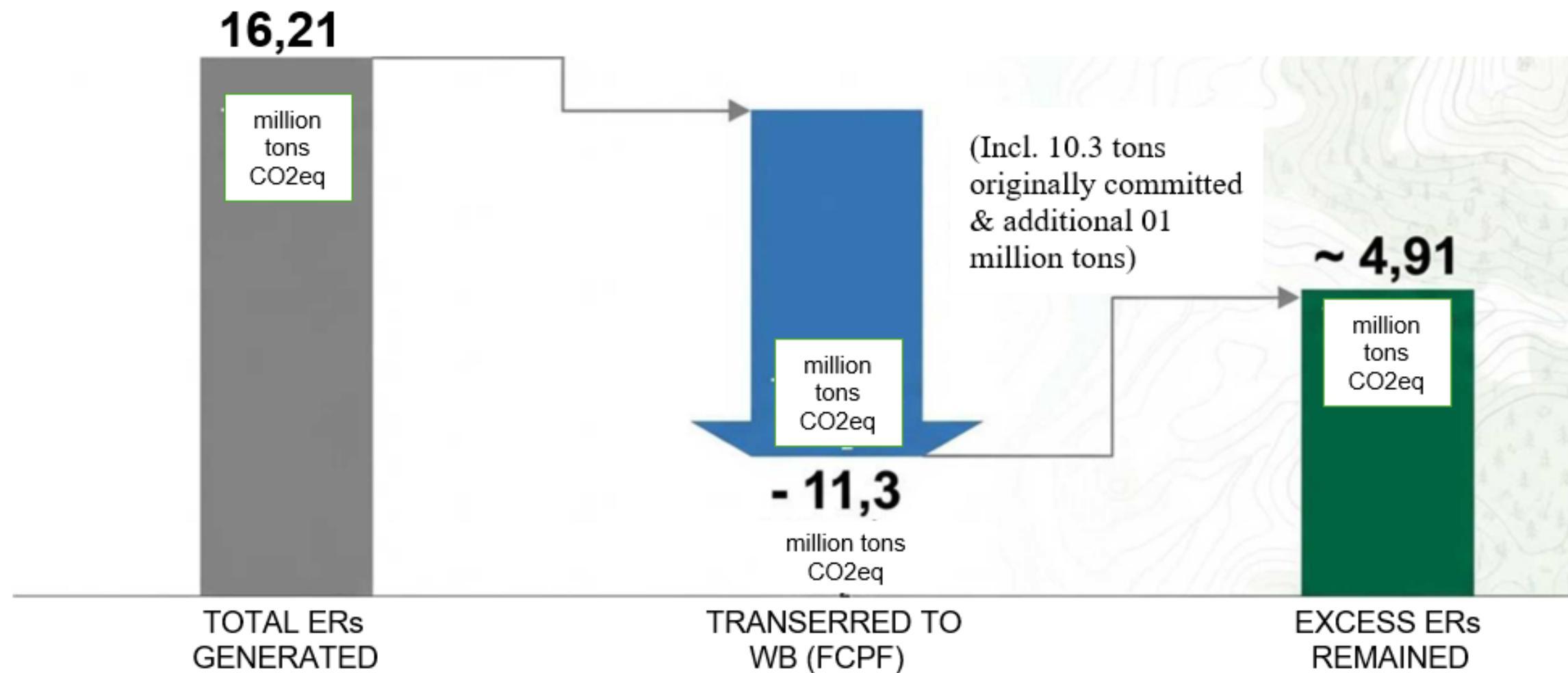
Presented by: Representative of Dept. of Forestry and Forest Protection

Event: FCPF 31<sup>st</sup> Carbon Fund Meeting

Place: Viet Nam

Date: 27/01/2026

## CURRENT STATUS OF EMISSION REDUCTION (ER) IN NORTH CENTRAL REGION (PERIOD 1: 2018-2019)



# ASSESSING THE COMPATIBILITY OF EXCESS EMISSION REDUCTIONS (2018-2019)

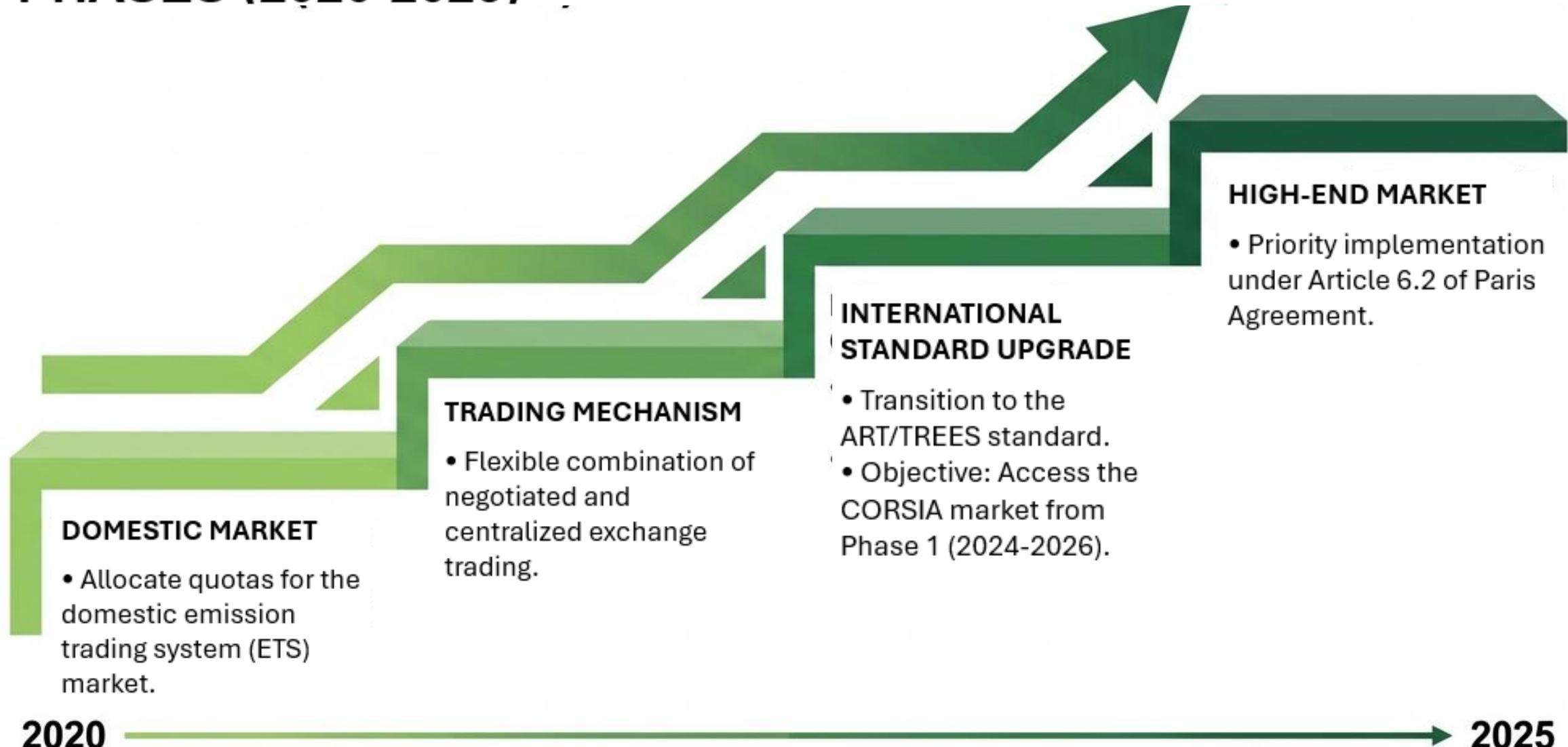
	<b>DOMESTIC COMPULSORY MARKET (ETS)</b> NOT COMPATIBLE. Vietnam ETS plans to only recognize carbon credits generated from January 01, 2021.		<b>INTERNATIONAL COMPULSORY MARKET (ARTICLE 6.2)</b> NOT COMPATIBLE. Only applicable to emission reduction results from after 2021 to ensure the validity of ITMO.
	<b>CORSIA MECHANISM (INTERNATIONAL AVIATION)</b> NOT COMPATIBLE. The deadline for submitting pilot offsetting credits has ended in January 2025.		<b>VOLUNTARY MARKET (VCM)</b> MOST FEASIBLE. This is the only remaining option for commercializing emission reductions from the 2018-2019 period.

