

ANNUAL REPORT

2024



**FOREST
CARBON
PARTNERSHIP
FACILITY**



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📷 Cover Photo: Viet Nam



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Abbreviations and Acronyms

ART	Architecture for REDD+ Transactions	IFC	International Finance Corporation (of the World Bank Group)
Bank	World Bank	IP	Indigenous Peoples
CATS	Carbon Assets Tracking System	ISFL	Initiative for Sustainable Forest Landscapes (of the BioCarbon Fund)
CBP	Capacity Building Program for Forest-Dependent Indigenous Peoples and Southern Civil Society Organizations	Lao PDR	Lao People's Democratic Republic
CF	Carbon Fund	MIGA	Multilateral Investment Guarantee Agency (of the World Bank Group)
CIF	Climate Investment Fund	MRV	measurement, reporting, and verification
CIFOR-ICRAF	Center for International Forestry Research and World Agroforestry	NGO	nongovernmental organization
COP	Conference of the Parties (to the UNFCCC)	REDD	Reducing Emissions from Deforestation and Forest Degradation
CORSIA	Carbon Offsetting and Reduction Scheme for International Aviation	REDD+	REDD plus conservation of forest carbon stocks, sustainable management of forests, and enhancement of forest carbon stocks
CSO	civil society organization	SCALE	Scaling Climate Action by Lowering Emissions (fund)
EnABLE	Enhancing Access to Benefits while Lowering Emissions (fund)	TCAF	Transformative Carbon Asset Facility
ER	emission reductions	tCO₂e	(metric) tons of carbon dioxide equivalent
ERPA	Emission Reductions Payment Agreement	UNFCCC	United Nations Framework Convention on Climate Change
ERPD	Emission Reductions Program Document	UN-REDD	United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries
FAO	Food and Agriculture Organization (of the UN)	VVBs	validation and verification bodies
FCPF	Forest Carbon Partnership Facility		
FMT	Facility Management Team (of the FCPF)		
FY24	fiscal year 2024: July 1, 2023–June 30, 2024		
ICAO	International Civil Aviation Organization		

All dollars are U.S. dollars unless otherwise indicated.

Foreword

At COP26 in 2021, more than 100 world leaders made a historic pledge to end and reverse deforestation by 2030—and with good reason. We know that forests can provide up to 37 percent of global emission reductions to limit the worst effects of climate change. They host 80 percent of the world’s terrestrial biodiversity, support livelihoods, and ensure food security for millions of people, particularly in developing countries.

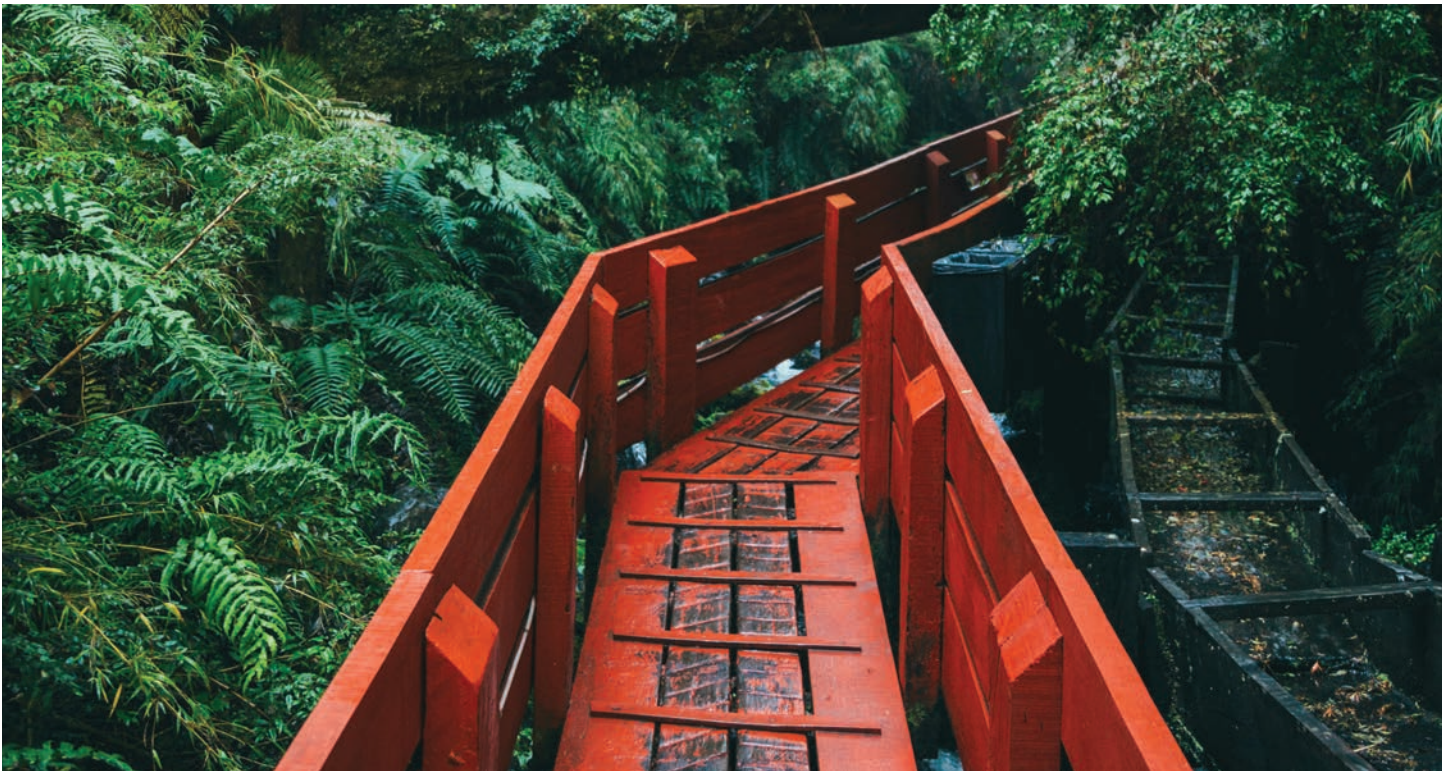
Achieving the COP26 net-zero deforestation pledge requires humankind to achieve something for the first time in its history. But is it achievable? To that, I’d point to the ongoing progress of participant countries under the Forest Carbon Partnership Facility (FCPF) as proof that a viable and scalable model exists to reach net-zero deforestation by 2030.

The FCPF’s fiscal year 2024 (FY24) was a record year for **emission reductions (ER) payments**, as the Carbon Fund paid just over \$111 million to four countries (Côte d’Ivoire, Ghana, Madagascar, and Viet Nam)—a figure that pushes the FCPF’s total ER payments to \$164.5 million, up from \$53.2 million in FY23.

We are now on track to significantly increase ER payments in the coming fiscal year. This progress continues to prove that REDD+ works, and that it can be a key mechanism to enable the **mobilization of finance** to sustainably manage and protect forests and to support the development of communities.

This progress also lays the foundation for the expansion of REDD+ well beyond the FCPF Carbon Fund’s 15 country programs. This work is supported by the **World Bank’s Scaling Climate Action by Lowering Emissions (SCALE) initiative**, which is coordinating its Natural Climate Solutions work side by side with the FCPF. SCALE became active in late 2023 and is now gearing up to complement and enhance the capacity building and technical assistance that was previously provided by the FCPF’s Readiness Fund, including support for up to 20 countries across Africa, Asia, and Latin America and the Caribbean. Our goal is to enable more REDD+ countries to mobilize additional finance through SCALE’s result-based payments and subsequently via carbon markets.

In June 2024, the **FCPF’s third independent evaluation** was released, which found that the FCPF has achieved positive



results in terms of REDD+ and carbon market relevance, coherence, effectiveness, impact, efficiency, and sustainability. This could not have been achieved without the support of everyone involved in the FCPF since its beginning, including REDD+ countries, contributors, and other valued stakeholders. The evaluation took stock of achievements and lessons learned and identified opportunities for improvement, including in the areas of gender mainstreaming, support to benefit sharing, addressing the financing gap of ER programs, and supporting private sector engagement. The Bank is committed to incorporating the evaluation's recommendations in the FCPF's future work, and as part of SCALE's efforts going forward.

To deliver on the evaluation's recommendations in the areas of gender mainstreaming and equitable benefit sharing, the Bank's **Enhancing Access to Benefits while Lowering Emissions** (EnABLE) fund has been critical to ensure that benefits make their way to local communities in a quicker and more socially inclusive way. With support from the FCPF, EnABLE is helping local communities, including vulnerable and disadvantaged groups such as women, to equitably access benefits from ER programs. Continued support to EnABLE will be critical to ensure positive development impacts for communities and their participation in decarbonization efforts.

To deliver on the evaluation's recommendations related to addressing the financing gap of ER programs and increasing private sector engagement, the Bank is supporting FCPF countries to set a **monetization pathway** that will enable them to increase the amount of finance mobilized, much of it from the private sector, by leveraging high-integrity carbon markets. These efforts have included, among others, the provision of technical assistance to countries to help them make informed decisions regarding the monetization of their excess emission reductions, the **availability of third-party registries** to enable countries to transact their excess emission reductions,

and the achievement of the provisional approval by the UN's International Civil Aviation Organization **Carbon Offsetting and Reduction Scheme for International Aviation** for phase 1 (2024–26). We are hopeful that the first FCPF emission reductions will reach carbon markets in the coming fiscal year, enabling more finance to reach ER programs and beneficiaries.

Let me end by stressing the need to secure the long-term sustainability of ER programs beyond the lifespan of the FCPF. The extension of the FCPF Carbon Fund in FY24 to December 2028 was a first step in the right direction to enable adequate time for countries to continue receiving results-based finance from the FCPF and properly implement their benefit-sharing plans. Beyond this, we will also need to provide additional pathways to ER programs to continue operating and expanding as needed.

One important piece to enable this will be the creation of a standalone **FCPF Standard** that can continue being used by existing or new ER programs going forward. This standalone FCPF Standard is not only critical for the long-term sustainability of ER programs, but it will also help to build confidence among the buyers of existing FCPF emission reductions. In the coming year, the FCPF Facility Management Team will continue working to explore options for transitioning governance of a standalone FCPF Standard to an entity outside the Bank, enabling its use by the widest range of jurisdictional REDD+ programs.

With so many positive milestones reached in 2024, my hope is that 2025 will continue to build on these successes.



Andres Espejo
FCPF Fund Manager
October 2024

Executive Summary

A BANNER YEAR for total FCPF emission reductions payments, which more than tripled from \$53.2 million in 2023 to \$164.5 million in 2024

Over the past fiscal year, the FCPF Carbon Fund made a **record \$111.3 million** in emission reductions (ER) payments to Côte d'Ivoire (\$34 million), Ghana (\$16.9 million), Madagascar (\$8.8 million), and Viet Nam (\$51.5 million). These four payments—the FCPF's highest amount ever paid in a single year—combined with previous payments brings the Carbon Fund's total ER payments to **\$164.5 million**.¹

These payments are delivering on the commitments made in the FCPF's 15 Emission Reductions Payment Agreements (ERPAs). By the end of fiscal year 2024 (FY24), Carbon Fund countries had reported a total of 105.5 million tons of emission reductions. Contract ER payments to the Carbon Fund's 15 participant countries are now projected to reach \$721 million for over 144 million tons of emission reductions. Such reductions are equivalent to taking approximately 32 million cars off the road for a year.

Beyond Carbon Fund ERPAs, FCPF participant countries are now also generating excess emission reductions. To date, countries have reported about 20 million excess emission reductions that could be monetized in carbon markets, of which almost 5 million emission reductions have been independently verified, opening the door to new streams of finance from high-integrity carbon credits.

Results from the **FCPF's third independent evaluation**, published in June, highlight how the FCPF continues to advance REDD+ and carbon market readiness through the effective mobilization of finance, national and global engagement, climate mitigation, sustainability, and gender inclusivity. The evaluation underscores how the FCPF is assisting countries in advancing measurement, reporting, and verification (MRV) systems, benefit-sharing mechanisms, and other tools to ensure the effective delivery of results-based payments (read more on the FCPF's third evaluation on [pages 30–31](#)).

Several FCPF initiatives in FY24 have helped countries achieve these significant emission reductions and related payments.

Over the past year, the FCPF advanced **third-party verification** of submitted ER monitoring reports from 13 Carbon Fund countries and conducted various capacity-building events

to clarify FCPF requirements. These events also aimed to increase the capacity of REDD+ countries and validation and verification bodies. This work is a central pillar of producing the high-integrity emission reductions for which there is increasing demand in global carbon markets.

In FY24, the World Bank also **piloted a next-generation MRV system (MRV 2.0)** that is helping address ongoing challenges identified in the MRV process. This work was bolstered by partnerships with WWF-US, the European Space Agency, Amazon Web Services, and the California Polytechnic State University (read more on MRV 2.0 on [page 23](#)).

The World Bank's ER transaction registry, the **Carbon Assets Tracking System (CATS)**, continues to provide a secure, transparent, and user-friendly global resource that participant countries can use to minimize risk in ER payment operations. In FY24, after just three years in operation, CATS became the most important global transactional platform for jurisdictional REDD+, with a transacted volume of 51.7 million emission reductions (read more on CATS on [page 26](#)).

Throughout FY24, the FCPF Facility Management Team (FMT) continued to advance the development of a standalone **FCPF Standard** for jurisdictional REDD+ programs based on the **FCPF Methodological Framework** and other Carbon Fund requirements. Through a series of discussions in 2024, Carbon Fund participants, REDD+ countries, and private sector companies encouraged the FMT to explore transitioning the governance of the FCPF Standard to an entity outside the World Bank. This would open up the FCPF Standard to all interested jurisdictional REDD+ programs after the anticipated close of the Carbon Fund, which in FY24 was extended from December 2025 to December 2028. To help socialize the standard globally, the FCPF launched a comprehensive **FCPF Standard microsite** at COP28 in December, which has attracted more than 46,000 visitors to date (read more on the FCPF Standard on [page 27](#)).

These MRV, CATS, and FCPF Standard advancements have been instrumental in the FCPF now becoming provisionally approved to provide eligible units under phase 1 (2024–26) of the International Civil Aviation Organization's **Carbon Offsetting and Reduction Scheme for International Aviation (CORSA)**. In FY24, the FCPF submitted changes to CORSA

¹ The previous ER payments include advance payments.

that included specific procedures to avoid and compensate for any double claiming, as required by the Paris Agreement (read more on CORSIA on [pages 27–29](#)).

As opportunities for the **private sector to engage in carbon markets** have substantially increased, the FCPF’s work in this area has become increasingly focused on facilitating country access to third-party buyers. In FY24, the World Bank developed a five-step pathway for countries seeking to monetize their excess emission reductions. The aim is to help countries mobilize finance by leveraging high-integrity carbon markets that would support the medium-term sustainability of their ER programs and provide additional finance to communities (read more on private sector engagement on [pages 20–22](#)).

Over the past year, the FCPF also increased support to participant countries in their efforts to capture the **non-carbon benefits** arising from REDD+ activities, such as increased household income, adoption of sustainable land-use practices, soil protection, and improvement in transparency and forest governance. Improving the standardization of reporting these non-carbon benefits, as recommended by the FCPF’s third evaluation, will continue to be a focus in FY25 (read more on non-carbon benefits on [page 25](#)).

In the area of social inclusion, the World Bank’s [Enhancing Access to Benefits while Lowering Emissions \(EnABLE\) Fund](#) carried on the work of the FCPF’s long-standing Capacity Building Program for Forest-Dependent Indigenous Peoples and Southern Civil Society Organizations (CBP), which closed in 2022. With activities in 13 of the 15 FCPF Carbon Fund countries, EnABLE and the FCPF are working to ensure that the carbon and non-carbon benefits identified in ER program benefit-sharing plans are effectively channeled to Indigenous Peoples, local communities, and other marginalized groups, including women and youth.

With support from the FCPF, EnABLE hosted its flagship international social inclusion conference—the Indigenous Peoples and Local Communities [Global Dialogue on Climate Finance](#)—in San José, Costa Rica, in November. And in June, the FCPF co-hosted a global [REDD+ Knowledge Day](#) in Oslo, Norway—on the margins of the Oslo Tropical Forest Forum—which included sessions that explored effective social inclusion in ER programs. The FCPF and EnABLE collaborated on a panel discussion exploring the design and implementation of equitable REDD+ benefit-sharing plans and spotlighting valuable

case studies from Costa Rica and Viet Nam.

In FY24, the FCPF and EnABLE continued to collaborate on a methodology for social outcomes certification in ER programs that aims to recognize and reward social inclusion efforts and generate additional benefits beyond FCPF Standard requirements. The EnABLE Secretariat also collaborated with the Center for International Forestry Research and World Agroforestry (CIFOR-ICRAF) in FY24 to develop a guide for impactful benefit-sharing arrangements (read more on social inclusion on [pages 17–20](#)).

Moving forward, the FCPF will focus on supporting the continued delivery of high-integrity contract and excess emission reductions in all 15 Carbon Fund programs. A key part of this support will be to help countries in their efforts to monetize excess emission reductions and find additional sources of climate finance. The facility will also continue to support the implementation of robust benefit-sharing plans to ensure that benefits from ER programs reach stakeholders, including Indigenous Peoples and local communities.

As the FCPF Carbon Fund enters its final years in operation, the facility will continue to identify and advance a path forward for the FCPF Standard, a key resource for REDD+ countries in the coming years. Another key resource for REDD+ countries is the World Bank’s [Scaling Climate Action by Lowering Emissions \(SCALE\) Fund](#). SCALE’s work builds on the FCPF’s trailblazing REDD+ and ER advancements since 2008, which SCALE is uniquely positioned to carry on beyond the closure of the FCPF Carbon Fund in 2028.



To ensure a seamless transition, SCALE’s Partnership Technical Committee meetings for its Pillar 1 work (that is, Natural Climate Solutions) are being organized back-to-back with FCPF Carbon Fund meetings to ensure there is coherence and synergy in the FCPF Carbon Fund portfolio and SCALE’s REDD+ programming. This collaboration underscores that REDD+ countries, both in and beyond the FCPF Carbon Fund, can continue to count on the World Bank as a trusted REDD+ partner in the decades to come.

How the FCPF Operates

The **Forest Carbon Partnership Facility** (FCPF) is truly a global partnership—comprising governments, the private sector, civil society, international organizations, and Indigenous Peoples—focused on efforts to reduce emissions from deforestation and forest degradation, forest carbon stock conservation, the sustainable management of forests, and the enhancement of forest carbon stocks in developing countries (activities commonly referred to as REDD+).

The FCPF has supported **47 developing countries** across Africa, Asia-Pacific, and Latin America and the Caribbean as they lay the groundwork to implement REDD+. This work has included developing national REDD+ strategies and reference emission levels; conducting inclusive stakeholder consultations; designing measurement, reporting, and verification systems; establishing national REDD+ management structures, including environmental and social safeguards; and implementing comprehensive emission reductions programs that include equitable benefit-sharing plans.

The overall goal of the FCPF is to pilot results-based emission reductions payments to countries that have advanced through REDD+ readiness and implementation and achieved verified emission reductions in their forest sector (see “Strategic Objectives”). In addition, the facility tests ways to sustain or enhance livelihoods of local communities and to conserve biodiversity.

The FCPF’s separate but complementary funding

mechanisms—the **Readiness Fund**² and the **Carbon Fund**—have combined funding in excess of \$1.3 billion to achieve the fund’s strategic objectives. Both funds have been supported by a multidonor fund of governments and nongovernmental entities, including the private sector, all of which have made a minimum financial contribution of \$5 million.

The FCPF has supported

47

developing countries across Africa, Asia-Pacific, and Latin America and the Caribbean as they lay the groundwork to implement REDD+.

Contributors to the Carbon Fund are known as Carbon Fund participants. The 15 developing countries participating in the Carbon Fund are referred to as Carbon Fund country participants.

² The Readiness Fund officially closed its operations in December 2022.

STRATEGIC OBJECTIVES

<p>To assist countries in their REDD+ efforts by providing them with financial and technical assistance in building their capacity to benefit from possible future systems of positive incentives for REDD+.</p>	<p>To pilot a performance-based payment system for REDD+ activities, with a view to ensuring equitable benefit sharing and promoting future large-scale positive incentives for REDD+.</p>	<p>Within the approach to REDD+, to test ways to sustain or enhance livelihoods of local communities and to conserve biodiversity.</p>	<p>To disseminate broadly the knowledge gained in the development of the facility and the implementation of REDD+ Readiness activities and emission reductions programs.</p>
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IMPACTS

REDUCED EMISSIONS from deforestation and forest degradation

SUSTAINED or ENHANCED BIODIVERSITY and LIVELIHOODS for forest-dependent people



OUTCOMES

OVERARCHING OUTCOME: Improved governance and transparency for sustainable forest resource management (including REDD+ interventions) within participant countries

The Readiness Fund supported capacity building within participant countries to deliver REDD+ and/or access REDD+ finance.

The Carbon Fund incentivizes the development and delivery of REDD+ emission reductions (ER) programs and related results-based payments.

Participant countries strengthen delivery of programming aimed at sustaining or enhancing livelihoods of local communities and/or conserving biodiversity.

The FCPF enhances learning on global implementation of REDD+, including ER programs.



OUTPUTS

Readiness Fund (2008–2022)

The Readiness Assessment Framework is agreed upon and disseminated.

Countries demonstrate an adequate plan to achieve preparedness for REDD+ funding.

Countries progress adequately on the implementation of their Readiness Preparation Proposals and Grant Agreements.

Standards and preparations are in place for high-quality ER programs discussed and endorsed by Carbon Fund participants and/or the Participants Committee.

Carbon Fund (2011–present)

Countries enter the Carbon Fund portfolio.

The private sector engages with the Carbon Fund.

Countries progress adequately on the implementation of their ER programs.

The capacity of Indigenous Peoples and civil society organizations is enhanced to engage in REDD+ processes at the country level.

FCPF participant countries test ways to sustain and enhance livelihoods.

FCPF participant countries test ways to conserve biodiversity.

Knowledge gained during the development and delivery of FCPF activities is disseminated, in line with the communications and knowledge strategy.

Participants actively engage in South-South learning activities.

FCPF knowledge is applied by participants and other REDD+ practitioners.

Who Is the FCPF?

REDD+ COUNTRY PARTICIPANTS



Argentina



Belize



Bhutan



Bolivia



Burkina Faso



Cambodia



Cameroon



Central African Republic



Chile



Colombia



Congo, Dem. Rep. of



Congo, Rep. of



Costa Rica



Côte d'Ivoire



Dominican Republic



El Salvador



Ethiopia



Fiji



Gabon



Ghana



Guatemala



Guyana



Honduras



Indonesia



Kenya



Lao People's Dem. Rep.



Liberia



Madagascar



Mexico



Mozambique



Nepal



Nicaragua



Nigeria



Pakistan



Panama



Papua New Guinea



Paraguay



Peru



Sudan



Suriname



Tanzania



Thailand



Togo



Uganda



Uruguay



Vanuatu



Viet Nam

DONORS



European Commission



Australia



Canada



Denmark



Finland



France



Germany



Italy



Japan



Netherlands



Norway



Spain



Switzerland



United Kingdom



United States of America

DELIVERY PARTNERS



OBSERVERS

(official & unofficial)



Indigenous Peoples



Civil Society Organizations



International Organizations



Women's Groups



Private Sector





 Nepal

The Carbon Fund

The [FCPF Carbon Fund](#) supports 15 diverse and ambitious emission reductions (ER) programs. Each takes a jurisdiction-level approach toward engaging actors in agriculture, energy, transport, land, mining, and forestry to achieve climate smart land use, protect forests, restore degraded land, and improve local livelihoods.

Read more on the [FCPF's 15 Carbon Fund ER programs](#).

Over the past fiscal year, the Carbon Fund made ER payments to Côte d'Ivoire (\$34 million), Ghana (\$16.9 million), Madagascar (\$8.8 million), and Viet Nam (\$51.5 million). These payments, combined with previous ER

payments made to Costa Rica, Côte d'Ivoire, Ghana, Indonesia, Lao PDR, and Mozambique,³ bring the Carbon Fund's total ER payments to \$164.5 million.

15

FCPF ERPAs

(Emissions Reductions Payment Agreements) have unlocked up to \$721 million in results-based payments for emission reductions expected to total 144.3 million tCO₂e by 2025.

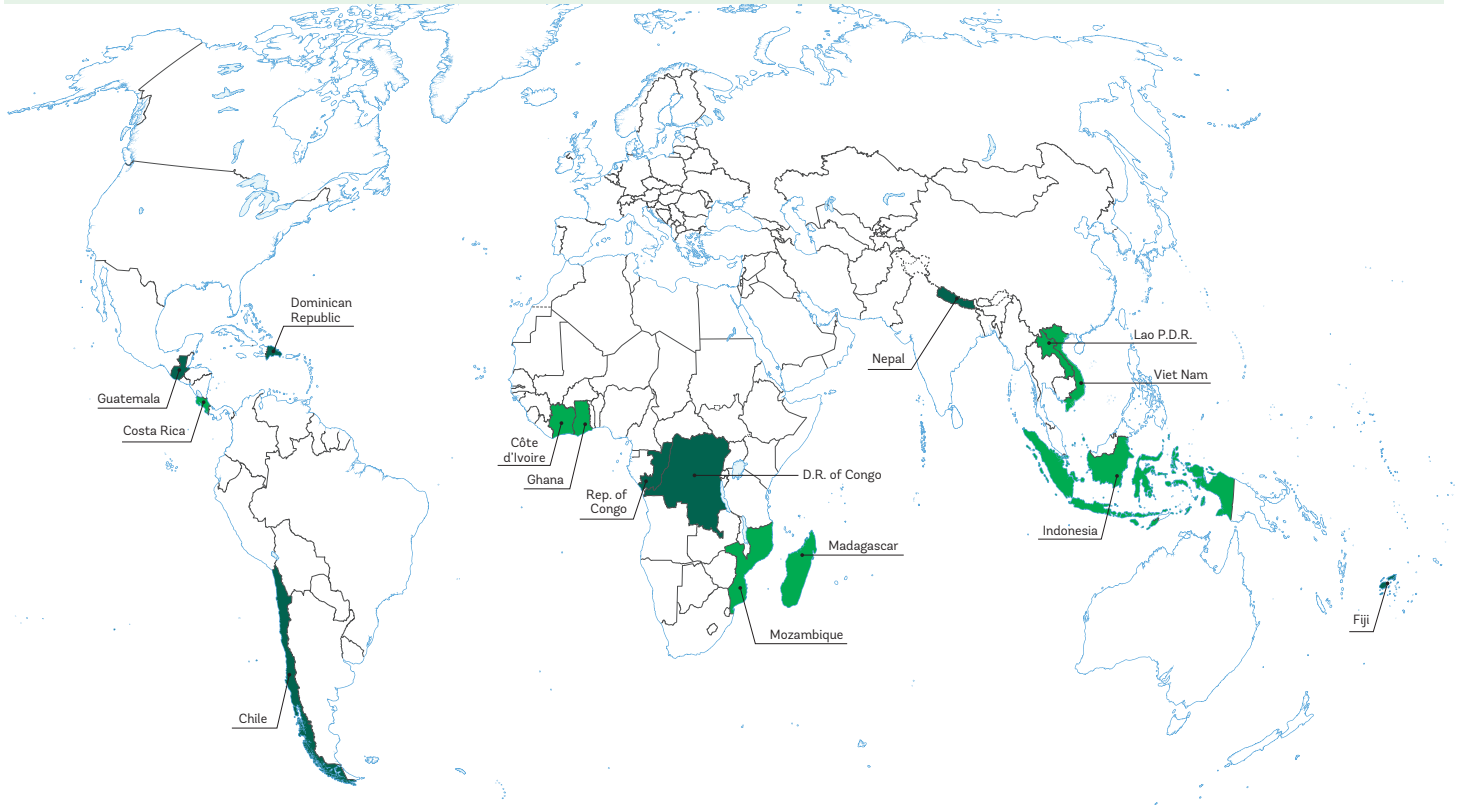
³ These previous ER payments include advance payments.



Viet Nam

15 Countries in the Carbon Fund

This map illustrates the furthest milestone toward developing and implementing a large-scale REDD+ initiative that a participant country has achieved as of June 30, 2024.



CARBON FUND MILESTONES

15 ERPAs SIGNED

- Chile: \$26M
- Costa Rica: \$60M
- Côte d'Ivoire: \$50M
- Congo, Dem. Rep.: \$55M
- Congo, Rep.: \$41.8M
- Dominican Republic: \$25M
- Fiji: \$12.5M
- Ghana: \$50M

- Guatemala: \$52.5M
- Indonesia: \$110M
- Lao PDR: \$42M
- Madagascar: \$50M
- Mozambique: \$50M
- Nepal: \$45M
- Viet Nam: \$51.5M

The amounts shown alongside country names are ERPA contract values.

8 COUNTRIES HAVE RECEIVED ERPA PAYMENTS*

- Costa Rica: \$16.4M
- Côte d'Ivoire: \$35M
- Ghana: \$21.7M
- Indonesia: \$20.9M
- Lao PDR: \$3M
- Madagascar: \$8.8M
- Mozambique: \$7M
- Viet Nam: \$51.5M

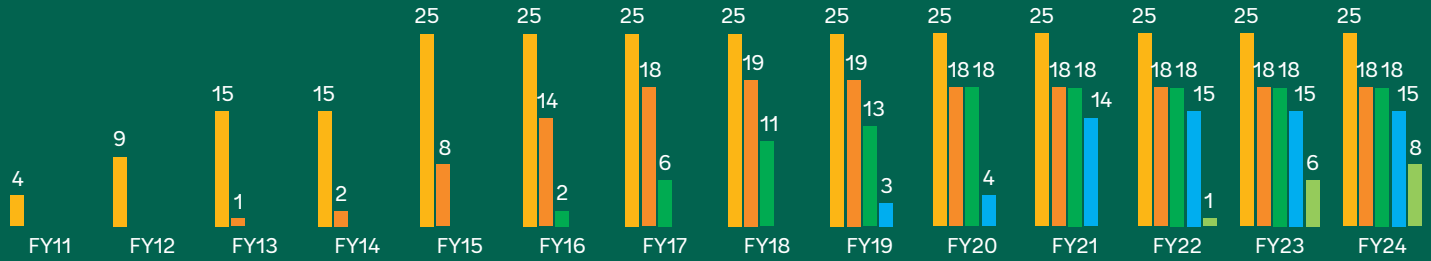
* ERPA payments include FCPF Carbon Fund payments to purchase verified emission reductions as well as advance payments.

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This map was produced by the Cartography Unit of the World Bank Group. The boundaries, colors, denominations, and any other information shown on this map do not imply, on the part of the World Bank Group, any judgment on the legal status of any territory, or any endorsement or acceptance of such boundaries.

Milestones, FY11–FY24

- ER Program Idea Notes Submitted
- Letters of Intent Signed
- ER Programs Accepted into Portfolio
- ER Programs With ERPAs Signed
- Countries That Have Received ERPA Payments*



* Four countries received ERPA payments in FY24: Côte d'Ivoire, Ghana, Madagascar, and Viet Nam.

Carbon Fund by the Numbers



\$947M

in Carbon Fund



\$721M

Total ER Payment Agreement Value



\$164.5M

Total ER Payments to Date



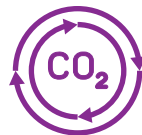
15

Countries with Signed ERPAs



105.5M

Total ER Reported by Participant Countries



4.9M

Verified Excess ER Generated by Participant Countries



111M

Hectares in Combined Program Areas



 Côte d'Ivoire

Building Blocks of Emission Reductions Programs

SOCIAL INCLUSION

Climate change often exacerbates existing patterns of poverty and inequity by placing a disproportionate burden on the most marginalized and disadvantaged. Programs to reduce emissions and mitigate climate impact may overlook historically underserved populations, such as Indigenous Peoples, local communities, women, youth, and the disabled. These groups' characteristics greatly differ from one another but share common characteristics of facing discrimination and social exclusion. These populations may reside in

remote and isolated areas, with limited access to infrastructure, health, and education services.

As demonstrated by global experiences with REDD+ and early lessons learned from the FCPF, the meaningful inclusion of marginalized people is important not only to ensure that their needs and rights are respected but also to ensure the efficacy and equity of emissions reductions (ER) programs. The FCPF actively engages with socially marginalized and disadvantaged groups through recognized Indigenous and traditional institutions, and it offers programs and services catered to vulnerable and underserved populations. This section highlights results from this work in fiscal year 2024 (FY24).



 Ghana

EnABLE Fund Carries on Work of FCPF Capacity Building Program

Between 2008 and 2022, the FCPF Capacity Building Program for Forest-Dependent Indigenous Peoples and Southern Civil Society Organizations (CBP) worked with Indigenous Peoples, other forest-dependent communities, and southern civil society organizations (CSOs) to increase their understanding of REDD+ and their engagement in readiness and implementation. With \$15 million in funding, more than 100 CBP subprojects across all 47 FCPF Readiness Fund countries focused on REDD+ capacity building. The projects also sought to increase engagement among women and youth as well as to facilitate regional exchanges and sharing of lessons learned.

With the FCPF Readiness Fund having closed at the end of December 2022 and Carbon Fund financing limited to making results-based payments, a different vehicle was needed to ensure the good work of the CBP continued beyond its closure. The World Bank's [Enhancing Access to Benefits while Lowering Emissions \(EnABLE\) Fund](#) is now carrying on the work of the CBP.

Set up in December 2020 with an initial contribution of €20 million from Germany, EnABLE provides global knowledge, operations, and technical assistance—through direct financing

to local implementing CSOs aimed at enhancing the inclusion of marginalized communities and disadvantaged groups in FCPF ER programs. With activities in 13 of the 15 FCPF Carbon Fund countries, EnABLE is working to ensure that the carbon and non-carbon benefits identified and articulated in ER program benefit-sharing plans are effectively channeled to Indigenous Peoples, local communities, and other marginalized communities. In FY24, grant agreements worth \$4 million each were signed between the World Bank and implementing CSOs in Ghana, Indonesia, and Mozambique, leading the three countries to the implementation phase of EnABLE activities. In FY25, country program investments in advanced stages of preparation are expected to launch in Costa Rica, Fiji, Lao PDR, Nepal, and Madagascar, backed by an additional \$19 million in funding. The preparation of proposals for four additional country program investments is ongoing in the Republic of Congo, Côte d'Ivoire, the Dominican Republic, and Guatemala.