# COMMERCIALIZATION PLAN FOR EXCESS ERs OF 2018-2019



 <b>OBJECTIVES AND TARGETS</b>	 <b>COMMERCIAL AND PRICING NOTES</b>
<ul style="list-style-type: none"><li>• Promote transactions in the Voluntary Market (VCM).</li><li>• Focus on finding buyers who are businesses or organizations wishing to fulfill corporate social responsibility (CSR) or non-legally binding climate goals.</li></ul>	<ul style="list-style-type: none"><li>• This is not the most cost-effective option.</li><li>• Reason: Previous ER results (before 2021) are often subject to market price pressure and may not meet the stricter new standards.</li></ul>

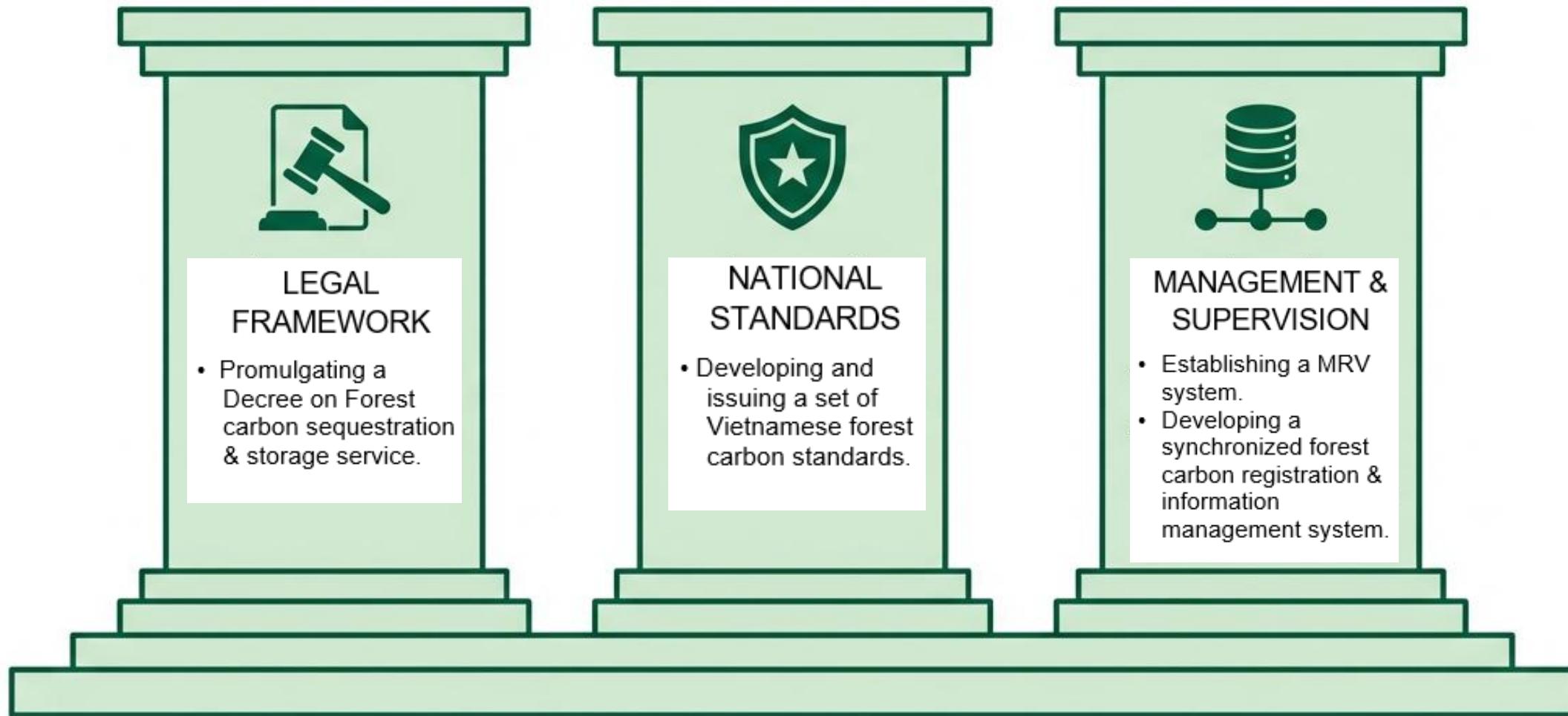
# STRATEGIC ORIENTATION FOR RESULTS OF THE NEXT PHASES (2020-2025)



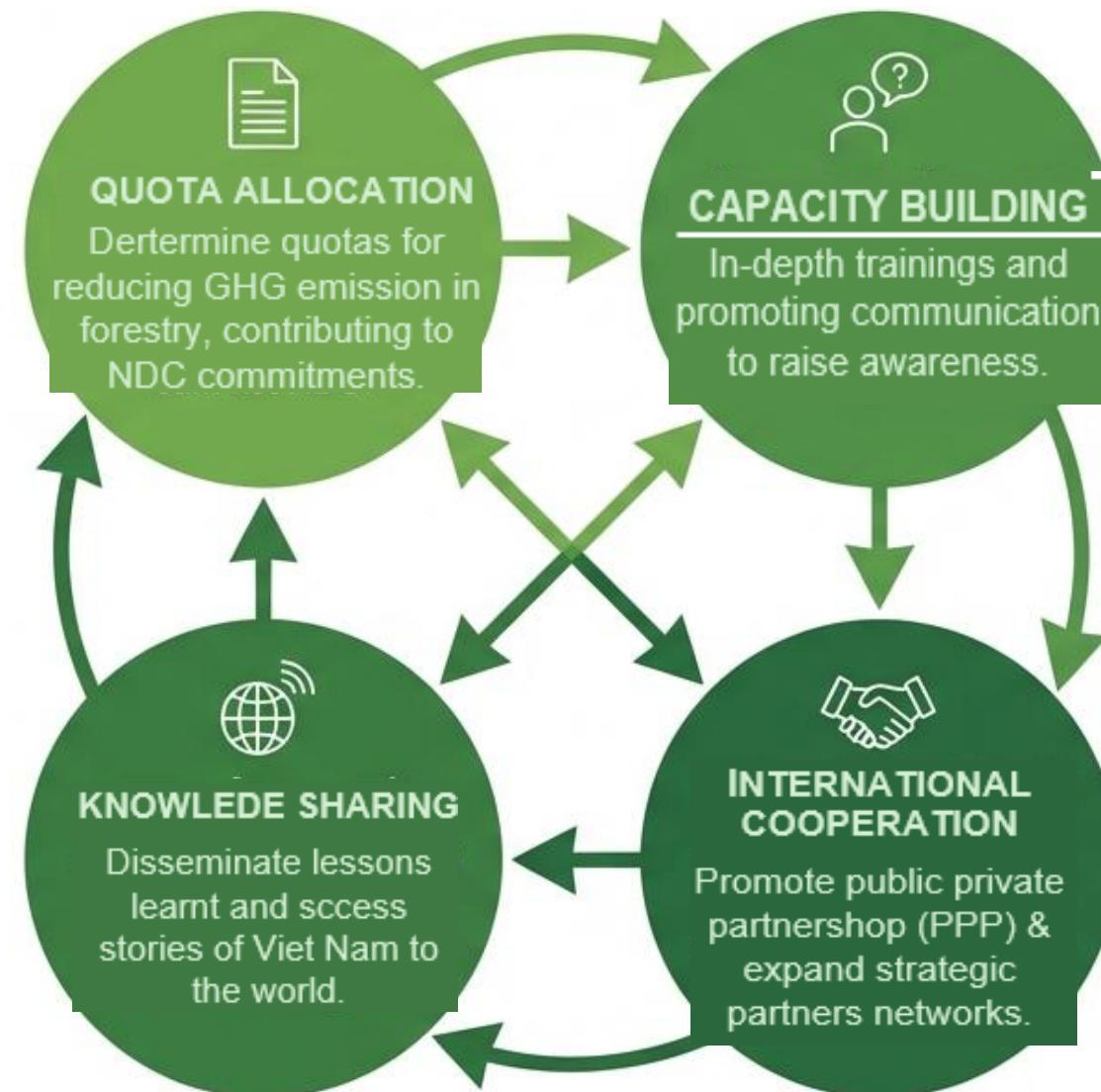
2020

2025

# ORIENTATION FOR PERIOD OF 2026-2030: IMPROVING POLICY MECHANISM



# ORIENTATION FOR 2026-2030 PERIOD: IMPLEMENTATION & COOPERATION



# EXPANDING INTERNATIONAL COOPERATION



- Vietnam is committed to contributing to global emission reduction efforts.
- Ready to share data and best practices from ERPA of the North Central region.