Women

Women play an essential role in forest landscape management across the world, but they are often not fully involved in decisions related to forests or in the equitable distribution of benefits from forest resources. As the third evaluation notes (see pages 30–31), the FCPF has enabled the implementation



 Fiji



 Viet Nam

of actions to help address gender disparities and ensure that women's roles and rights are recognized and supported in the context of sustainable development and climate change mitigation. Such activities include the development of gender action plans, providing training on gender considerations, conducting gender-related studies, and including a gender specialist in governance meetings.

Over the past year, several FCPF participant countries have advanced efforts to mainstream gender considerations in their implementation efforts. This work continues to improve technical knowledge, strengthen institutional capacity, and create tangible benefits to support implementation at local and national levels. EnABLE is supporting the implementation of country gender action plans to effectively address gender issues in processes related to REDD+.

With the first payments being made to Carbon Fund countries for verified emission reductions, it is increasingly important to implement activities to increase the participation of women in forestry and REDD+, to reduce land tenure gaps between men and women, and to include women in value chains. Gender action plans, financed by the FCPF and developed over the past years by partner governments in 12 ER programs, provide a clear framework for implementation.

Increased payments for verified emission reductions in Carbon Fund countries and the implementation of benefit-sharing mechanisms are testing the efficacy of past and current efforts to ensure women's inclusion in decision-making bodies and financing opportunities. Building on the inroads made through FCPF Readiness Fund support, along with ongoing support from its EnABLE Fund, the World Bank remains committed to empowering women in results-based climate finance with support to gender equality in Carbon Fund ER programs.

Global Outreach with Indigenous Peoples and Local Communities

In FY24, the FCPF and EnABLE Fund worked together to enhance social inclusion in EnABLE constituencies by helping to improve Indigenous Peoples and local community engagement in results-based climate finance, facilitating knowledge sharing, and hosting policy dialogues on climate finance and ER programs. This work included convening several important global and regional events.

In collaboration with local Indigenous organizations, EnABLE hosted regional roundtables in Kenya, Nepal, and Panama focused on Indigenous Peoples' resilience to climate shocks. With support from the FCPF, these roundtables brought

together Indigenous leaders and experts from multiple countries to discuss key drivers of resilience and climate finance mechanisms.

In collaboration with the FCPF, EnABLE hosted its flagship social inclusion conference—the **Indigenous Peoples and Local Communities Global Dialogue on Climate Finance**—in San José, Costa Rica, November 6–9, 2023. This global dialogue brought together more than 60 representatives of Indigenous Peoples and local communities from around the world to facilitate meaningful discourse on their engagement in results-based climate finance, including decision-making processes, implementation mechanisms, and inclusive benefit sharing.

In June, the FCPF co-hosted a global REDD+ Knowledge Day in Oslo, Norway, which included sessions that explored effective social inclusion in ER programs. The event brought together more than 140 participants from governments, Indigenous Peoples' organizations, civil society organizations, nongovernmental organizations (NGOs), academia, contributors, the World Bank, and the United Nations, representing 30-plus countries. The FCPF and EnABLE collaborated on a session that explored the design and implementation of equitable REDD+ benefit-sharing schemes, spotlighting valuable case studies from Costa Rica and Viet Nam.

Knowledge and Methodology

With support from the FCPF, the EnABLE Secretariat collaborated with the [Center for International Forestry Research and World Agroforestry](#) (CIFOR-ICRAF) to develop a guide for impactful benefit-sharing arrangements. The guide will provide government decision makers, local stakeholders (for example, land users, private sector, NGOs), and World Bank task teams with a practical resource for designing and implementing benefit-sharing arrangements in results-based climate finance. EnABLE and CIFOR-ICRAF conducted two comprehensive studies in Costa Rica and Viet Nam to inform this work.

The FCPF and EnABLE have been working on a methodology for social outcomes certification in ER programs that aims to recognize and reward efforts that prioritize social inclusion and generate additional social and development benefits beyond FCPF Standard requirements. The EnABLE, FCPF and external experts have developed a first version of the methodology. In FY25, an internal World Bank working group will discuss and finalize the draft social certification indicators developed by a multidisciplinary team, and establish a monitoring protocol to report on the social certification indicators.

Finally, in FY25, the FCPF and EnABLE aim to launch two more modules that will explore designing impactful benefit sharing and community-led monitoring, reporting, and verification. And the FCPF and EnABLE will continue to seek out opportunities to develop the necessary learning tools and methodologies to support the implementation of activities designed to improve social outcomes of ER programs.

PRIVATE SECTOR ENGAGEMENT

Long-term private sector investments are critical for addressing current funding gaps in climate finance for forests and landscapes. FCPF ER programs have developed mitigation strategies that include the participation and enhancement of the private sector. The facility continues to seek out innovative entry points for the private sector to help scale up the potential of REDD+. To date, 68 different partnerships have been created with the private sector in the context of the Carbon Fund ER programs.

In Madagascar, the FCPF has supported the development of a guide to mainstream sustainable vanilla production through sectoral platforms. IFC is then providing a loan to exporters engaged in sustainable vanilla sourcing within the FCPF's jurisdiction in Madagascar and supporting opportunities to further develop a certified supply chain.

The Ghana Cocoa Forest Landscape Program also continues to work with small-scale producers of cocoa beans, private sector buyers, and the Cocoa Board of Ghana to support sustainable production of cocoa.

As noted in the FCPF's third independent evaluation, published in June, efforts to strengthen forest management by the private sector are also likely to generate biodiversity benefits in Costa Rica, Ghana, Guatemala, and Nepal (read more on the FCPF's evaluation on pages 30–31). In Costa Rica, Ghana, and Mozambique, the promotion of conservation agriculture, agroforestry, and the planting of shade trees by the private sector are likely generating biodiversity benefits.

Throughout FY24, FCPF governance bodies continued to ensure engagement with the private sector, providing observer status to private sector representatives who have been actively engaged in policy-level discussions. This enables the FCPF to get crucial inputs from stakeholders to enhance the participation of the private sector in ER programs.

The FCPF's independent evaluation recommends providing further support to REDD+ countries to strengthen the legal

and regulatory environment for private sector actors in deforestation-free value chains, as well as strengthening links to high-integrity forest carbon markets. Given that the FCPF Carbon Fund is expected to close in December 2028 and that ER programs' reporting will end in 2024, limited opportunity for improvements in private sector value chain engagement remains. However, there are substantial opportunities for private sector engagement in carbon markets, so facilitating country access to third-party buyers has become increasingly the focus of private sector engagement under the FCPF.

Facilitating Access to Third-Party Buyers

Standards and Management Tools

The guiding principles and methodological approach of the FCPF Standard are contained in the FCPF Methodological Framework (adopted by Carbon Fund participants in December 2013 and revised in 2016 and 2020), alongside a series of normative guidelines and templates available on the [FCPF Standard microsite](#). These documents provide a global standard for REDD+ transactions at scale and guide the piloting of results-based carbon finance transactions through the FCPF Carbon Fund. The FCPF Standard promotes the generation of high social and environmental integrity emission reductions that are compatible with international markets.

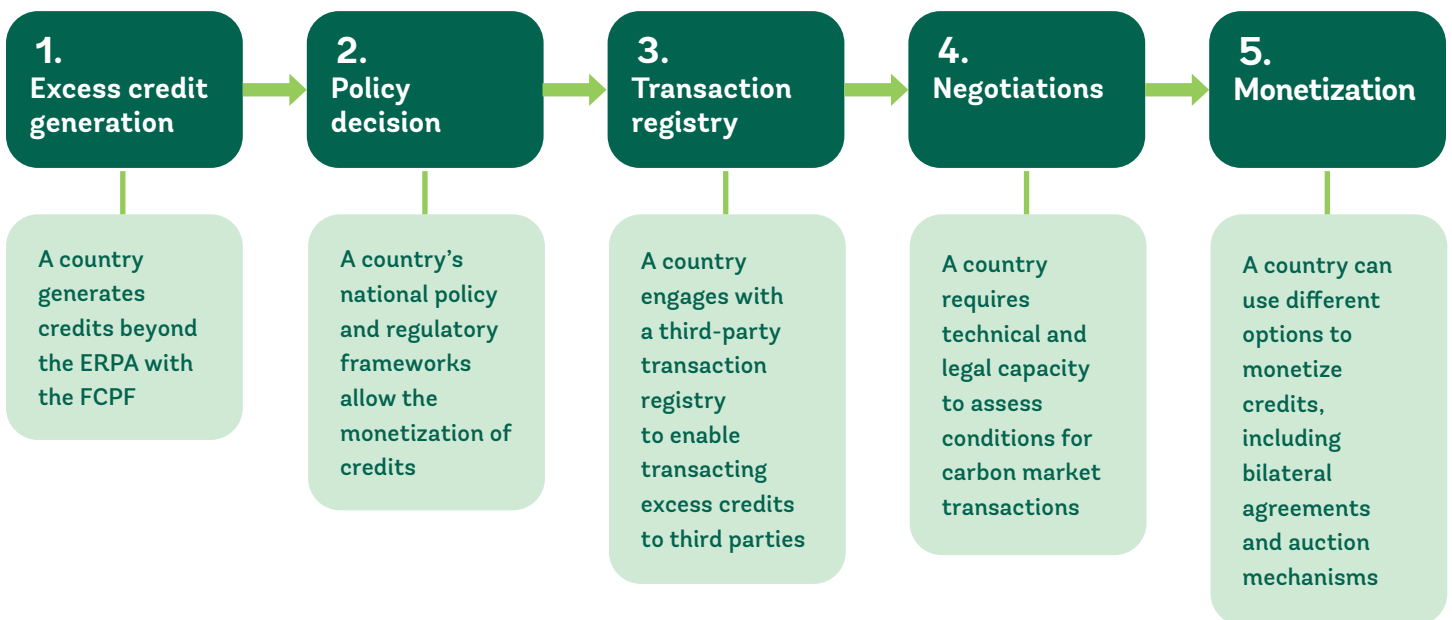
Excess Emission Reductions

All ER programs have successfully reported FCPF emission reductions in their first reporting periods and have completed or are progressing well on the validation and verification and ER issuances. All 15 countries are expected to deliver emission reductions in their first reporting periods, and some of these countries are expected to generate emission reductions in excess to those contracted under the Emission Reductions Payment Agreements (ERPAs) with the FCPF. These excess emission reductions have the same quality as excess emission reductions paid for by the World Bank, and the countries may monetize them through carbon markets if they wish to do so.

The monetization of excess emission reductions represents an opportunity for countries to mobilize finance by leveraging carbon markets that would support the medium-term sustainability of their ER programs and provide additional finance to communities. In FY24, the FCPF issued to Viet Nam over 4.9 million excess emission reductions, and the Democratic Republic of Congo, Guatemala, and Indonesia reported excess emission reductions that are pending third-party verification. More than 10 million excess emission reductions have been reported or verified so far.

To support countries with their monetization efforts, in FY24 the Bank developed a five-step pathway for monetization.

Five-Step Pathway for Country Monetization of Excess Emission Reductions



In FY24, the Facility Management Team (FMT) supported the establishment of such paths through different actions under each of the five steps.

Excess Credit Generation

Although some ERPAs with the FCPF allow for certain flexibility to enable countries to generate excess emission reductions, most do not. Allowing countries that do not have such flexibility in their ERPAs to generate excess emission reductions would allow them to pilot carbon markets early and potentially access much more finance than what the FCPF is able to provide. At the 28th Carbon Fund meeting, the FMT proposed to allow additional flexibility to be added to ERPAs, and currently Carbon Fund participants are considering this proposal.

Policy Decision

In September 2023, the FMT held workshops with Viet Nam and Indonesia to explain the available options to monetize their potential excess emission reductions. The workshops confirmed that both countries face barriers in decision making linked to the lack of clarity as to how international carbon market transactions could impact their international commitments and in inadequate or the lack of regulations on carbon market transactions.

To address this and support countries in addressing these issues, the World Bank will support countries with analytics and advisory services in the coming months with financial support from the FCPF, which was approved at the 28th Carbon Fund meeting.

Transaction Registry

To enable third-party buyers to buy excess emission reductions and transact with them in carbon markets, the World Bank signed cooperation agreements with ERT (managing the Architecture for REDD+ Transactions [ART] Registry) and Verra to enable countries to reissue their FCPF emission reductions in their registry systems. Today, countries can reissue their FCPF emission reductions in the ART Registry and Verra Registry, and the expectation is that the Bank will continue to expand options for countries to use third-party transaction registries.

Negotiations

Once a country has generated excess emission reductions and has taken the decision to transact them in carbon markets through one of the available transaction registries, it must proceed with negotiations to monetize them through an auction mechanism, a bilateral agreement, or other such option. This step of the process requires technical and legal expertise to be able to engage with third parties in discussions and

negotiations for third-party transactions. To provide countries with the needed technical and legal support, the World Bank will hire an intermediary, thanks to financial support from the FCPF, which was approved at the 28th Carbon Fund meeting.

Monetization

The final step of monetization consists of the actual transaction. To support this step, since 2021 the World Bank has engaged with various auction providers to provide their services to countries in their monetization efforts. The Bank is currently introducing interested countries to available auction providers, with the expectation of auctions coming or being announced during FY25.

In parallel, different third-party buyers and intermediaries have expressed interest in buying and transacting FCPF emission reductions. To facilitate buyers and intermediaries in their analysis of the quality of FCPF emission reductions and ER programs, the FMT developed an [FCPF Standard microsite](#) that provides all the requirements and key information related to the generation and issuance of FCPF emission reductions. Moreover, the FMT has developed country profiles that provide key summarized information of each ER program. The FMT has been facilitating information of ER programs to these buyers and intermediaries and has already introduced third-party buyers to countries so they can proceed with preliminary discussions.

MEASUREMENT, REPORTING, AND VERIFICATION

Measurement, reporting, and verification (MRV) systems are necessary to track the implementation and performance of REDD+ activities for the issuance of FCPF emission reductions and for the payments of result-based finance from the FCPF or carbon markets.

Over the past year, the FCPF continued its financial and technical support to countries operationalizing their MRV systems and preparing their monitoring reports. Chile, the Democratic Republic of Congo, the Republic of Congo, and Guatemala submitted their first ER monitoring reports; Costa Rica and Ghana submitted their second ER monitoring reports; Mozambique submitted its third ER monitoring report; and Côte d'Ivoire, the Democratic Republic of Congo, the Republic of Congo, Guatemala, Indonesia, Madagascar, and Viet Nam are currently preparing their second ER monitoring reports.

In FY24, the FCPF continued to implement third-party verification of submitted ER monitoring reports from Chile, Costa Rica, Côte d'Ivoire, the Democratic Republic of Congo, the Republic of Congo, the Dominican Republic, Fiji, Ghana, Guatemala, Indonesia, Lao PDR, Nepal, and Viet Nam. Out of these, Côte d'Ivoire, Ghana, Lao PDR, and Viet Nam successfully completed third-party verification in FY24.

The FMT conducted various capacity building events to clarify FCPF requirements and increase the capacity of REDD countries and validation and verification bodies (VVBs).

- The FCPF FMT prepared and hosted two webinars on updates to the FCPF ER *Monitoring Report*, *Validation and Verification Guidelines*, *Process Guidelines*, and *Buffer Guidelines*. More than 100 participants from the 15 FCPF programs attended the sessions.
- The FMT prepared and hosted a second session of Quality Assurance /Quality Control on updates to the FCPF ER *Buffer Guidelines*. Representatives from all 15 FCPF ER programs attended the session.
- During FY24, the FMT facilitated specific training sessions to VVBs on the use of Collect Earth Online for activity data, the *Validation and Verification Guidelines*, sampling design, and Monte Carlo simulations for uncertainty estimation. The FMT has engaged with accreditation bodies as well

as VVBs in order to increase the capacity of verification services of ER programs.

- The FMT is working with the [American National Standard Institute National Accreditation Board](#) (ANAB) to update the *Validation and Verification Guidelines* to align them to the revised version of ISO requirements. An updated version of the guidelines is expected before the end of 2024.

In FY24, the World Bank piloted a next-generation MRV system (MRV 2.0) that sought to address hurdles identified in the MRV process, notably the time required for its completion, including the collection of lessons learned, with the collaboration of WWF-US. This included partnerships with the European Space Agency, Amazon Web Services, and the California Polytechnic State University. It also involved the collection of state-of-the-art field data with Sylvera, updated approaches to biomass mapping, and exploring current technology solutions to practical problems. The final report of this exercise will be completed in the first half of FY25.

Capacities, tools, and resources continued to be advanced in FY24 to help countries improve the efficiency of their MRV systems. This included the co-launch with the Global Forest Observations Initiative and the Food and Agriculture Organization (FAO) of a [country-led planning process](#) for sustainable capacity building.





 Viet Nam

MRV Highlights in FY24

- **Thirteen verifications of ER monitoring reports were submitted in** Chile, Costa Rica, Côte d'Ivoire, the Democratic Republic of Congo, the Republic of Congo, the Dominican Republic, Fiji, Ghana, Guatemala, Indonesia, Lao PDR, Nepal, and Viet Nam.
- **The total expected performance to date based on submitted and verified ER monitoring reports is** 105.5 million tCO₂e. This includes emission reductions beyond the total contracted amount of 144.2 million tCO₂e.
- **Multiple trainings took place in FY24**, including trainings to provide countries with updates to FCPF requirements and specific technical training for VVBs to improve their capabilities.