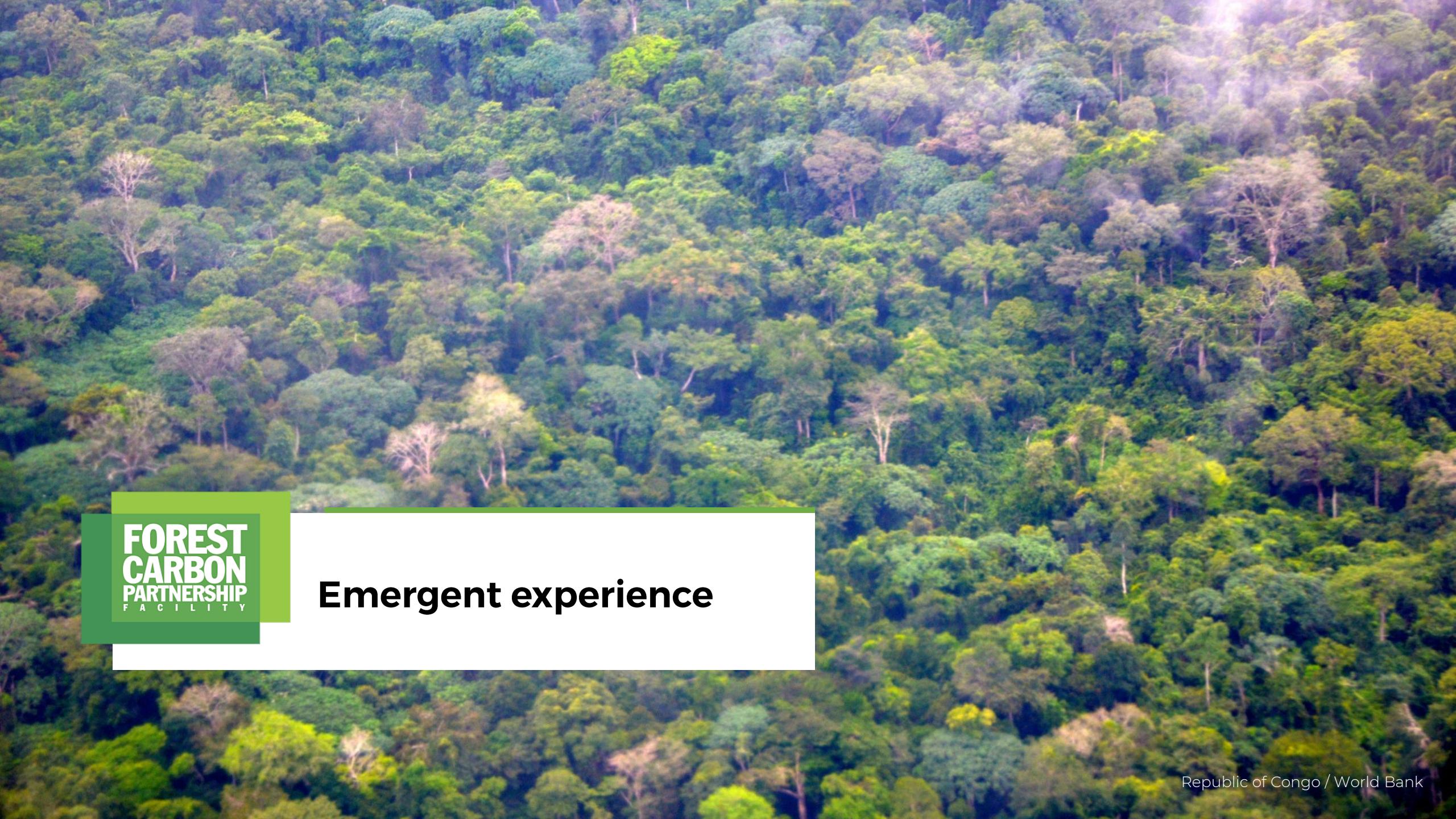
**STRENGTHEN LINKAGES WITH FCPF PARTNERS & THE INTERNATIONAL COMMUNITY**

# REFERENCES

1. Plan for transferring remaining excess emission reduction results under the North Central Region ERPA (Document shared by the Department of Forestry and Forest Protection).
2. Report on emission reduction results in the North Central Region, 2018-2019.
3. Regulations on domestic and international carbon markets (Paris Agreement, CORSIA, Decree 06/2022/ND-CP).



**THANK YOU FOR YOUR ATTENTION  
TOGETHER FOR A SUSTAINABLE FUTURE**



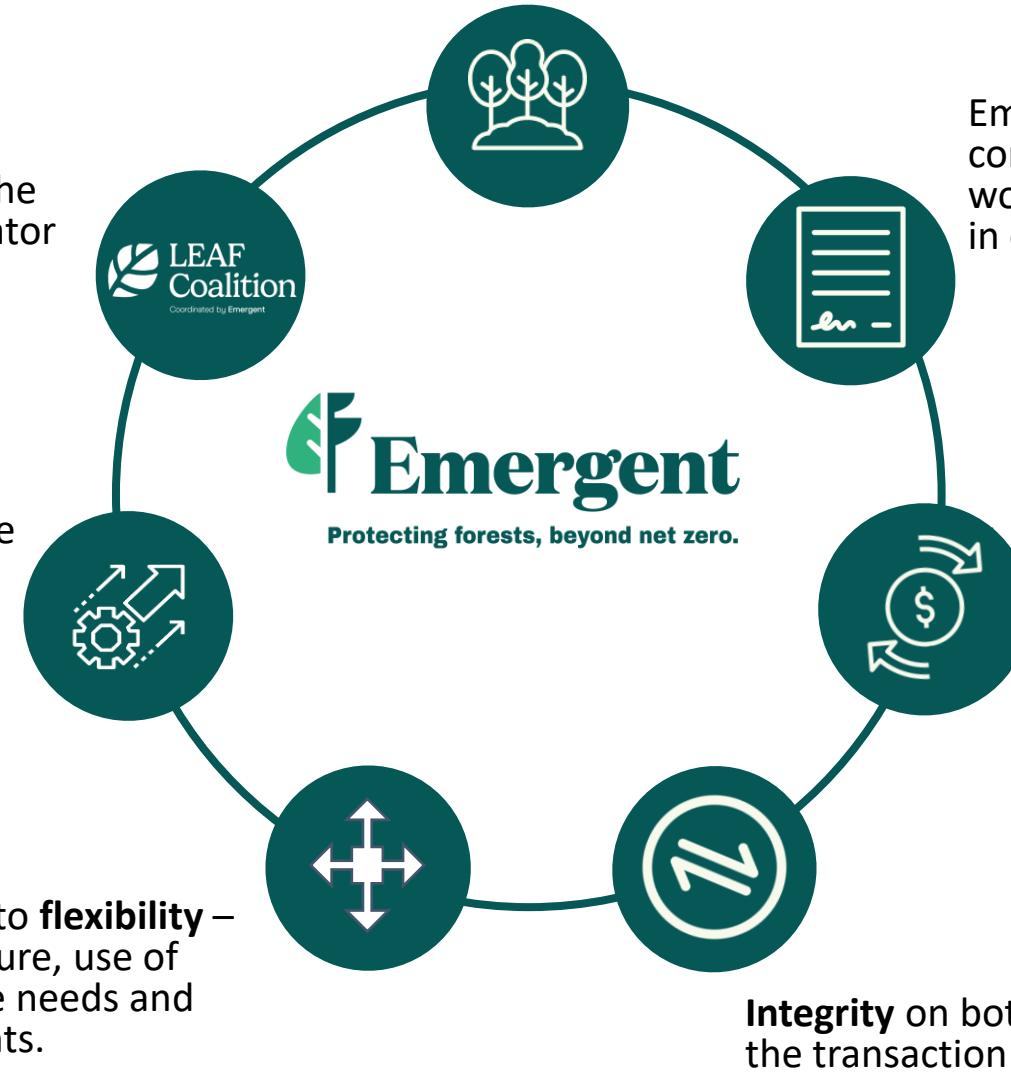
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**Emergent experience**

# Who is Emergent?

As a non-profit, Emergent's sole objective is to **maximize finance for forest countries**

Emergent also acts as the administrative coordinator of the **LEAF Coalition**



**Advanced payment facility & large network of technical assistance partners to ease the costs of implementing J-REDD programs**

Emergent is committed to **flexibility** – on price, contract structure, use of proceeds – all to suit the needs and ambitions of governments.

Emergent has **built the largest network** of corporate and government buyers in the world which Governments can access to in one efficient commercial agreement

**Proven track record** with 20M credits contracted for purchase for more than \$250M and the world's first market-sale of FCPF excess credits

# Emergent's Transactions with Costa Rica and Côte d'Ivoire (1 of 3)

## *Why were World Bank and Jurisdictions interested?*

Alignment on objectives and willingness to do business to unlock finance from excess credits

## *Why were buyers interested?*

- Growing support for JREDD among buyers: Recognition that JREDD equals quality
- Immediate availability of credits: Buyers such as LEAF Corporates face scarcity of credits available now
- Reputable program: FCPF is seen as a high-integrity crediting standard launched/World Bank backing gives added credibility
- Verified results: Costa Rica and Côte d'Ivoire have implemented programs to reduce deforestation that have yielded measurable results
- Country specific considerations



## Emergent's Transactions with Costa Rica and Côte d'Ivoire – Lessons learned (2 of 3)

*Key aspects Emergent is looking into on FCPF programs*

- Ability for Emergent to build on existing arrangements between FCPF, the program entity and the financial intermediary (FPRCI in CDI, FUNBAM in Costa Rica etc.)
- Clear authority of government to sell credits to markets, and government team to negotiate with that includes all the right authorities
- Evidence of how FCPF program requirements on safeguards and monitoring address pre-existing risks and reputational issues
- Host Jurisdiction (HJ) commitment to monitor until all funds are disbursed
- HJ willingness to use FCPF excess credit transaction as a steppingstone to a longer term JREDD+ journey
- Greatest opportunity for countries is now before ART TREES credit availability increases



## Emergent's Transactions with Costa Rica and Côte d'Ivoire – Lessons learned (3 of 3)

### *Lessons learned from these transactions*

- Transactions were smooth and efficient due to strong relationship and trust between country teams and Emergent – Costa Rica provided a strong blueprint.
- Buyers are keen for strong interaction with countries – need for country teams to be responsive to questions.
- Buyers want to understand how funding will translate into benefits on the ground.
- For buyers who are bought into ART TREES, there was a need to educate them of the integrity of the FCPF Standard and how this work can help countries transition to ART TREES in the future.



## Transactions with other FCPF Programs



### *WB support to countries - ideation*

- Raise awareness among countries about success of CR and CDI sales and Emergent's transaction model (incl. ART)
- Emergent/ LEAF, WB and TA partners to align more closely (i.e., pipeline, TA support) to help interested countries transition their FCPF programs to other standards, e.g., TREES
- Map TA support and how that fits alongside existing TA in LEAF HJs



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**Private Sector experience**

# Market Outlook – REDD+ Price Projections

- Current market bimodal spot pricing Dec 31, \$0.50 to \$13.21
- As of 25 September 2025, there are over 346 registered and pipeline REDD+ and Jurisdictional REDD+ projects. REDD+ issuances have grown significantly since 2017
- Pricing outlook is strong for REDD+ credits sold into VCM, CORSIA and A6 markets
- Demand scenarios below consider
  - Voluntary corporate commitment
  - CORSIA program for international aviation
  - Compliance programs allowing use of credits to meet obligations and sovereign demand under Article 6 to meet their NDC shortfall

Base Year

2026

Scenario Years

17

24

End Year

2043 2050

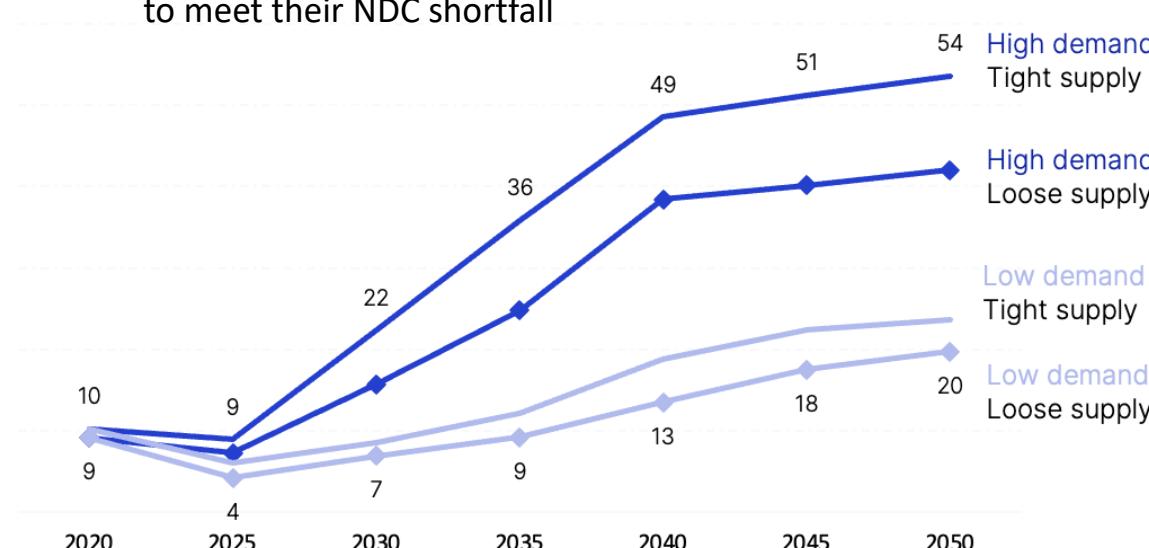
Annual Growth

9.88% 8.11%

9.36% 8.74%

6.76% 6.40%

4.42% 5.55%



USD

Scenario		2025	2030	2040	2050
Demand	Supply				
High	Tight	9	22	49	54
	Loose	7	16	38	42
Low	Tight	6	9	19	24
	Loose	4	7	14	20

Source: MSCI Global Carbon Credit Market Scenarios to 2050 (Dec 2025)

## What Private Sector Thinks about for REDD+



### CCP - REDD+ Methodologies

- ART - (TREES) - non HFLD, v 2.0
- VCS - VCS Jurisdictional and Nested REDD+ (JNR) Framework, v 4.1 (applying VM0048 v1.0 and VMD0055 v1.1)
  - Scenario 2a
  - Scenario 3
- VM0048 Reducing Emissions from Deforestation and Forest Degradation, v 1.0
  - VMD0055
  - JNR Scenario 1