NON-CARBON BENEFITS

REDD+ activities may result in a wide range of positive outcomes that go beyond those associated with avoided carbon emissions and carbon sequestration. Sometimes referred to as co-benefits or non-carbon benefits, these positive outcomes range from biodiversity conservation to livelihood improvements. The UNFCCC has recognized the importance of considering non-carbon benefits when implementing REDD+ activities and future initiatives.

Over the past year, the active participant countries in the Carbon Fund advanced their efforts to capture the non-carbon benefits arising from their REDD+ activities, such as increased household income, adoption of sustainable land-use practices, soil protection, and improvement of forest governance and transparency. Improving the standardization of the reporting of these non-carbon benefits, as recommended by the third external evaluation (see page 30), will continue to be a focus of the FCPF in FY25.

In **Côte d'Ivoire**, thanks to the ER program investments from the Forest Investment Program Phase 1, local producers and communities now have greater capacity to deal with issues of sustainable production and adaptation to and mitigation of climate change. Communities receive income from activities such as setting up nurseries, transporting seedlings to planting

areas, planting trees, surveying and transferring agricultural plots, and staking out plots as part of agroforestry activities. To encourage local communities in conservation and reforestation practices, income-generating activities such as goat rearing, cassava processing, and traditional poultry farming have been financed. These benefits will be further amplified by the support from the Forest Investment Program Phase 2. Sustainable agricultural practices have been supported in parks, limiting illegal logging and encouraging environmentally friendly agriculture. Corridors have been established through programs such as GIZ-Tai-Grebo-Sapo to strengthen ecological connectivity.

Lao PDR has experienced improved capacity for law enforcement, monitoring, and reporting, including forest crime investigations in areas including illegal logging. The Department of Forestry has developed a real-time deforestation monitoring system to detect and investigate deforestation events. The information generated will be used to check deforestation results at the district level while functioning as an early warning system for law enforcement. A number of alternative livelihood activities are under way, enabled through village forest and agriculture grants. The program has also made significant progress in three provinces toward developing village forest management plans, with over 380,000 hectares of village forest now managed through signed Village Forest Management/Conservation Agreements.

In **Madagascar**, co-management partners have built skills and knowledge through information and awareness-raising activities. The country has also worked on the restoration of forest bridges, maintaining the integrity of the park and ecological corridors, which helps encourage wildlife movement.

Viet Nam has experienced positive environmental impacts in water retention, soil fertility, and biodiversity. Improved resilience and adaptation to climate change have also been identified as important non-carbon benefits, with improvements to livelihoods taking place through economic diversification. Small infrastructure projects have offered additional resources for the community, and the ER program has produced additional resources for forest-dependent people. The program has also been found to increase the country's capacity to develop and manage a successful ER program, and the program is now well positioned to replicate and scale up in response to increasing levels of interest from other provinces.

TRANSACTION REGISTRIES

Emission reductions (ER) transaction registries are online databases that record, issue, transfer, and track ER units exchanged through market mechanisms or generated by results-based climate finance programs. Robust accounting of international transfers through a registry is imperative to safeguard the environmental integrity of ER units. Such registries are critical for mitigating the risk of double counting—when a single greenhouse gas emission reduction or removal is used more than once to demonstrate compliance with mitigation targets.

The World Bank's ER transaction registry—[The Carbon Assets Tracking System](#) (CATS)—supports the recording, issuance, and transaction of ER units generated under World Bank programs, including Emission Reductions Payment Agreements (ERPAs) from the FCPF Carbon Fund and the [BioCarbon Fund Initiative for Sustainable Forest Landscapes](#).

In the absence of national transaction platforms, CATS provides a secure, transparent, and user-friendly global resource that country participants can use to minimize risk in ER payment operations. CATS has also been set up to support international transactions under other initiatives interested in purchasing emission reductions from ER programs, such as the UN's International Civil Aviation Organization (ICAO) Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA).

In 2024, CATS became the most important transaction platform for jurisdictional REDD+ in terms of volume of credits transacted. The first phase of the CATS project officially concluded in May 2021 and the platform is now fully operational.

The onboarding process for FCPF Carbon Fund participants and program entities was officially launched in June 2021, with Mozambique the first to go through the process. The process includes a user screening service to identify and sanction individuals and entities involved in financial crimes, such as money laundering and terrorist financing. In early FY22, Mozambique became the first FCPF country to issue certified emission reductions and to receive payments. After Mozambique, the governments of Costa Rica, Côte d'Ivoire, Ghana, Lao PDR, Madagascar, and Viet Nam were onboarded in CATS to transact the carbon credits generated under their ER programs.

By the end of FY24, CATS had been supporting the operations under the FCPF Carbon Fund for almost three years. To date, CATS has supported the first ER issuances and transactions under the FCPF Carbon Fund ERPAs for Costa Rica, Côte d'Ivoire, Ghana, Lao PDR, Madagascar, Mozambique, and Viet Nam, with a transacted volume of 51.7 million emission reductions, making it the most important transaction platform for jurisdictional REDD+ so far.

In FY24, CATS was classified as a World Bank asset, which gave the project access to a \$750,000 grant from the capital budget (which is not linked to any specific trust fund) to finance further CATS enhancements through FY25. Costs for maintenance and operations and part of CATS enhancements will still be covered by the FCPF and other trust funds, but to a lesser extent thanks to the grant from the capital budget.

Dedicated training sessions for country participants were delivered in FY24 as the validations and verification processes of the countries' monitoring reports progressed (Côte d'Ivoire, the Dominican Republic, Guatemala, Indonesia, Lao PDR, and Viet Nam).

In July 2023, a new Advisory Services and Analytics (ASA) proposal, entitled Supporting World Bank Emission Transactions (or CATS 2.0, in short), was approved and implementation started in September 2023. The objective of CATS 2.0 is to provide an ER transaction registry that interacts with external registries, is aligned with Paris Agreement Article 6 rules, and serves as a key greenhouse gas reporting platform for World Bank operations.

Enhancements for CATS 2.0 implemented during FY24 include improvements to system performance, good practices, and alignment with the rules and international initiatives of Paris Agreement Article 6 that evaluate FCPF programs for compliance. Other enhancements also include accommodating new World Bank ER programs and providing registry services to other existing funds managed by the World Bank Climate Change Group (CCG), such as the TCAF. Communication was also carried out with other registries and services, facilitating the monetization of World Bank emission reductions with third-party buyers. This included signing cooperation agreements with Architecture for REDD Transactions (ART) and Verra. These cooperation agreements are important because they allow entities with emission reductions (i.e. FCPF countries and Tranche A contributors) to transfer them from CATS to another registry for transaction purposes. This gives them access to a longer list of potential buyers with accounts on those



 Madagascar

platforms. Cooperation agreements are also set up to ensure that transfers from CATS to other platforms don't involve any conversion between standards across these platforms.

FCPF STANDARD

Creation of an FCPF Standard

With the end of the Carbon Fund approaching, the Facility Management Team (FMT) started a work program in FY23 to explore the possibility of developing a standalone FCPF Standard for jurisdictional REDD+ programs based on the FCPF Methodological Framework and other Carbon Fund requirements. The discussion continued in FY24, with the FMT, Carbon Fund participants, countries, and observers discussing the positioning and added value of such a standalone standard.

Between the 27th Carbon Fund meeting (CF27) in January 2024 and the CF28 in June 2024, the FMT conducted several online consultations with REDD+ countries, private sector companies, and Carbon Fund participants. The consultations were concluded with a hybrid workshop on June 18, 2024, in Oslo. The consensus was that the FCPF Standard should

continue beyond the FCPF itself, and the FMT was requested to continue exploring the option to transition the governance of such a standalone FCPF Standard to an entity outside the World Bank where the FCPF Standard could be used by all interested jurisdictional REDD+ programs. Work will continue in the coming year to discuss such a transition, with the intention of a decision being made before the next Carbon Fund meeting in January 2025.

CORSIA

In 2016, the International Civil Aviation Organization (ICAO) launched the development of its [Carbon Offsetting and Reduction Scheme for International Aviation](#) (CORSIA) to reduce carbon dioxide emissions from international aviation. This marked the first time a single industry sector had agreed to a global market-based measure in the climate change field.

Over the past several years, the FCPF has been advancing engagement with this innovative scheme to help unlock potential new sources of funding and benefits for REDD+ countries and to strengthen the sustainability of ER programs. In FY23, these years of engagement with ICAO culminated in

the FCPF becoming fully approved to provide CORSIA-eligible units for CORSIA's 2021–23 pilot phase. FCPF programs are now eligible to supply ER credits under the CORSIA scheme.

In March 2023, the FCPF applied to become eligible to continue supplying CORSIA-eligible units during the scheme's first phase (2024–26), for vintages of emission reductions generated from 2021 to 2026, and CORSIA conditionally approved the FCPF for its first phase. In March 2024, the FCPF made a new submission of material changes to address the pending issues raised by CORSIA, namely the need to have procedures in place to avoid and

compensate for any double claiming under the Paris Agreement. The FMT has been working closely with MIGA to design a guaranteed product that could serve to compensate for any case of double claiming. A final decision by CORSIA on the approval of the FCPF for phase 1 is expected by November/December 2024.

This approval from ICAO, for the FCPF to provide CORSIA-eligible units, is testament to the high quality of the ER credits issued by FCPF programs. It also underscores a significant increase in the pool of potential buyers and interest from

Timeline of the FCPF's Engagement with CORSIA

FY18

At the International Civil Aviation Organization (ICAO) Carbon Markets meeting, the FCPF was accepted to participate as a sample program in the informal testing of programs under ICAO's new Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA).

FY19

The FCPF advanced its application to serve as a program under CORSIA. FCPF Carbon Fund participants expressed their support for the FCPF to move further in this process.

FY20

The FCPF was conditionally approved as an Eligible Emissions Unit Program under CORSIA. The fund also advanced work on its Carbon Assets Tracking System (CATS) to align procedures with ICAO-CORSIA requirements.

FY21

The FCPF's Facility Management Team submitted to ICAO a proposal of post-ERPA reversal management mechanism to meet CORSIA requirements. The FCPF also revised its *Buffer Guidelines* to lay out a reversal management mechanism applicable to CORSIA-eligible units.

FY22

The FCPF was fully approved by ICAO to provide CORSIA-eligible units for its 2021–23 compliance/pilot phase. The FCPF also advanced updates on its CATS 2.0, including enhancements to improve system performance, and upgrades to create additional functionalities (including those required to meet CORSIA requirements).

FY23

The FCPF applied to become eligible to provide CORSIA-eligible units during the scheme's first phase (2024–26).

FY24

In March 2024, the FCPF made a new submission of material changes to address the pending issues raised by CORSIA, namely the need to have procedures in place to avoid and compensate for any double claiming under the Paris Agreement.



carbon markets, and it may allow FCPF countries to secure even higher prices for the emission reductions they generate beyond the FCPF ERPA. This will, in turn, allow countries to mobilize additional finance by leveraging carbon markets, which will ultimately benefit local stakeholders, including Indigenous Peoples and local communities.

CARBON MARKET OUTREACH

Developing a Strategic Engagement Approach

The FCPF's high standard for emission reductions is helping shape the development of carbon markets, which are set to grow rapidly in the coming decade.

Since its founding in 2008, the FCPF has developed a first-of-its-kind set of requirements (the FCPF Standard) to help countries generate jurisdictional-scale emission reductions. The FCPF Standard has been the foundation for other initiatives in defining their own standards, including the Green Climate Fund for its results-based payments scorecard and the Architecture for REDD Transactions (ART) for its TREES standard. With FCPF countries now generating more emission reductions than they are contracted to provide to the FCPF, countries are exploring their options to monetize these emission reductions. At COP28, the World Bank committed to supporting countries in this effort.

In FY24, the World Bank worked with an external communications firm to develop a proactive communications strategy to raise the profile of the FCPF Standard and the emission reductions issued under it. This has resulted in, among other things, a dedicated [FCPF Standard microsite](#), which presents key elements of the standard and addresses the most frequently asked questions, and the production of country profiles, which provide key summarized information of all 15 FCPF countries.

The [FCPF Standard microsite](#) and the country profiles are especially important resources in the lead-up to the first monetization of excess emission reductions by FCPF countries because they provide potential buyers and auction providers with the information and detail they need to understand the robustness of the FCPF Standard and its ER programs. This is critical because buyers are required to carry out robust due diligence before entering into an ER transaction with a seller.

In FY25, the FCPF will continue the work of socializing the FCPF Standard and the emission reductions issued under it to carbon market participants. Furthermore, it will work with FCPF countries to explore options to monetize their excess emission reductions, including introducing them to auction providers and interested third-party buyers, and providing any advisory or analytical support as required by countries. With its jurisdictional approach, environmental and social safeguards, and stringent requirements under the FCPF Standard, the FCPF is confident that participating countries will be able to access high-integrity carbon markets if they desire to do so.

Results from FCPF's Third Independent Evaluation

In April 2023, the FCPF commissioned its [third independent evaluation](#) to take stock of the program's achievements and challenges and identify lessons for new programs and other climate finance facilities. The results were released in June 2024, highlighting successes and valuable lessons.



The evaluation highlights how the FCPF is expected to meet or exceed most of its target objectives and has helped build critical foundational capacities in REDD+ and carbon market readiness. It stresses the positive effects of FCPF activities—capacity building, mobilization of finance, national and global engagement, climate mitigation, sustainability, gender inclusivity, and more—which have delivered co-benefits in areas including livelihoods, biodiversity, and inclusivity. The FCPF was also found to have assisted countries in piloting monitoring, reporting, and verification systems; benefit-sharing plans; and other systems to ensure the effective delivery of results-based payments.

Several areas of learning and improvement are also documented to help sustain the desired results, including addressing the financing gap, greater private sector engagement, and increased benefit sharing.

As the FCPF advances, the findings and lessons of this evaluation will be applied to ongoing work, including the design and implementation of sustainable forests and integrated land-use programs in pillar 1 of the [Scaling Climate Action by Lowering Emissions \(SCALE\)](#) multidonor trust fund.

KEY FINDINGS

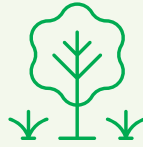
- The FCPF occupies an important niche in the REDD+ and results-based climate finance landscape at both the global and country levels and has demonstrated flexibility to adapt to key changes. The importance of defining alternative finance mechanisms for high forest, low deforestation (HFLD) countries was highlighted.
- FCPF activities are consistent with countries' forest-related climate change and biodiversity commitments, policies, and actions, as well as compatible with other REDD+ activities.
- The FCPF is on track to mostly achieve its intended target for emission reductions (ER) generated and contracted through Emission Reductions Payment Agreements with participating countries. Emission reductions, including excess or additional emission reductions, are estimated to reach 167.8 million tons of carbon dioxide equivalent (tCO₂e) by the end of 2025. However, the slow pace of reporting, ER verification, and payment may impact the number of people receiving monetary benefits by the end of the program.
- Inclusive engagement and benefit sharing are key to meaningful stakeholder engagement, including partnership with Indigenous Peoples and local communities to ensure sustainable ER programs with inclusive and impactful benefit sharing.
- Emerging behavioral changes have been documented among forest communities and governments, as have positive impacts on livelihoods, biodiversity, and private sector engagement. Reporting on non-carbon benefits could be further strengthened.

KEY FIGURES FROM THE EVALUATION



All
15

countries reported ER results at least once.



11.4M

hectares of forest protected or conserved, and more than **120,000 hectares** of additional forest restored.



34

country readiness packages endorsed: FCPF countries mobilized **\$2.3 billion** in additional non-FCPF readiness funds.



68

partnerships with private sector created in the context of Carbon Fund ER programs.



121

stories/blogs and **114 knowledge seminars** or exchanges delivered, and **79 knowledge products**.

World Bank Management Response

“Given its timing in the FCPF’s evolution—marked by over 15 years of implementation experience and progress in community forestry, with ER payments being made and opportunities for monetizing excess emission reductions in carbon markets—this evaluation provides important guidance for a multitude of decision-making processes. Management remains committed to realizing the critical role of the FCPF as a pilot program for innovative learning and transformational results-based climate finance, robust jurisdictional ER programs, and the delivery of high-integrity emission reductions.”



International Engagement

REDD+ has a challenging agenda given its multisectoral and multistakeholder dimensions and the large financial and capacity needs involved. During fiscal year 2024 (FY24), the FCPF continued to engage with partners and international initiatives to develop tools and approaches that will help countries coordinate each dimension of REDD+ and realize their vision for climate smart forest management and land sector transformation.

Architecture for REDD+ Transactions

The Facility Management Team (FMT) has engaged with the [Architecture for REDD+ Transactions](#) (ART) Secretariat to enable FCPF countries to use the ART Registry to transact their FCPF excess emission

reductions (ER) with third-party buyers. The World Bank has signed a cooperation agreement with ART, and the registry solution has been fully in place. Moreover, the FMT has been in discussions with the ART Secretariat to discuss options for ART to manage a future independent FCPF Standard. The FMT is also coordinating in the context of different ER programs where FCPF and ART-TREES programs coexist. Moreover, the FMT and ART are coordinating and sharing their expertise in the creation of requirements for social premiums under both the FCPF Standard and The REDD+ Environmental Excellence Standard (TREES), the standards of the FCPF and ART, respectively.



Indonesia

BioCarbon Fund Initiative for Sustainable Forest Landscapes

Throughout FY24, the FCPF and [BioCarbon Fund Initiative for Sustainable Forest Landscapes](#) (ISFL) collaborated to support REDD+ and larger scale ER programs. To coincide with the Oslo Tropical Forest Forum, the FCPF and ISFL hosted several events in Norway's capital in June, bringing together partners and stakeholders from across the globe. They also contributed to a World Bank panel session titled "Next Generation of REDD+: Key Learnings and the Way Forward to Scale Up Finance for Sustainable Land Use."

At the [UNFCCC's 28th Conference of the Parties](#) (COP28) in December 2023 and at the REDD+ Knowledge Day in June 2024, the FCPF and ISFL partnered with participant countries to present a broad range of exciting work happening around the world to advance REDD+ and sustainable forest landscapes. These events highlighted advancements in expanding climate and carbon finance for developing countries, ensuring equitable benefit sharing of results-based payments, and working toward high-integrity, transparent, and inclusive carbon markets.

The FCPF and ISFL continued to share experiences in FY24 on how to design and implement successful benefit-sharing mechanisms, and both initiatives engaged with the Bank's EnABLE Fund that aims to promote inclusion and equality in results-based climate finance programs. The FCPF and ISFL continued to improve their jointly developed Carbon Assets Tracking System, which is used by both funds for transacting emission reductions.

Emergent

In FY24, the FMT began engaging with [Emergent](#), a nonprofit intermediary engaging between tropical forest countries and the private sector to mobilize finance to support emissions reductions in deforestation. Discussions have focused on the support from Emergent to countries to monetize their excess FCPF emission reductions, sharing of experiences from the FCPF's Emission Reductions Payment Agreements, and coordination of activities in different FCPF countries.

Food and Agriculture Organization

In FY24, the FCPF continued to collaborate with the [UN Food and Agriculture Organization](#) (FAO) in knowledge sharing activities and the operation of country measurement, reporting, and verification (MRV) systems. The FAO's AIM4Forest Project, a five-year program that aims to support forest monitoring based on modern monitoring technologies and technical innovation, has supported FCPF countries such as Ghana with the preparation of monitoring reports.

Global Forest Observations Initiative

Throughout FY24, the FCPF continued to support the [Global Forest Observations Initiative](#) (GFOI) through technical support and strengthening collaboration and coordination with other GFOI participants.

Inter-American Development Bank

In May 2024, the World Bank Group and [Inter-American Development Bank](#) (IDB) co-organized a three-day workshop designed to strengthen the knowledge and capacities of seven Amazonian countries to engage in emission reductions creating and carbon markets. The workshop focused on enabling countries to access these tools to achieve mitigation results, finance activities to meet their Nationally Determined Contributions, and secure green private sector investments. A range of topics were discussed, including building blocks of high-integrity carbon crediting (environmental, social, financial, and market), links between biodiversity and carbon crediting, and conditions for accessing carbon markets.

International Civil Aviation Organization

In FY24, the FCPF continued to collaborate with the [International Civil Aviation Organization](#) (ICAO) Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) to reduce carbon dioxide emissions from international aviation.

International Finance Corporation

The FCPF's ongoing collaboration with the [International Finance Corporation](#) (IFC) is in the cocoa sector, through the Cocoa & Forests Initiative, where IFC and the World Bank continue to join efforts with the World Cocoa Foundation, governments, and 35 leading cocoa and chocolate companies to end deforestation and restore forest areas. The FCPF has also engaged with IFC in supporting the monetization of excess emission reductions from FCPF country programs, including the design of a demand pooling mechanism for excess FCPF emission reductions.

Multilateral Investment Guarantee Agency

The FCPF engaged with the [Multilateral Investment Guarantee Agency](#) (MIGA) in FY24. Discussions focused on the creation of a specific guarantee to avoid the risk of double claiming for CORSIA-eligible units. MIGA has created a new product that will be able to cover this risk for any buyer of CORSIA-eligible units.

Scaling Climate Action by Lowering Emissions

The Natural Climate Solutions pillar of the World Bank's trust fund [Scaling Climate Action by Lowering Emissions](#) (SCALE) builds on lessons learned from the implementation of the FCPF Carbon Fund programs. The FCPF and SCALE are working together to ensure that SCALE integrates the FCPF's lessons learned to deliver technical assistance and result-based climate finance at greater scale, with greater environmental and social impact, and in an agile manner. The FMT has been instrumental in the definition of SCALE's governance and stakeholder engagement strategy to ensure that the REDD+ countries, donors, Indigenous Peoples, and local communities that have built the FCPF continue under SCALE.

UN-REDD Programme

The FCPF continued its ongoing collaboration with the [UN-REDD Programme](#) to assist countries in getting ready for REDD+. At the national level, this collaboration entails joint country missions and shared responsibility for financing

readiness activities. At the global level, the FCPF and UN-REDD Programme work together on analytical and capacity building efforts and events. In January 2024, the FCPF hosted the global panel discussion "From Vision to Action — Advancing the Future of REDD+," which explored the ambitions and implications of REDD+ for programming and climate financing in various countries. A REDD+ Knowledge Day was also held in June 2024, organized by the World Bank, including the FCPF and ISFL, in collaboration with UN-REDD. Over 140 participants representing more than 30 countries took part in discussions on the future of REDD+ financing, the transfer of carbon credit ownership, private sector engagement, innovation, and more.

Verra

The FMT has engaged with the [Verra](#) Secretariat to enable FCPF countries to use the Verra Registry to transact their FCPF excess emission reductions with third-party buyers. The Bank has signed a cooperation agreement with Verra, and the registry solution is fully in place.





 Lao People's Democratic Republic

Communications and Knowledge Sharing

Over the past year, the FCPF continued to support and promote emission reductions (ER) program implementation and payments through new feature stories, blogs, workshops, technical publications, knowledge exchanges, and social media outreach.

OUTREACH IN FY24



67

Stories/Blogs/
Knowledge
Products



9.8K

FCPF Facebook
Page Followers



252K

World Bank Group
Climate X Followers



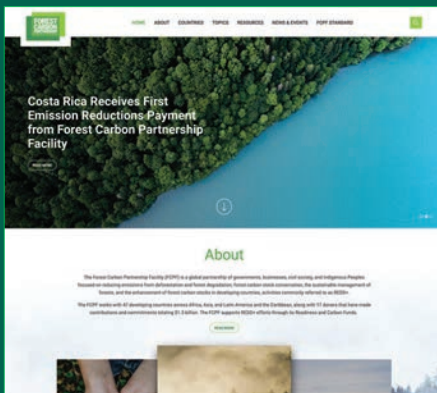
3,400+

Newsletter
Subscribers



4

Quarterly
Newsletters



The **FCPF website** continues to be a valued communications resource, with over 85,000 visitors during FY24. Top countries represented among these visitors are China, Germany, India, Ireland, the United Kingdom, and the United States of America.



The new **FCPF Standard microsite**, launched at COP28 in November 2023, attracted more than 46,000 visitors in FY24. Top countries represented among visitors to the microsite are Canada, China, India, Indonesia, Ireland, the United Kingdom, and the United States of America.



The FCPF's active **Facebook page** continues to be a valuable communications channel. With 9,800 followers, the top three posts reached upward of 1,400 people. There is a direct correlation between the newsletter and individual posts on the Facebook page and a spike in visitors to the website, which shows that the FCPF is able to strategically engage key audiences on its core communication channels.

FEATURED STORIES AND BLOGS

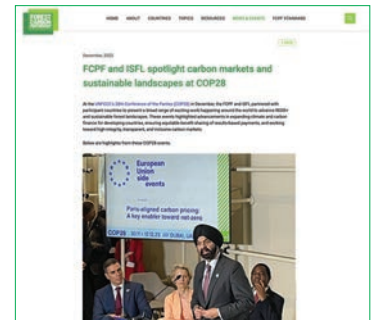


[Madagascar Receives \\$8.8 Million for Forest Carbon Credits that Will Further Protect the Remaining Forests and Communities](#)

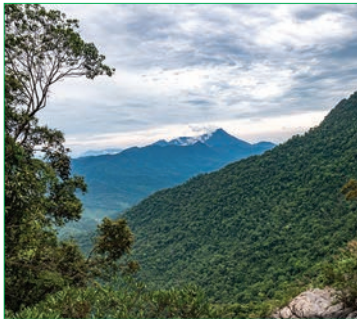
Photo: Joanna Goleniewska/iStock



[Indigenous Peoples and Local Communities Hold the Key to Successful High Integrity Carbon Markets](#)



[FCPF and ISFL Spotlight Carbon Markets and Sustainable Landscapes at COP28](#)



[Vietnam Receives \\$51.5 Million World Bank Payment for Reducing Emissions Through Forest Preservation](#)



[Healthy Forests for Thriving Biodiversity](#)

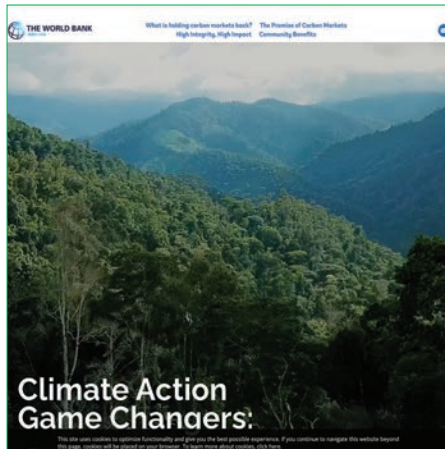


[FCPF Independent Evaluation Report: Pioneering Climate Finance for Forest Conservation](#)

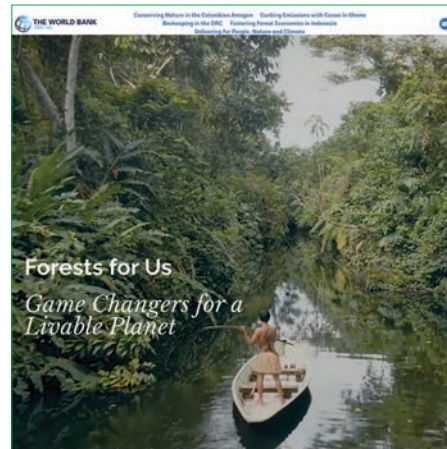


[Côte d'Ivoire Receives \\$35 Million for Verified Reduction of Carbon Emissions](#)

WORLD BANK FOREST-RELATED CAMPAIGNS IN FY24



[Climate Action Game Changers series: Carbon Markets](#)



[Forests for Us: Game Changers for a Livable Planet](#)



GLOBAL AND SOUTH-SOUTH KNOWLEDGE EXCHANGES



REDD+ KNOWLEDGE DAY

Where: Oslo, Norway

When: June 27, 2024

Who: 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

What: The REDD+ Knowledge Day was organized by the World Bank, including the Forest Carbon Partnership Facility (FCPF) and BioCarbon Fund Initiative for Sustainable Forest Landscapes (ISFL), in collaboration with UN-REDD. The event featured discussions on the future of the REDD+ financing, transfer of carbon credit ownership, transitioning from REDD+ to AFOLU, effective and equitable benefit sharing, private sector engagement in responsible supply chains, and monitoring, reporting, and verification (MRV) innovation, among others. The World Bank’s Global Challenge Program on Forests and lessons from FCPF- and ISFL-supported programs were also featured.

Key takeaways included the importance of partnering with others to exchange knowledge with peers and technical experts, and the need to further leverage the World Bank’s convening power and knowledge bank role to accelerate action on the ground.

[Event webpage](#)



2024 LAND CONFERENCE: SECURING LAND TENURE AND ACCESS FOR CLIMATE ACTION

Where: Washington, D.C.

When: May 13–17, 2024

Who: Participants from governments, development partners, civil society, academia, and the private sector, and open to all World Bank staff

What: The FCPF contributed to this one-week conference in May 2024 in Washington, D.C. The event covered a range of topics of critical relevance to emission reduction crediting (ERC) programs, including land tenure, climate action, forests, women’s rights, green growth, and inclusivity. It showcased research, discussed issues and good practice, and informed policy dialogue on critical land-related issues. Specifically, the FCPF contributed to two panel discussions—“Rights from the Start: Why Community Land Tenure Matters to Mitigation Outcomes” and “Securing Forest Tenure: Strengthening Multistakeholder Action”—as well as the participation of five Indigenous experts, and a booth titled Forest, Land and People Nexus in the atrium.

[Event webpage](#)

[Agenda](#)





DISSEMINATION WORKSHOP OF THE LOWER MEKONG SUBREGION TIMBER SUPPLY GAP REPORT & STUDY TOUR

Where: Sihanoukville, Cambodia

When: June 4–8, 2024

Who: Representatives from the Lower Mekong Subregion (LMS) countries of Cambodia, Viet Nam, and Lao PDR, and World Bank staff and consultants

What: The purpose of the workshop was threefold: (1) to disseminate findings from the World Bank report *Enhancing the Contribution of Wood Products to the Economies of the Lower Mekong Subregion*; (2) together with key stakeholders, identify the key opportunities and challenges to the development of the plantation-wood sector in the LMS subregion; and (3) to pinpoint “future steps” for the development of the plantation-wood sector in the LMS subregion, including the roles that the World Bank can play.



GLOBAL DIALOGUE OF INDIGENOUS PEOPLES AND LOCAL COMMUNITIES IN CLIMATE FINANCE

Where: San José, Costa Rica

When: November 6–9, 2023

Who: More than 50 IP and local community (LC) change makers from 26 countries across Africa, Asia-Pacific, and Latin America and the Caribbean

What: This four-day workshop to advance the discussion on IP and LC challenges and opportunities in engaging in results-based climate finance and REDD+ was supported by the FCPF, the Enhancing Access to Benefits while Lowering Emissions (EnABLE) Fund, and the governments of Germany (BMZ/GIZ) and Costa Rica (MINAE). Three strategic pathways were defined to address the need to strengthen IP and LC active partnerships, leadership, and ownership in the REDD+ and carbon crediting. Actionable items to advance the strategic pathways were developed and presented at events during COP28.



Blog: [“Indigenous Peoples and Local Communities Hold the Key to Successful High Integrity Carbon Markets”](#)

[Event webpage](#)



FROM VISION TO ACTION—ADVANCING THE FUTURE OF REDD+

Where: Washington, D.C.

When: January 31, 2024

Who: More than 190 attendees, including representatives from government agencies, Indigenous Peoples, CSOs, NGOs, international organizations, donors, and the private sectors

What: The event took place on the sidelines of the FCPF Carbon Fund governance meetings. It shared visions and aspirations for REDD+ with donors, development partners, governments, the private sector, and Indigenous Peoples, sharing and discussing lessons on technical and financial dimensions of REDD+ to inform future programs such as SCALE.

[Event webpage](#)



REGIONAL WORKSHOP ON HIGH-INTEGRITY CARBON AND EMISSION REDUCTION CREDITING IN AMAZONIAN COUNTRIES: CHALLENGES AND OPPORTUNITIES

Where: Bogotá, Colombia

When: May 29–31, 2024

Who: Around 100 participants from seven Amazonian countries, including Bolivia, Brazil, Colombia, Ecuador, Guyana, Peru, and Suriname, as well as international experts. The event convened government agencies, Indigenous Peoples, NGOs, international organizations, and the private sector.

What: This three-day workshop organized by the World Bank Group and Inter-American Development Bank (IDB) was designed to strengthen the knowledge and capacities of seven Amazonian countries to engage in emission reduction crediting (ERC) and carbon markets. The regional workshop focused on enabling countries to access these tools to achieve mitigation results, finance activities to meet their Nationally Determined Contributions, and secure green private sector investments. The workshop discussed a large range of topics, including building blocks of high-integrity carbon crediting (environmental, social, financial, and market), links between biodiversity and carbon crediting, and conditions for accessing carbon markets. It started with the global and regional landscape of ERC, then continued with key building blocks of ERC for forest and land-use sectors and meeting key market expectations, and ended with action planning on priority next steps and related World Bank Group support for further developing and engaging with ERC and carbon markets in the region.





EAST ASIA AND PACIFIC WORKSHOP ON RECOGNITION AND FORMALIZATION OF LAND RIGHTS IN FOREST AREAS

Where: Coron, Palawan, the Philippines

When: February 5–7, 2024

Who: A diverse group of 105 participants, including government officials from land, forest, and IP agencies and national NGOs from Lao PDR, Indonesia, and the Philippines, alongside World Bank staff from land and social and environmental teams, and representatives from various development partners and international NGOs

What: The workshop showcased significant engagement from land and forest agencies in advancing programs aimed at formalizing land rights for Indigenous Peoples and local communities in forest areas. Drawing on country experiences and international best practices, participants contributed to refining country strategies and action plans. Valuable inputs and comments from various countries and participants were discussed and incorporated into the draft action plans, enhancing their quality and effectiveness. The workshop fostered (i) enhanced collaboration between land and forest agencies and national NGOs in Lao PDR, Indonesia, and the Philippines; (ii) strengthened international relationships, knowledge sharing, and engagement among participating governments; and (iii) improved relations among the World Bank, development partners, and international NGOs. Overall, the event served as a platform for meaningful dialogue and partnership building toward advancing the recognition of land rights of Indigenous Peoples and local communities in the region.