# What Private Sector Thinks about for REDD+

## CORISA EEU

Programme	2021 -2023 Compliance Period (Pilot Phase)	2024 -2026 Compliance Period (First Phase)	2027 – 2029 Compliance Period (in Second Phase)	
American Carbon Registry	2016 – 2023 units <sup>1,2</sup>	2021 – 2026 units <sup>1,2</sup>	2021 – 2029 units <sup>1,2</sup>	
Architecture for REDD+ Transactions	2016 – 2023 units <sup>1,2</sup>	2021 – 2026 units <sup>1,2</sup>	2021 – 2029 units <sup>1,2</sup>	
BioCarbon Fund Initiative for Sustainable Forest Landscapes	2016 – 2020 units <sup>1</sup>	Conditionally eligible <sup>3</sup>		
Cercarbono		Conditionally eligible <sup>3</sup>		
China Certified Emission Reduction	2016 – 2020 units <sup>1</sup>			
Clean Development Mechanism	2016 – 2020 units <sup>1</sup>			
Climate Action Reserve	2016 – 2023 units <sup>1,2</sup>	2021 – 2026 units <sup>1,2</sup>		
Forest Carbon Partnership Facility	2016 – 2020 units <sup>1</sup>	Conditionally eligible <sup>3</sup>		
Global Carbon Council	2016 – 2020 units <sup>1</sup>	2021 – 2026 units <sup>1,2</sup>		
Gold Standard	2016 – 2023 units <sup>1,2</sup>	2021 – 2026 units <sup>1,2</sup>	2021 – 2029 units <sup>1,2</sup>	
Isometric		2021 – 2026 units <sup>1,2</sup>		
Joint Crediting Mechanism between Japan and Mongolia	Conditionally eligible <sup>3</sup>			
SOCIALCARBON	2016 – 2020 units <sup>1</sup>			
Thailand Voluntary Emission Reduction Programme		2021 – 2026 units <sup>1,2</sup>		
Verra Verified Carbon Standard / Jurisdictional Nested REDD Programme	2016 – 2023 units <sup>1,2</sup>	2021 – 2026 units <sup>1,2</sup>	2021 – 2029 units <sup>1,2</sup>	
<p>Note: All Eligible Emissions Units must be generated from an activity that started its first crediting periods in 2016 or later.</p> <p><sup>1</sup> Subject to various exclusions as set out in the relevant section of the ICAO document titled “CORSIA Eligible Emissions Units”.</p> <p><sup>2</sup> Units with vintages from 2021 onward have specific requirements relating to host-country attestations.</p> <p><sup>3</sup> Pending further actions by the Programme.</p>				

Require  
Corresponding  
Adjustments

tion, v 1.0

Only JNR 2a and 3

# What Private Sector Thinks about for REDD+

COR

## Singapore MOUs and Implementation Agreements

Singapore has signed MOUs with the following countries:

	Latin America	Asia	Africa	Oceania	2021 – 2026	2021 – 2026	2027 – 2029	Signed IA	
America									Bhutan (Entered into Force)
Archite									Chile
BioCarb	Colombia	Bhutan	Kenya	Fiji					Ghana (Entered into Force)
Forest I									Mongolia
Cercar	Costa Rica	Cambodia	Morocco						Paraguay
China C									Papua New Guinea
Clean D	Dominican Republic	Laos	Senegal						Peru (Entered into Force)
Climate									Rwanda (Entered into Force)
Forest C		Philippines	Zambia						Thailand (Entered into Force)
Global C									Vietnam
Gold St		Malaysia							
Isometr									
Joint C									
Mongol		Sri Lanka							
SOCIAL									
Thailand Voluntary Emission Reduction Programme					2021 – 2026 units				
Verra Verified Carbon Standard / Jurisdictional Nested REDD Programme		2016 – 2023 units <sup>1,2</sup>		2021 – 2026 units					
	<p>Note: All Eligible Emissions Units must be generated from an activity that that started in 2016 or later.</p> <p><sup>1</sup> Subject to various exclusions as set out in the relevant section of the ICAO document <a href="#">here</a>.</p> <p><sup>2</sup> Units with vintages from 2021 onward have specific requirements relating to host-country attestations.</p> <p><sup>3</sup> Pending further actions by the Programme.</p>								

# What Private Sector Thinks about for REDD+

Singapore Eligible REDD+ Standards/Methodologies		
COR	Singapore	
Singapore	Country	Scope for REDD+
Bhutan	<ul style="list-style-type: none"><li>Verra - Scenario 2a and 3 of VCS Jurisdictional and Nested REDD+ (JNR) framework (+CCB or SDVista)</li><li>ART TREES - All active methodologies published before 31 March 2023</li></ul>	
Latin America	Chile	<ul style="list-style-type: none"><li>??</li></ul>
Colombia	Ghana	<ul style="list-style-type: none"><li>Verra - Scenario 2a and 3 of VCS Jurisdictional and Nested REDD+ (JNR) framework (+CCB or SDVista)</li></ul>
Costa Rica	Mongolia	<ul style="list-style-type: none"><li>Verra - Scenario 2a and 3 of VCS Jurisdictional and Nested REDD+ (JNR) framework (+CCB or SDVista)</li></ul>
Dominican Republic	Paraguay	<ul style="list-style-type: none"><li>??</li></ul>
Global Environment Facility	Papua New Guinea	<ul style="list-style-type: none"><li>Verra - Scenario 2a and 3 of VCS Jurisdictional and Nested REDD+ (JNR) framework (+CCB or SDVista)</li></ul>
Gold Standard	Peru	<ul style="list-style-type: none"><li>Verra - VM0048 Reducing Emissions from Deforestation and Forest Degradation, v1.0</li></ul>
Joint Climate	Rwanda	<ul style="list-style-type: none"><li>None</li></ul>
Mongolia	Thailand	<ul style="list-style-type: none"><li>ART TREES - Version 2 (HFLD are not eligible)</li></ul>
SOCIAL	Vietnam	<ul style="list-style-type: none"><li>Verra - Scenario 2a and 3 of VCS Jurisdictional and Nested REDD+ (JNR) framework (+CCB or SDVista)</li><li>ART TREES - Version 2 (HFLD are not eligible)</li></ul>

## MSCI Carbon Rating Framework and Price Premiums by Rating

Emissions Impact Integrity  
How much CO<sub>2</sub>e has been reduced / removed?