OSLO TROPICAL FOREST FORUM (OTFF)

Where: Oslo, Norway

When: June 25–26, 2024

Who: About 120 participants, including ministers, policy makers, multilateral institutions, civil society, Indigenous Peoples, and the private sector

What: The OTFF—a key global conference to advance action on protecting tropical forests—was organized by the Norwegian Agency for Development Cooperation (NORAD) and Norway’s International Climate and Forest Initiative (NICFI). Key themes included deepening partnerships with and the empowerment of Indigenous Peoples and local communities, enhanced forest monitoring, engaging with sustainable private sector supply chains, and enabling diverse financing tools including effective carbon markets with expanded use of jurisdictional approaches. The World Bank led the organization of a panel session on June 25: “Next Generation of REDD+: Key Learnings and the Way Forward to Scale Up Finance for Sustainable Land Use,” with Valerie Hickey providing the keynote and speakers representing REDD+ countries, Indigenous Peoples, and the private sector. The panel underscored the importance of partnerships, robust policies, carbon market integrity, and inclusive processes in scaling up finance for sustainable land use through REDD+.



[Event webpage and full agenda](#)



AFRICA MULTISTAKEHOLDER ROUNDTABLE ON INDIGENOUS PEOPLES' RESILIENCE TO CLIMATE SHOCKS

Where: Nairobi, Kenya

When: August 31–September 1, 2023

Who: Indigenous Peoples from 20 Africa countries

What: This regional roundtable discussed key drivers/enablers of resilience to climate and other external shocks.



SOUTH ASIA REGIONAL INDIGENOUS PEOPLES' RESILIENCE ROUNDTABLE

Where: Kathmandu, Nepal

When: September 28–29, 2023

Who: 35 Indigenous thought leaders and experts from 14 countries

What: This regional roundtable gathered Indigenous perspectives on how investments can support their communities in the context of the growing threat of climate and other external shocks.



LATIN AMERICA AND THE CARIBBEAN MULTISTAKEHOLDER ROUNDTABLE ON INDIGENOUS PEOPLES' RESILIENCE TO CLIMATE SHOCKS

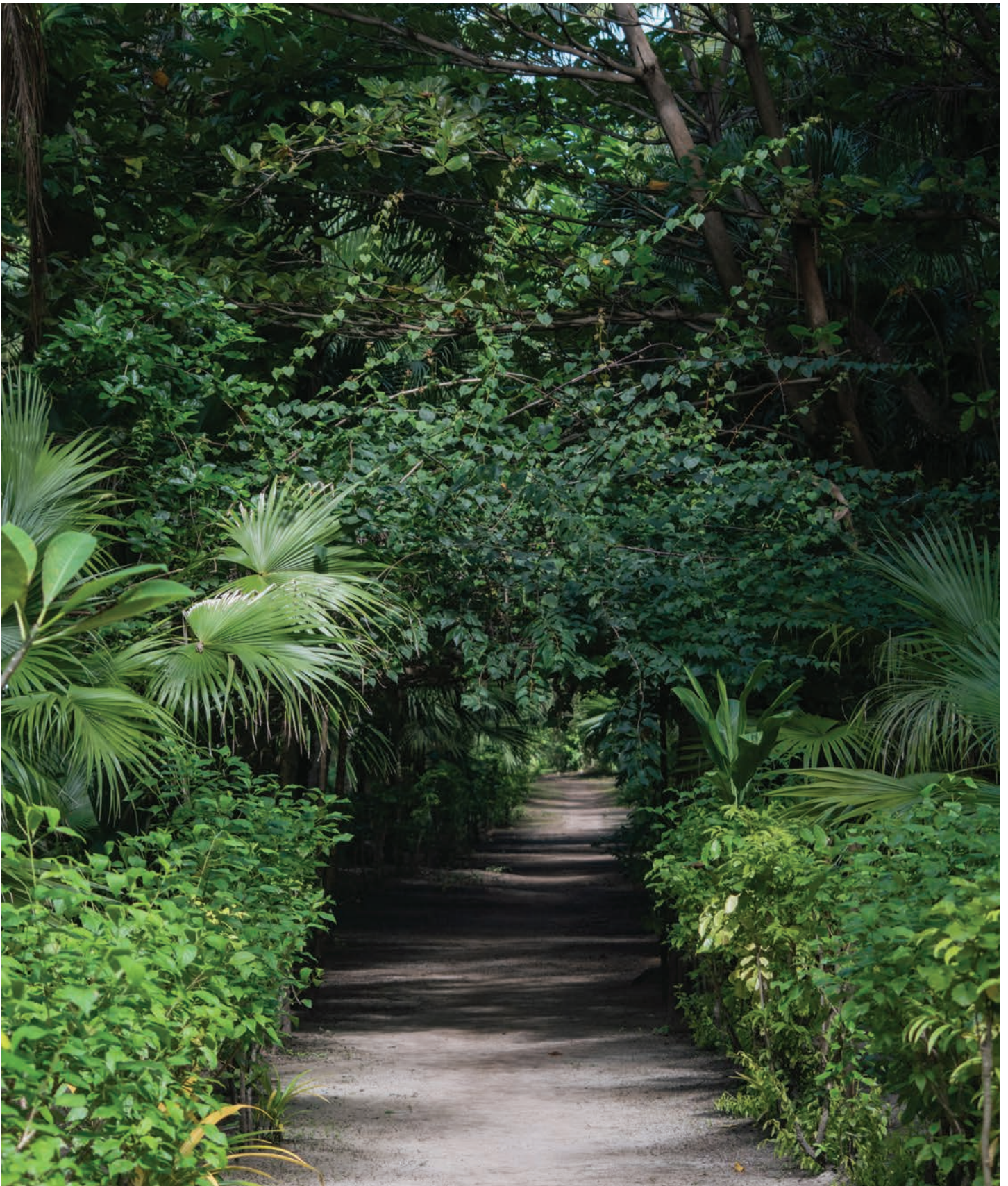
Where: Panama City, Panama

When: October 20–21, 2023

Who: 28 Indigenous leaders from 12 countries

What: Participants at this regional roundtable discussed the key drivers and enablers of resilience to climate and other external shocks.







 Viet Nam

Challenges and Opportunities

Over the course of last year, the Facility Management Team (FMT) identified new issues emerging in countries' emission reductions (ER) program efforts, in addition to ongoing challenges and opportunities related to this work. The FMT will continue to monitor and address these issues through further follow-up action in the coming year.

ACCELERATING PAYMENTS FOR EMISSION REDUCTIONS

With 15 Emission Reductions Payment Agreements (ERPAs) signed, the FCPF Carbon Fund has made significant progress in the delivery of high quality emission reductions, with the measurement and

reporting of emission reductions from ER programs. Results are reported through the submission of ER monitoring reports, which are subsequently verified by a third party, and countries that have received payments have started to share monetary and nonmonetary benefits with beneficiaries.

Nevertheless, these countries still face a variety of challenges before payments start to flow and reach beneficiaries. Challenges include, for example, the need to carry out complex processes related to the measurement, reporting, and verification (MRV) of emission reductions that are required under the [FCPF Standard](#). MRV needs to take place while navigating operational and institutional realities, including elections, changes in governments, and capacity gaps.



Indonesia

Despite these challenges and thanks to the support from FCPF partners, all 15 ER programs have submitted ER monitoring reports, and seven ER programs (Costa Rica, Côte d'Ivoire, Ghana, Lao PDR, Madagascar, Mozambique, and Viet Nam) have completed at least one cycle of measurement, reporting, and third-party verification. Third-party validation and verification remain a challenge, as there are only a few validation and verification bodies (VVBs) available in the market that can comply with the requirements set by the FCPF to ensure the delivery of high-quality emission reductions.

To respond to this challenge, the FMT is working to increase the pool of VVBs by expanding the number of accreditation bodies, along with reaching out to other potential validation and verification organizations. Through different online events with VVBs and accreditation bodies, the FCPF has been able to add one additional accreditation body, and it is having discussions with other VVBs interested in providing their services to the World Bank.

Delays in the MRV process also impact the ER program implementation and ER payments, which delay the implementation of benefit-sharing arrangements and can hinder stakeholder engagement. To address this, the FMT has implemented procedures to allow countries that have launched their third-party validation and verifications to receive advance payments against a limited number of reported emission reductions. The aim is to expedite the implementation of benefit-sharing arrangements in parallel with the validation and verification process while maintaining a low-delivery risk for the FCPF portfolio.

Despite increased payments to countries, implementing benefit-sharing plans remains a challenge. In many cases, it takes time for countries to build new processes, institutional arrangements, and governance structures, and to conduct stakeholder consultations to operationalize benefit distribution. The FMT, in close collaboration with the Bank's trust fund [Enhancing Access to Benefits while Lowering Emissions](#) (EnABLE), is supporting ER programs to accelerate the



 Dominican Republic

implementation of benefit-sharing arrangements while improving their efficiency and inclusiveness.

Enhancing FCPF Country Access to High-Integrity Carbon Markets

Countries that have—or will have—excess emission reductions have a growing interest in how to access carbon markets, including through [Article 6 of the Paris Agreement](#). FCPF ER programs are expected to generate a significant number of excess emission reductions beyond their contract ER volume, as defined in their ERPA with the FCPF Carbon Fund. These excess emission reductions can be retained by the program entity or can be monetized, including through voluntary compliance or carbon markets, and accessed by third-party buyers.

The FMT is supporting countries to increase the potential value of their FCPF emission reductions by enabling access to the necessary infrastructure for carbon transactions. This includes creating transaction registries and a standalone FCPF Standard, socializing the key characteristics including the quality of ER program credits (for example, through [CORSIA](#) eligibility), and supporting access to different markets, including facilitating access to an auction mechanism. Despite these efforts, countries still have difficulties and capacity gaps in engaging with carbon markets related to, but not limited to, legal aspects of ER purchase agreements, initiating discussions with buyers, and regulatory issues. The FMT will continue working with countries and other initiatives within and outside the Bank to support countries in engaging with carbon markets. Recently, Carbon Fund participants approved an envelope to provide analytical and advisory support for country policy making related to access to carbon markets, and to provide transaction support through an intermediary organization. This will be implemented throughout FY25.

Scaling Up Access to Climate Finance

The REDD+ financing landscape is changing, creating opportunities as well as complexities for developing countries interested in halting deforestation and forest degradation, and in monetizing these efforts. Forest protection is essential for achieving national and global climate mitigation and adaptation goals, but it can be costly, and countries will require more

tools and resources to crowd in funding for the conservation, restoration, and sustainable management of forests.

With the emergence of new standards and approaches to REDD+ financing, it can be challenging for countries to figure out which financing approach works best for them. More support from a wider variety of sources will be needed to help countries navigate the complexities of ER program financing so they can stay focused on sustainably managing their forests and delivering results.

The Bank's trust fund [Scaling Climate Action by Lowering Emissions](#) (SCALE) is providing a “one-stop shop” for all results-based climate finance within the World Bank. It is facilitating access to private sector financing, including access to carbon markets, and helping countries establish the necessary policy, regulatory, and institutional frameworks to mobilize additional finance for low-carbon development.

SCALE builds on the Bank's two-decade history with carbon finance, including lessons learned through the FCPF and BioCarbon Fund Initiative for Sustainable Forest Landscapes. Under SCALE's Natural Climate Solutions pillar (Pillar 1), the facility is expanding results-based climate finance programs to new countries and sectors, serving as a bridge for countries to access carbon markets if they decide to do so.

SCALE has already identified 20 pipeline opportunities for new REDD+ or integrated landscape programs, and it has provided finance to begin the work toward the design of programs that could access SCALE result-based climate finance. SCALE's stakeholder engagement and governance are closely linked to the FCPF Carbon Fund's governance to ensure that SCALE builds on the work done by the FCPF and takes advantage of the know-how and stakeholder engagement generated under the FCPF Carbon Fund.

The FCPF will continue to work closely with other actors and initiatives to make sure that financing and technical modalities are aligned, providing countries with the support they need to drive the REDD+ agenda forward. The FCPF also continues to explore and coordinate with other potential sources of liquidity that could in the future purchase emission reductions from countries, including SCALE, the Lowering Emissions by Accelerating Forest Finance (LEAF) Coalition, and the REDD+ Environmental Excellence Standard (ART-TREES).



 Republic of Congo

FY24 Financial Report

The FCPF (Forest Carbon Partnership Facility) fiscal year 2024 (FY24) ran from July 1, 2023, through June 30, 2024.

FUND BALANCE

Table 1 shows the summary financial statement for the Carbon Fund from its opening through the end of FY24. The Carbon Fund at the end of June 2024 had a fund balance of \$709.9 million and a cash balance of \$706.6 million. The outstanding balances on promissory notes account for the \$3.3 million difference. Total donor contributions received through the end of FY24 amounted to \$874.5 million, while total disbursements over the same period totaled almost \$237.2 million, made up of cash disbursements, administration fees, and emission reductions (ER) payments.

Investment income generated from the contributions held in the Carbon Fund was channeled to the Readiness Fund up until FY22, but with the closure of the Readiness Fund, any interest generated from the Carbon Fund contributions began being channeled to the Carbon Fund in FY23. The cumulative total investment income deposited into the Carbon Fund (through the end of FY24) was \$72.6 million.

Table 1. FCPF Carbon Fund Summary Financial Statement, FY09–FY24 (\$, thousands)

Description	Total	FY24	FY23	FY22	FY21	FY20	FY19	FY18	FY17	FY16	FY15	FY14	FY13	FY12	FY11	FY10	FY09
Beginning balance		784,165	806,564	822,267	751,315	581,987	504,881	469,751	417,099	350,826	316,474	293,275	122,283	86,390	24,700	20,356	
Donor contributions	874,492	-	-	-	71,489	175,292	84,883	42,256	59,271	71,681	32,222	27,280	171,866	36,912	71,800	4,181	25,356
Investment income	72,643	43,362	29,281	-	-	-	-	-	-	-	-	(2,023)	901	520	256	346	
Total receipts	947,135	43,362	29,281	-	71,489	175,292	84,883	42,256	59,271	71,681	32,222	25,257	172,767	37,432	72,056	4,527	25,356
Cash disbursements	70,129	9,665	7,203	5,668	5,565	5,964	7,777	7,126	6,619	5,432	2,846	2,058	2,117	1,539	366	183	
Emission reductions payments	164,515	111,303	41,877	10,035	1,300												
Admin fees	2,600	-	2,600														
Total disbursements	237,245	120,968	51,680	15,703	6,865	5,964	7,777	7,126	6,619	5,432	2,846	2,058	2,117	1,539	366	183	
Less promissory note balances	(3,330)				6,328					25	4,975		342		(10,000)		(5,000)
Fund balance (cash)	706,560	706,560	784,165	806,564	822,267	751,315	581,987	504,881	469,751	417,099	350,826	316,474	293,275	122,283	86,390	24,700	20,356
Plus outstanding promissory notes	3,330																
Fund balance	709,890																

FUNDING SOURCES

Table 2 presents the committed contributions to the Carbon Fund as of June 30, 2024.

Table 2. FCPF Carbon Fund Donor Contributions, FY09–FY24 (\$, 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		
Committed funding	874,492	0	71,489	175,292	84,883	42,256	59,271	71,681	32,222	27,280	171,866	36,912	71,800	4,181	25,356

FUNDING USES

Cash disbursements from the opening of the fund through the end of FY24 totaled \$70.1 million. Table 3 shows annual expenditures by activity, while Table 4 compares the approved budget with actual expenditures by activity for FY24.

Table 3. FCPF Carbon Fund Cash Disbursements, FY10–FY24 (\$, thousands)

Activity	Total	FY24	FY23	FY22	FY21	FY20	FY19	FY18	FY17	FY16	FY15	FY14	FY13	FY12	FY11	FY10
Carbon Fund administration	14,932	3,705	1,998	1,091	1,252	1,076	864	696	657	555	741	626	652	470	366	183
Carbon Fund Technical Advisory Panel	2,014					41	533	463	514	440	23					
Carbon Fund country advisory services	14,315	1,412	958	746	1,328	1,812	2,396	2,331	1,691	1,290	350					
Additional activity on private sector engagement	533						371	162								
Registry costs	2,969	651	635	622	203	758	100									
Emission Reductions Payment Agreement costs	21,507	2,908	2,607	2,004	1,681	1,312	2,301	2,347	2,585	2,351	910	273	229			
Program development – General	907									235	170	273	229			
Program development – ERPDS	11,794		24	81	712	1,028	2,161	2,347	2,585	2,116	740					
Program supervision	8,806	2,908	2,584	1,923	969	284	140									
Validation and verification costs	1,857	989	298	389	181											
Shared costs	12,000		706	816	920	965	1,211	1,128	1,172	797	821	1,159	1,236	1,069		
Total Carbon Fund	70,129	9,665	7,203	5,668	5,565	5,964	7,777	7,126	6,619	5,432	2,846	2,058	2,117	1,539	366	183

Note: ERPDS = Emission Reductions Program Document.

Total cash disbursements from the opening of the fund through the end of FY24 amounted to \$70.1 million, consisting of \$14.9 million in administrative costs (which include all meetings, communications and knowledge management, monitoring and reporting, and financial management), \$2 million for Technical Advisory Panel (TAP) work, \$14.3 million for country advisory services by the Facility Management Team to directly support countries, \$533,000 for work on private sector engagement, \$2.9 million on registries, \$21.5 million in ERPA program development and supervision costs, \$1.9 million for validation and verification costs, and \$12 million of shared costs for activities that cut across and benefited both the Readiness Fund and the Carbon Fund up to FY23, when the Readiness Fund was closed (Table 3).

FUND ADMINISTRATION, COUNTRY ADVISORY SERVICES, REGISTRIES, AND ERPA SUPERVISION

The Carbon Fund’s total cash disbursements of almost \$9.7 million in FY24 were below the total budget of \$13 million, with spending at 74 percent of the budget (Table 4). The underspend is mostly accounted for by the low spend on validation/verification costs and registry costs. Budget was planned for 14 ER programs under validation and/or verification, but key milestones of these have not advanced as expected. The Carbon Fund participants approved \$1.5 million for work on registries in FY24, including partially budgeting for the phase 2 development of the World Bank ER transaction registry—the Carbon Assets Tracking System (CATS)—which has been fully operational (stabilization phase) since June 2020.

Table 4. FCPF Carbon Fund Cash Disbursements, FY24 (\$, thousands)

Activity	Budget	Actual expense	Variance	Burn rate
Carbon Fund administration	4,401	3,705	695	84%
Carbon Fund country advisory services	1,954	1,412	542	72%
ERPA costs – Supervision	3,141	2,908	233	93%
Validation/Verification costs	2,067	989	1,079	48%
Registry costs	1,516	651	865	43%
Total Carbon Fund	13,079	9,665	3,414	74%

Note: ERPA = Emission Reductions Payment Agreement.



FINANCIAL COMMITMENTS OVER THE LONGER TERM

The term of the Carbon Fund was extended from December 31, 2025, to December 31, 2028, to allow the countries to deliver the contract ERs, implement the benefit-sharing plans, and potentially generate excess emission reductions. Annual budgets for the Carbon Fund need to fit into a long-term financial planning framework that is consistent with World Bank policies for the financial management of trust funds. These policies generally require funds to be fully set aside for commitments made by participants as well as for meeting fiduciary obligations that the World Bank has entered into as trustee. The long-term financial plan (Table 5) shows estimated fixed costs over the lifetime of the Carbon Fund (FY10–FY29) of \$47.5 million, costs directly related to ER programs (including supervision, administration fees, validation and verification costs, and third-party monitoring costs) of \$93 million, and ER program reversal management mechanism costs of \$10 million. This long-term financial plan indicates that almost \$796.6 million would be potentially available for the purchase of emission reductions.

Of the \$796.6 million potentially available for the purchase of emission reductions, \$721.3 million has been committed through signed ERPAs with 15 countries, as detailed in Table 6.

Table 5. Carbon Fund Sources and Uses as of End FY24

	As of end FY24
Sources (\$, millions)	947.1
Number of ER programs	15
Uses	
Costs over fund lifetime (\$, millions)	
Fixed costs (FY10–FY29)	47.5
ER program costs	93.0
ER program reversal management mechanism	10.0
Total costs (\$, millions)	150.5
Available for purchase of ER (\$, millions)	796.6

Note: ER = emission reductions.

Table 6. Signed ERPAs

Country	ERPA signature date	ERPA contract value (\$, millions)
Congo, Dem. Rep.	September 21, 2018	55.0
Mozambique	January 16, 2019	50.0
Ghana	June 11, 2019	50.0
Chile	December 4, 2019	26.0
Fiji	July 8, 2020	12.5
Viet Nam	October 22, 2020	51.5
Côte d'Ivoire	October 30, 2020	50.0
Indonesia	November 25, 2020	110.0
Costa Rica	December 8, 2020	60.0
Lao PDR	December 30, 2020	42.0
Madagascar	February 4, 2021	50.0
Nepal	February 24, 2021	45.0
Dominican Republic	March 1, 2021	25.0
Congo, Rep.	April 22, 2021	41.8
Guatemala	September 13, 2021	52.5
Total		721.3

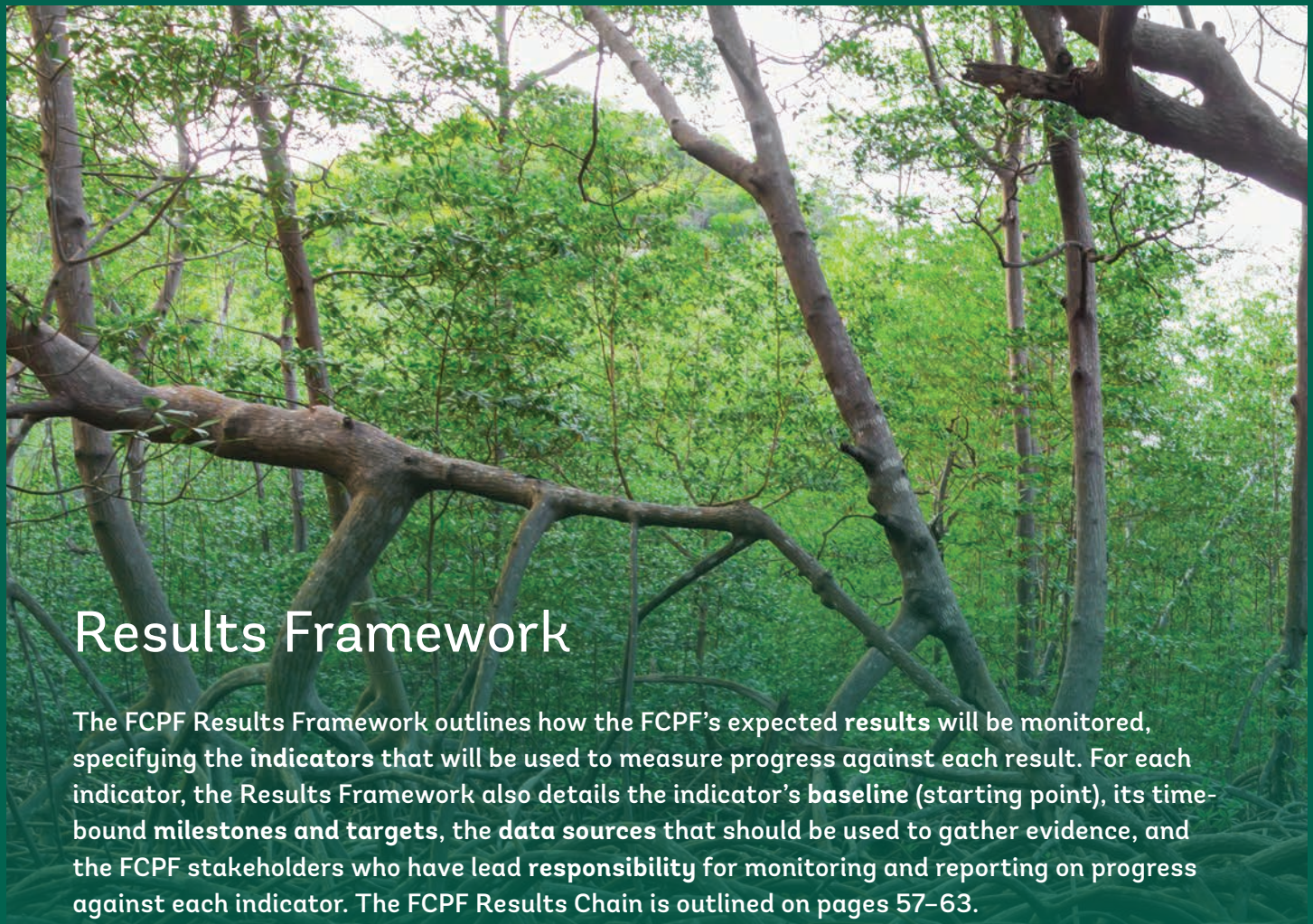
Note: ERPA = Emission Reductions Payment Agreement.

BUDGET APPROVAL PROCESS

Budget for the Carbon Fund is based on the World Bank's fiscal year (beginning July 1) and is approved annually in accordance with the FCPF Charter. The Carbon Fund participants approve the annual budget for the Carbon Fund.



 Madagascar

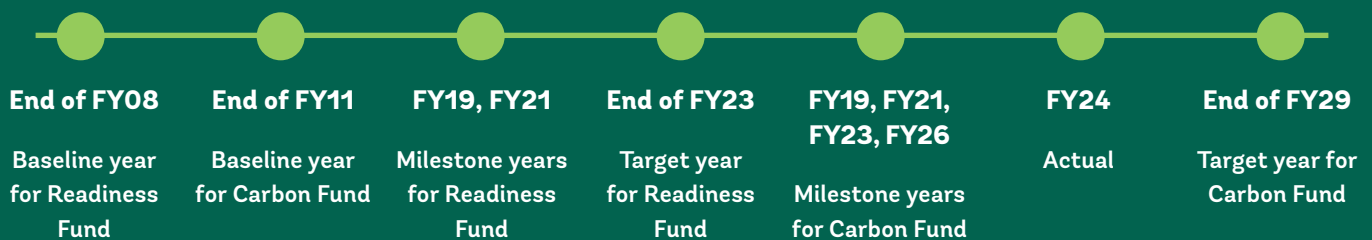


Results Framework

The FCPF Results Framework outlines how the FCPF’s expected results will be monitored, specifying the indicators that will be used to measure progress against each result. For each indicator, the Results Framework also details the indicator’s baseline (starting point), its time-bound milestones and targets, the data sources that should be used to gather evidence, and the FCPF stakeholders who have lead responsibility for monitoring and reporting on progress against each indicator. The FCPF Results Chain is outlined on pages 57–63.

The Monitoring and Evaluation Framework was endorsed by the Evaluation Oversight Committee on behalf of the Participants Committee (PC; see co-chairs summary from PC25), which had given the Evaluation Oversight Committee the responsibility at PC24. While tentative targets and milestones have been included, these will be agreed by the PC.

RELEVANT TIME FRAMES



Result	Indicator	Baseline FY11	Milestone				Target	Actual FY24
			FY19	FY21	FY23	FY26	FY29	
IMPACT 1: Reduced emissions from deforestation and forest degradation	I.1.A: Number of tons of CO ₂ e emission reductions and removals through CF ER programs (tCO ₂ e)	0	0	14 million	47 million	108.5 million	170 million	105.5 million ¹
	I.1.B: Number of tons of CO ₂ e emission reductions and removals through REDD+ interventions in all FCPF supported countries (tCO ₂ e)	0	No targets (indicator reported on annually)					899.3 million ²
	I.1.C: Total forest area re/afforested or restored through CF supported interventions (ha)	0	n.a.		9.25 million	18.5 million		289,582 ³
IMPACT 2: Sustained or enhanced biodiversity and livelihoods for forest-dependent men and women	I.2.A: Number of people receiving monetary and/or nonmonetary benefits through CF programs (disaggregated by gender)	0	No targets (indicator reported on annually)					254,303 (of which 42% female) ⁴
	I.2.B: Amount of protected or conserved areas included in CF programs, if relevant (ha)	0	n.a.		3.85 million	7.7 million		14.53 million ⁵

Result	Indicator	Baseline FY08	Milestone FY19	Target	Actual FY24
				FY23	
OVERARCHING OUTCOME: Improved governance and transparency for sustainable forest resource management (including REDD+ interventions) within participant countries	OV.1.A: Extent to which FCPF has influenced REDD+ country participants' national approaches to sustainable forest resource management (including among women, women's groups, Indigenous Peoples, CSOs, local communities)		No targets (qualitative progress measured through evaluation)		By August 2023, with 13 countries reporting emission reductions, there is initial evidence of behavior change regarding the improved management of forests, including strengthened protection and conservation of high-biodiversity forests and sustainable forest management practices by businesses, communities and households. ⁶
	OV.1.B: Number of FCPF-supported countries that have in place a national REDD+ strategy, FREL/FRL, NFMS, and SIS	0	8	16	22
OUTCOME 1: The Readiness Fund supports the development of capacity within participant countries to deliver REDD+ and/or access REDD+ finance	1.A: Number of R-Packages endorsed by PC	0	19	26	34
	1.B: Amount of finance mobilized to support the REDD+ readiness process (disaggregated by public, private, grants, loans)		No targets (indicator reported on annually)		\$2.28 billion (public: \$2.12 billion; private: \$167 million; grants: \$1.47 billion; loans/other: \$812 million) ⁷
	1.C: Amount of REDD+ ER payments secured by countries with endorsed R-Packages through non-FCPF ER schemes		No targets (indicator measured through external evaluation)		By August 2023, six countries with endorsed R-Packages were able to secure a total amount of \$376 million in REDD+ ER payments through non-FCPF ER schemes. ⁸

Readiness Fund

Result	Indicator	Baseline FY08	Milestone FY19	Target FY23	Actual
					FY24
OUTPUT 1.1: Readiness Assessment Framework is agreed upon and disseminated	1.1: Existence of published assessment framework on R-Package	No	Yes	Yes	Output 1.1 was fully delivered in 2013.
OUTPUT 1.2: Countries demonstrate an adequate plan to achieve preparedness for REDD+ funding	1.2.a: Number of R-PPs endorsed by PC	0	46	46	46 ⁹
	1.2.b: Number of Readiness Preparation Grant agreements signed	0	45	45	45
	1.2.c: Value of grant allocations, before signing	\$0	\$309 million	\$309 million	\$314.3 million
	1.2.d: Value of signed grants	\$0	\$304 million	\$309 million	\$314.3 million
OUTPUT 1.3: Countries progress adequately on implementation of their R-PP and Grant Agreements	1.3.a: Number of countries that present midterm progress (MTRs) reports	0	39	40	44
	1.3.b: Number of countries that have completed R-PP Component 1: Organize and Consult	0	30	37	36 ¹⁰
	1.3.c: Number of countries that have completed R-PP Component 2: Prepare the REDD+ Strategy	0	16	30	37 ¹¹
	1.3.d: Number of countries that have completed R-PP Component 3: Develop a National FREL	0	33	40	43 ¹²
	1.3.e: Number of countries that have completed R-PP Component 4: Design Systems for National Forest Monitoring and Information on Safeguards	0	18	25	43 ¹³
	1.3.f: Readiness Fund disbursement rate	Via WB: \$0 (0% of signed grants)	Via WB: \$176 million (60% of signed grants)	Via WB: \$252 million (95% of signed grants)	Via WB: \$235.8 million (94% of signed grants)
Via DPs: \$0 (0% of signed grants) (FY08)		Via DPs: \$30 million (60% of signed grants) (FY19)	Via DPs: \$63 million (95% of signed grants) (FY21)	Via DPs: \$62.2 million (99% of signed grants)	

Result	Indicator	Baseline FY11	Milestone				Target	Actual
			FY19	FY21	FY23	FY26	FY29	FY24
OUTCOME 2: The Carbon Fund incentivizes the development and delivery of REDD+ ER programs	2.A: Number of tons of CO ₂ e emission reductions and removals committed through signed ERPAs (tCO ₂ e)	0	50 million	170 million	170 million	170 million	170 million	144.3 million
	2.B: Amount of finance mobilized to support delivery of CF ER programs (disaggregated by public, private, ER programs, grants, loans, equity)	No targets (indicator reported on annually)						\$918 million ¹⁴ (68% public, 32% private, 9% ER programs, 13% grants, 3% loans, 0.1% equity)
	2.C: Amount of REDD+ ER payments secured by CF countries through non-FCPF ER schemes	No targets (indicator reported on annually)						\$402 million ¹⁵
	2.D: % of monetary benefits from CF programs shared with beneficiaries (disaggregated by gender, CSOs, Indigenous Peoples, local communities)	0%	0%	TBD	TBD	TBD	TBD	35% (of which 34% government entities; 55% local communities) ¹⁶

Result	Indicator	Baseline FY08/11	Milestone				Target	Actual
			FY19	FY21	FY23	FY26	FY23/ FY29	FY24
OUTPUT 2.1: Standards and preparations in place for high-quality ER programs discussed and endorsed by Carbon Fund participants and/ or PC	2.1.a: Standards and management tools discussed and endorsed by CF participants and/ or PC for ER programs including: Methodological Framework and Pricing Approach Business processes (ER-PIN, ERPD, ERPA) Legal documents (General conditions, ERPA term sheet)	Delivered in 2014 ¹⁷						
	2.1.b: Development of CF approach to registries	0 (FY11)	Research & guidance published; options tested for centralized and country registries	CF registry approach endorsed & implemented	n.a.	n.a.	n.a.	Registry completed (CF registry approach endorsed & implemented (FY21))
OUTPUT 2.2: Countries have entered into the portfolio of the Carbon Fund	2.2.a: Number of early ideas presented by countries to the CF	0 (FY11)	24	24	24	n.a.	24	24 ¹⁸
	2.2.b: Number of ER-PINs presented by countries to the CF	0 (FY11)	20	20	20	n.a.	20	20 ¹⁹
	2.2.c: Number of countries invited into the CF pipeline	0 (FY11)	19	19	19	n.a.	19	19 ²⁰
	2.2.d: Number of countries signing a CF Letter of Intent	0 (FY11)	19	19	19	n.a.	19	19 ²¹
	2.2.e: Number of ERPDs presented by countries to the CF	0 (FY08)	16	16	16	n.a.	16 (FY21)	18
	2.2.f: Number of countries accepted into CF portfolio	0 (FY08)	14	16	16	n.a.	16 (FY21)	18
	2.2.g: Number of countries that have signed an ERPA with the CF	0 (FY08)	5	16	16	n.a.	16 (FY21)	15 ²²
OUTPUT 2.3: Private sector engages with the Carbon Fund	2.3.a: Extent to which CF programs influence private sector engagement with low / zero deforestation and REDD+ processes	No targets (qualitative progress measured through evaluation)						By August 2023, 68 partnerships with private sector were created in the context of CF ER programs. ²³
	2.3.b: Number of formal partnerships between CF programs and private sector entities (disaggregated by financial, nonfinancial)	0 (FY11)	5	8	10	10	10 (FY29)	85 (68 financial, 67 nonfinancial) ²⁴
OUTPUT 2.4: Countries progress adequately on implementation of their ER programs	2.4.a: Number of completed CF programs	0 (FY11)	0	0	0	0	15 (FY29)	0
	2.4.b: % of CF program budgets (as per ERPD) covered by secured finance	No targets (indicator reported on annually)			100% (FY29)			95% ²⁵
	2.4.c: Actual ER purchased by CF as % of originally committed ER (as per ERPA)	n.a. (FY11)	n.a.	9%	29%	45%	60% (FY29)	12.6% ²⁶