Implementation Integrity  
How did that project reduce / remove that CO<sub>2</sub>e?

### 1. Additionality

**Financial Additionality:** How important is the revenue from carbon credits for the initiation and ongoing functioning of the project?

**Baseline Approach:** Does the project employ a robust suitable approach to estimating baselines?

**Baseline Reasonableness:** Is the project's baseline rate of deforestation reasonable and plausible when compared to MSCI benchmarks?

### 2. Quantification

**Quantification Approach:** Does the project use appropriate sampling approaches and relevant allometric equations?

**Assumption Accuracy:** Does the project's carbon stock evaluations appear accurate and conservative, and does it account for leakage?

**Monitoring Performance:** Is there a robust monitoring plan?

### 3. Permanence

**Non-Permanence Risk:** To what extent is the project area at risk of natural and human related causes?

**Risk Mitigation:** To what extent do the project activities mitigate both human and natural permanence risks?

**Evidence of Non-Permanence:** Is there any evidence of forest cover loss in the project area since the project start?

### 4. Co-Benefits

**Co-Benefits Relevance:** Do the project activities have impacts on local livelihoods, training, health outcomes, and biodiversity?

**Co-Benefits Evidence:** Are the impacts quantified and monitored over the project period?

**Robustness of Safeguards:** Is there evidence of robust and inclusive stakeholder engagement?

### 5. Legal & Ethical

**Developer Risk:** Is the developer or its affiliates linked to financial crime or based in a high-risk country with weak governance or corruption?

**Host Country Risk:** Is the project in a country associated with reputational concerns such as environmental, social, or political controversies?

**Execution Risk:** Does the project or its developer have a history of delivery compared to the complexity of the project type?

### 6. Delivery Risk

**Financial Risk:** Does the financial structure of the project and its developer pose a risk when compared to the project's costs?

**Execution Risk:** Does the project or its developer have a history of delivery compared to the complexity of the project type?

**Registration Risk:** Does the relevant registry and methodology possess a history of delivery?

### MSCI Carbon Markets

**Joint C  
Mongol**  
**SOCIAL**

Peru

**Thailand Volunta  
Programme**

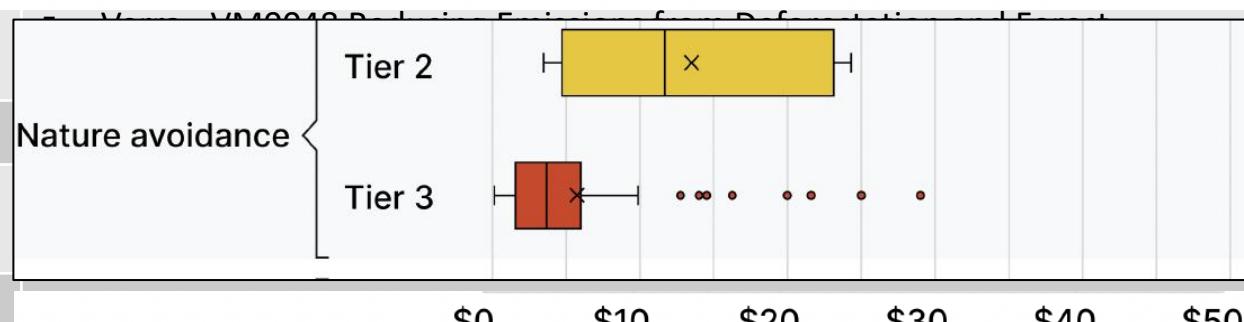
Rwanda

**Verra Verified Ca  
/ Jurisdictional No**

Thailand

Vietnam

Tier 1 (AAA, AA, A), Tier 2 (BBB, BB, B) and Tier 3 (C and D) credit prices by project type



Source: 2026 Calyx Global and ClearBlue Markets

USD

# ERPA Agreements Between Governments and Private Sector

## Government Facing Challenges

- Intra-Government issues
  - Cross ministerial coordination and authorizations to sign
  - The required skills to effectively negotiate
  - Which external parties can be trusted and funding their fees
  - Political turnover, stalling/stopping deals
  - Signing bilateral A6 agreements
  - Politically motivated exclusivity agreements
- Financial
  - Pricing (what is the right price, fixed, floating, term)
  - Concern of opportunity costs of long-term agreements
  - Under delivery and financial damages clauses
  - Age of vintages by the time they get ready for sale
- Operational
  - Meeting CA requirements
  - Mismatch between market FREL and UNFCCC FREL
  - How much funding is needed and what price for long-term financial sustainability
  - Procurement “rules”
  - Technical requirements to transition to a market standard

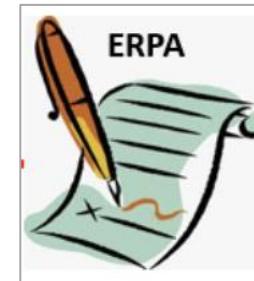
## Private Sector Challenges (Investors/Buyers)

- Timing and Negotiations
  - Expected speed of negotiation and decision making, not aligned with governments
  - Market standard ERPA contract terms, governments often will not accept
  - Mechanics of negotiation and redlines
- Financial
  - Concern over future demand/price for JREDD+ carbon credit
  - Securing greatest optionality for credit type (standards, CCP, CA, domestic demand)
  - Upfront, needs clarity on obligations in existing agreements
- Operational
  - Uncomfortable with the operational risk of top-down designed programs and centralized allocation of benefits
  - Wants to see direct link between funding and exact implementation areas, land tenure holders, BAP and fiscal management of funds externally controlled
  - Want role in governance
  - Desire for PPP (local SPV)
  - Requires recognized market standard

# Catalyzing Climate Finance and ERPAs Between Governments and Private Sector



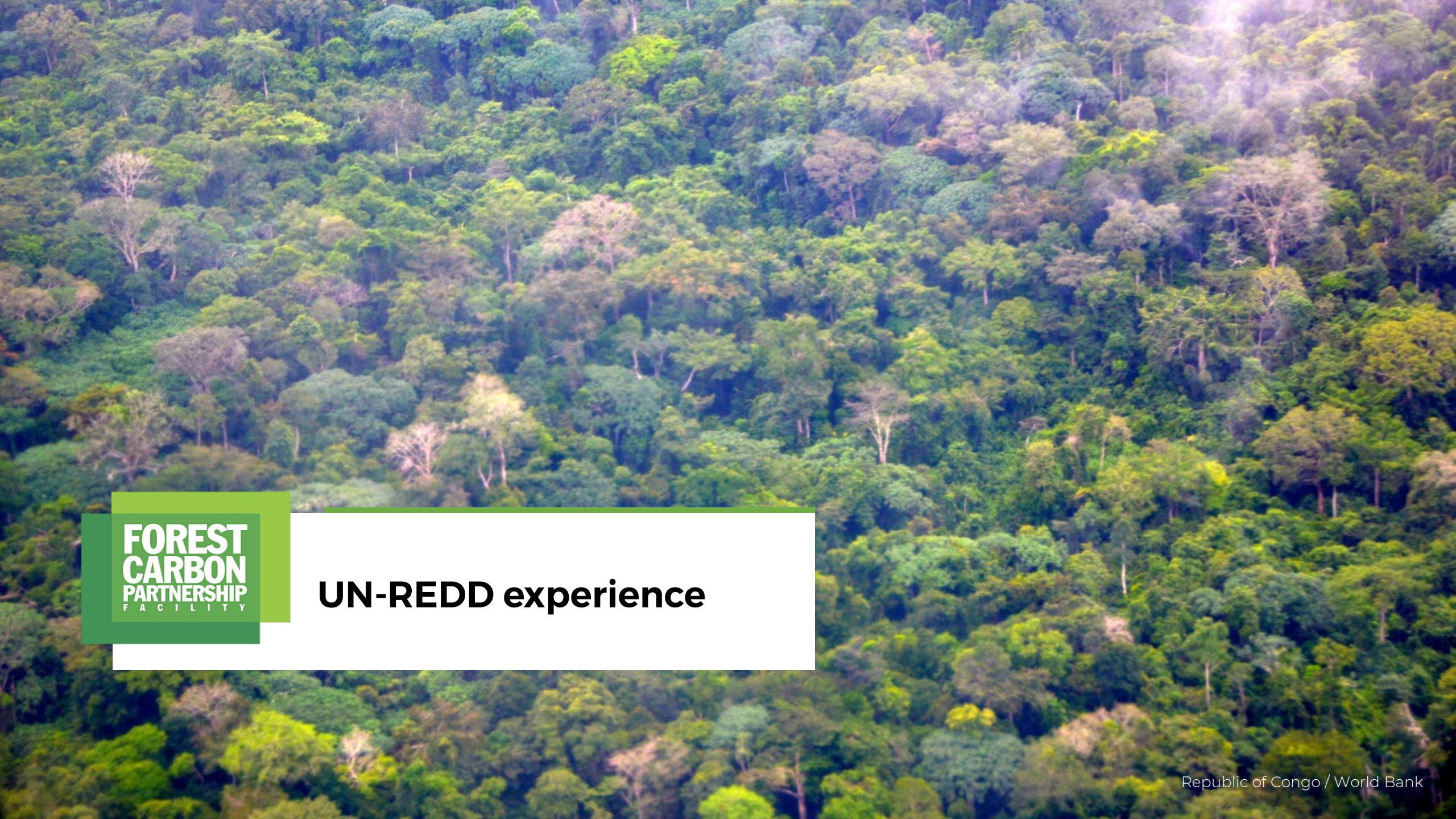
- 1) Secure price floors from RBP programs to provide to private sector for taking risk (upfront funding)
- 2) Hire trustworthy advisors (legal, technical)
- 3) Enter negotiations with robust financial projections and market knowledge
- 4) Invest in convergence of UNFCCC FRELs/Inventory with market standards
- 5) Ensure private sector engagement process is robust and fair
- 6) Leverage REDD+ projects



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- 1) Have patience and persistence while knowledge sharing during process
- 2) Keep agreement simple, but comprehensive
- 3) Understand underlying program financials and existing agreements
- 4) Negotiate transparently, equitably and in good faith
- 5) Engage in top-down and bottom-up investments
- 6) Secure political risk insurance and seek first loss/guarantees



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**UN-REDD experience**

# 2C

Excess ER Monetization & carbon  
market transaction readiness

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# Supporting access to markets

- REDD+ Investment roundtables brought over 130 private and public sector representatives in 2025 (Africa, Asia-Pacific, global).
- Key lessons:
  - Committed buyers remain elusive for jREDD+ as perceived integrity issues remain
  - Buyers/investors need sensitization to jREDD+ development timeframes, political risks and country capacity bottlenecks
  - Countries need more exposure to commercial conversations
  - Countries are new to due diligence processes of corporates (demand-side integrity) and offtake contract (ERPA) negotiations



# Recommendations to access to markets



- Recommendations on how to develop strategies in line with market sentiment and projections :
  - Align with and build capacity for VCM, CORSIA & Article 6 with an eye on the future.
  - Continuously monitor market and country specific updates
  - Uphold demand side integrity principles and support with ERPA legal advice
  - Clarify transaction space vis-a-vis NDC commitments
  - Build partnerships to enhance access markets and monetize credits.
  - **Convene next roundtable in Singapore in May**

# Summary: UN-REDD experience related to monetization



Pathway step	UN-REDD agency activities	Lessons learned
Excess credit generation	<ul style="list-style-type: none"><li>REDD strategy development</li><li>Specific policy support</li><li>Aligning other investments</li></ul>	<ul style="list-style-type: none"><li>Awareness of the share of ERs needed for NDC</li><li>Maintain implementation momentum and integrate experiences (including FCPF)</li></ul>
Policy decision	<ul style="list-style-type: none"><li>Carbon finance strategies</li><li>Legal assessments on carbon rights</li><li>Social inclusion</li></ul>	<ul style="list-style-type: none"><li>Integrate legal, monitoring, safeguards and accounting pieces</li><li>Enabling deeper transformations go beyond specific transactions</li></ul>
Transaction registry	<ul style="list-style-type: none"><li>Ad hoc dialogues ( advice)</li></ul>	
Negotiations	<ul style="list-style-type: none"><li>ERPA dialogue (legal preparedness)</li></ul>	<ul style="list-style-type: none"><li>Open dialogue on ERPA and link to past WB transactions facilitated negotiations</li></ul>
Monetization	<ul style="list-style-type: none"><li>Support mutual understanding and dialogues/ investor roundtables</li></ul>	



Thank you!

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Any questions?

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## Coffee Break

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