Result	Indicator	Baseline FY08/ FY11	Milestone				Target FY23 /FY29	Actual
			FY19	FY21	FY23	FY26		FY24
OUTCOME 3: Participant countries strengthen delivery of programming aimed at sustaining or enhancing livelihoods of local communities and/or conserving biodiversity	3.A: Extent to which FCPF processes support participant country efforts to sustain and enhance livelihoods within REDD+ intervention areas		No targets (qualitative progress measured through evaluation)					By August 2023, ER-Ps have directly supported livelihoods improvements in six countries. These have been achieved through enhanced revenues from agriculture, tree nurseries, non-timber forest products, timber products, and tourism. Clarified land tenure and improved access to basic services have also been reported. At least three countries ²⁷ are likely to have generated climate change adaptation benefits. ²⁸
	3.B: Extent to which FCPF processes support participant country efforts to conserve biodiversity within REDD+ intervention areas		No targets (qualitative progress measured through evaluation)					By August 2023, at least five countries have achieved biodiversity conservation benefits ²⁹ derived from changes in biophysical condition or from changes in the effectiveness in the management of high biodiversity areas. Seven ER-Ps currently include over 11 million ha of protected areas in their intervention areas. ³⁰

Result	Indicator	Baseline	Milestone				Target FY23/FY29	Actual
			FY19	FY21	FY23	FY26		FY24
OUTPUT 3.1: Enhanced capacity of IP and CSOs to engage in REDD+ processes at the country level	3.1.a: Number of participants in CBP-funded activities (disaggregated by gender, CSOs, IP)	0 (FY08)	54,500 (of which 24,525 female; 42,700 CSO; 11,800 IP)	n.a.	n.a.	n.a.	68,100 (of which 30,645 female; 55,100 CSO; 13,000 IP) (FY21)	132,982 ³¹ (of which 65,685 female; 80,430 CSO; 51,468 IP)
	3.1.b: % of participants in CBP-funded activities indicating that: They have more confidence to engage with REDD+ processes They will definitely increase their engagement with REDD+ processes (disaggregated by gender, CSOs, IP)	n.a.	50	60	70	n.a.	75	82% ³² (50.5% female; 41% CSO; 47% IP)
OUTPUT 3.2: FCPF participant countries test ways to sustain and enhance livelihoods	3.2.a: Number of CF programs that test ways to sustain and enhance livelihoods	0 (FY11)	4	9	14	16	16 (FY29)	18 ³³ /8 ³⁴
	3.2.b: Number of RF REDD+ country participants whose REDD+ strategies include activities that directly aim to sustain and enhance livelihoods	0 (FY08)	39	44	n.a.	n.a.	44 (FY21)	45
OUTPUT 3.3: FCPF participant countries test ways to conserve biodiversity	3.3.a: Number of CF programs that test ways to conserve biodiversity	0 (FY11)	14	16	16	16	16 (FY29)	18 ³⁵ /8 ³⁶
	3.3.b: Number of RF REDD+ country participants whose REDD+ strategies include activities that directly aim to conserve biodiversity	0 (FY08)	39	44	n.a.	n.a.	44 (FY21)	45

Result	Indicator	Baseline FY08	Milestone				Target FY29	Actual FY24
			FY19	FY21	FY23	FY26		
OUTCOME 4: Enhanced learning from FCPF on global implementation of REDD+	4.A: Extent to which learning, evidence, and knowledge products generated through FCPF influences other REDD+ programs and practice	No targets (qualitative progress measured through evaluation)						Knowledge and communication products generated by FCPF developed to communicate lessons, experiences, tools and methods to a wide global audience represents a public good of clear added value. ³⁷
	4.B: Participant countries' assessment of FCPF's role within and contribution to national REDD+ processes	No targets (indicator reported on annually)						4.7 ³⁸
OUTPUT 4.1: Knowledge gained during the development and delivery of FCPF activities is disseminated, in line with Communications and Knowledge Strategy	4.1.a: Number of knowledge products produced (cumulative)	0	20 news stories/blogs	35 news stories/blogs	50 news stories/blogs	50 news stories/blogs	60 news stories/blogs	133 news stories/blogs
			30 knowledge seminars	40 knowledge seminars	50 knowledge seminars	50 knowledge seminars	60 knowledge seminars	166 knowledge seminars
			8 other products	12 other products	15 other products	15 other products	20 other products	83 other products
	4.1.b: Number of unique and returning visitors to FCPF website	0	No targets, but traffic data reported annually					84K+ unique visitors; 85K+ visits
4.1.c: Extent to which FCPF learning and evidence influence ongoing FCPF implementation	No targets (qualitative progress measured through evaluation)						FCPF has incorporated new knowledge and lessons learned from ongoing implementation through a mix of informal and formal mechanisms. ³⁹ The exchange of lessons learned between and within countries has played an important role in supporting the REDD+ countries to carry out program activities effectively. ⁴⁰	
OUTPUT 4.2: Participants actively engage in South-South learning activities	4.2.a: Number of FCPF-supported South-South learning activities and/or events connecting FCPF countries (cumulative)	0	8	10	14	14	15	72
	4.2.b: Number of participants in South-South learning activities and/or events connecting FCPF countries (cumulative) (disaggregated by gender, CSOs, IP)	0	300 (of which 105 female; 30 CSO; 30 IP)	400 (of which 160 female; 40 CSO; 40 IP)	450 (of which 180 female; 45 CSO; 45 IP)	450 (of which 180 female; 45 CSO; 45 IP)	500 (of which 200 female; 50 CSO; 50 IP)	5,234+ (of which 1,878+ female; 770 CSO; 543 IP ⁴¹)
	4.2.c: % of participants in South-South learning activities indicating that: They acquired new knowledge or skills They will definitely apply the new knowledge or skills in their work They have established new connections / networks that they will maintain (disaggregated by gender, CSOs, IP)	n/a	50	60	70	70	75	82% ⁴² (of which 33% female; 25% CSO; 21% IP)
OUTPUT 4.3: FCPF knowledge is applied by participants and other REDD+ practitioners	4.3.a: Extent to which FCPF learning, evidence, and knowledge products are used by participant countries	No targets						4.2 ⁴³
	4.3.b: Number of non-FCPF programs and countries that have adopted elements of FCPF Methodological Framework within their own REDD+ processes	No targets (periodic "influence" evaluation)						There is strong evidence of a growing number of users of FCPF knowledge products as evidenced by the increase in website visitors, interviews indicating influence on other REDD+ mechanisms, and improvements in FREL estimates by some countries due to their experience with the FCPF process. ⁴⁴

Note: n.a. = not applicable; CBP = Capacity Building Program for Forest-Dependent Indigenous Peoples and Southern Civil Society Organizations; CF = Carbon Fund; CSO = civil society organization; DP = delivery partner; ER = emission reductions; ER-PIN = Emission Reductions Program Idea Note; ERPA = Emission Reductions Payment Agreement; ERPD = Emission Reductions Program Document; FCPF = Forest Carbon Partnership Facility; FREL = forest reference emission level; FRL = forest reference level; IP = Indigenous Peoples; NFMS = national forest monitoring system; RF = Readiness Fund; R-Package = Readiness Package; R-PP = Readiness Preparation Proposal; SIS = safeguards information system.

- 1 Based on the submitted ER monitoring reports from Chile, Costa Rica, Côte d'Ivoire, the Democratic Republic of Congo, Republic of Congo, Dominican Republic, Fiji, Ghana, Guatemala, Indonesia, Lao PDR, Madagascar, Mozambique, Nepal, and Viet Nam. Please note the final reported volume may vary slightly as a result of the third-party validation and verification.
- 2 Data came from Biennial Updated Reports (BURs) for non-Annex I countries with technical Annex on REDD+ and ER monitoring reports.
- 3 Based on the eight ER monitoring reports for which Annex 3 data are available: Costa Rica, Côte d'Ivoire, Ghana, Indonesia, Lao PDR, Madagascar, Mozambique, and Viet Nam.
- 4 Estimated based on reported data from Mozambique and Ghana. The program entities are in the process of distributing monetary and nonmonetary benefits to beneficiaries as per the benefit-sharing plans (BSPs) and will report the progress in the BSP implementation status report.
- 5 Based on the eight ER monitoring reports for which Annex 3 data are available: Costa Rica, Côte d'Ivoire, Ghana, Indonesia, Lao PDR, Madagascar, Mozambique, and Viet Nam.
- 6 The evidence is being manifested in different ways in different countries. Source: Baastel, *Third Program Evaluation of the Forest Carbon Partnership Facility: Final Evaluation Report*, Vol. 1 (Brussels: Baastel, 2024), https://www.forestcarbonpartnership.org/sites/default/files/documents/fcpf_final_evaluation_report_vol_1_05_june_2024_final.pdf.
- 7 Minor discrepancies in some reporting templates mean that totals do not sum, and some templates incorrectly identified type of funds. Thus, disaggregation should be taken as indicative/estimated.
- 8 The six countries are Chile, Colombia, Costa Rica, Guyana, Indonesia, and Viet Nam. Sources: Baastel, *Third Program Evaluation of the Forest Carbon Partnership Facility: Final Evaluation Report*, Vol. 1; Guyana Ministry of Finance, "First Payment from Hess Corporation for Guyana-Issued Carbon Credits" (news release, 2023), <https://lcds.gov.gy/wp-content/uploads/2023/01/Guyana-Receives-First-Payments-Under-World-Leading-Carbon-Credit-Sales-Agreement.pdf>.
- 9 The last R-PP (for Gabon) was endorsed in July 2017.
- 10 36 is the number of countries that have an average rating of at least 4/green (significant progress) in the country progress report. To obtain this weighted score, each subcomponent was assigned points (1 to 5) and the average was taken.
- 11 37 is the number of countries that have an average rating of at least 4/green (significant progress) in the country progress report. To obtain this weighted score, each subcomponent was assigned points (1 to 5) and the average was taken.
- 12 43 is the number of countries that have an average rating of at least 3/yellow (progressing well, further development required) in the country progress report. To obtain this weighted score, each subcomponent was assigned points (1 to 5) and the average was taken.
- 13 43 is the number of countries that have an average rating of at least 3/yellow (progressing well, further development required) in the country progress report. To obtain this weighted score, each subcomponent was assigned points (1 to 5) and the average was taken.
- 14 Based on the eight ER monitoring reports for which Annex 3 data are available: Costa Rica, Côte d'Ivoire, Ghana, Indonesia, Lao PDR, Madagascar, Mozambique, and Viet Nam.
- 15 In addition to the ER monitoring reports for which Annex 3 data are available, the results-based payments to REDD+ programs in Chile, Costa Rica, and Indonesia by the Green Climate Fund, as well as results-based payments to REDD+ programs in Indonesia by RI-Norway Partnership are included.
- 16 Estimated based on reported data from Mozambique and Ghana. The program entities are in the process of distributing monetary and nonmonetary benefits to beneficiaries as per the BSPs and will report the progress in the BSP implementation status report.
- 17 All delivered except the ERPA business process.
- 18 The last Early Idea Notes were presented at CF12.
- 19 Guyana produced an ER-PIN, but no further action was taken. The last ER-PIN was presented at CF14.
- 20 The last country entered the pipeline at CF11.
- 21 The last Letter of Intent was signed at CF16.
- 22 Three Carbon Fund countries dropped out of the pipeline, so the total number of CF countries remaining is 15.
- 23 At the national level, some countries have been more successful than others in engaging with private sector actors, namely companies involved in agriculture, forestry, and livestock, in many cases through national trade associations to reach a wider range of stakeholders. Source: Baastel, *Third Program Evaluation of the Forest Carbon Partnership Facility: Final Evaluation Report*, Vol. 1.
- 24 Based on the eight ER monitoring reports for which Annex 3 data are available: Costa Rica, Côte d'Ivoire, Ghana, Indonesia, Lao PDR, Madagascar, Mozambique, and Viet Nam. According to the ER monitoring report for Indonesia, 50 oil palm companies have been involved in both financial and nonfinancial exchange.
- 25 Based on the ER monitoring reports from Costa Rica, Côte d'Ivoire, Ghana, Indonesia, Lao PDR, Madagascar, Mozambique, and Viet Nam. As more ER monitoring reports are verified, the percentage may drop.
- 26 This includes the actual emission reductions purchased from Costa Rica, Côte d'Ivoire, Ghana, Madagascar, Mozambique, and Viet Nam.
- 27 Ghana, Mozambique, and Viet Nam.
- 28 Baastel, *Third Program Evaluation of the Forest Carbon Partnership Facility: Final Evaluation Report*, Vol. 1.
- 29 Biodiversity benefits are supported by improved sustainable forest management practices, strengthened formal protection and conservation of high biodiversity areas, and efforts to engage communities and the private sector in improved forest management in ER programs.
- 30 Baastel, *Third Program Evaluation of the Forest Carbon Partnership Facility: Final Evaluation Report*, Vol. 1.
- 31 Cumulative indicator. Number of participants reached through CSO and IP partners.
- 32 Overall confidence was reported in FY23. Engagement disaggregation by gender, CSOs, and IP show data from FY22, as these figures were not reported in FY23.
- 33 Based on ERPDs.
- 34 Based on the eight ER monitoring reports for which Annex 3 data are available: Costa Rica, Côte d'Ivoire, Ghana, Indonesia, Lao PDR, Madagascar, Mozambique, and Viet Nam.
- 35 Based on ERPDs.
- 36 Based on the eight ER monitoring reports for which Annex 3 data are available: Costa Rica, Côte d'Ivoire, Ghana, Indonesia, Lao PDR, Madagascar, Mozambique, and Viet Nam.
- 37 Communication and knowledge products together with social network pages, podcasts, and FCPF website target a wide and rapidly increasing worldwide audience. The use of FCPF guidance documents and learning materials by other REDD+ projects have been reported to be significant. Some countries reported that FCPF learning, evidence, and knowledge products have influenced other REDD+ programs and practice, and many others should become more visible in the upcoming years. Donors have pointed out the influence of the FCPF in REDD+ mechanisms such as ART, LEAF and the GCF. Source: Baastel, *Third Program Evaluation of the Forest Carbon Partnership Facility: Final Evaluation Report*, Vol. 1.

- 38 4.7 is the average score of a survey on FCPF strengths, weaknesses, and contributions to REDD+ of each FCPF country calculated from the country progress report. To obtain this average score, each answer to a question was assigned points (5 as completely agree to 1 as completely disagree) and the average was taken.
- 39 The mix of informal and formal mechanisms include (i) continuous engagement and exchanges with a diversity of stakeholders at national and international level, (ii) formal training events, (iii) linkages with FCPF-supported programs (such as the South-South Knowledge Exchange (SSKE) Program for Sustainable Cocoa), and (iv) knowledge and communication products. Source: Baastel, *Third Program Evaluation of the Forest Carbon Partnership Facility: Final Evaluation Report*, Vol. 1.
- 40 Baastel, *Third Program Evaluation of the Forest Carbon Partnership Facility: Final Evaluation Report*, Vol. 1.
- 41 Disaggregated figures were not reported in FY18. Thus, disaggregated figures reported this year and going forward will be cumulative from FY19 onward.
- 42 This figure is an average of responses for the three subquestions. These figures weren't reported in FY19 and before. Thus, these figures reflect a cumulative average from events in FY20, FY21, FY22, FY23, and FY24 only, and only for events that collected the relevant data. The COVID-19 pandemic resulted in challenges in data collection and accessibility for some events and/or stakeholder groups.
- 43 4.2 is the average score of a survey on the usefulness and application of FCPF knowledge products of each FCPF country calculated from the country progress report. To obtain this average score, each answer to a question was assigned points (5 as completely agree to 1 as completely disagree) and the average was taken.
- 44 More specifically, there is strong evidence of a growing number of users of FCPF knowledge products as evidenced by the increase in the unique and returning visitors to the FCPF website since 2018. Furthermore, interviews with actors engaged in REDD+ at the international level point to the FCPF having influenced other REDD+ mechanisms, such as the LEAF Coalition and GCF. Some countries have sent FREL estimates to the UNFCCC where improvements due to the country's experience in the FCPF process can be identified. Source: Baastel, *Third Program Evaluation of the Forest Carbon Partnership Facility: Final Evaluation Report*, Vol. 1.

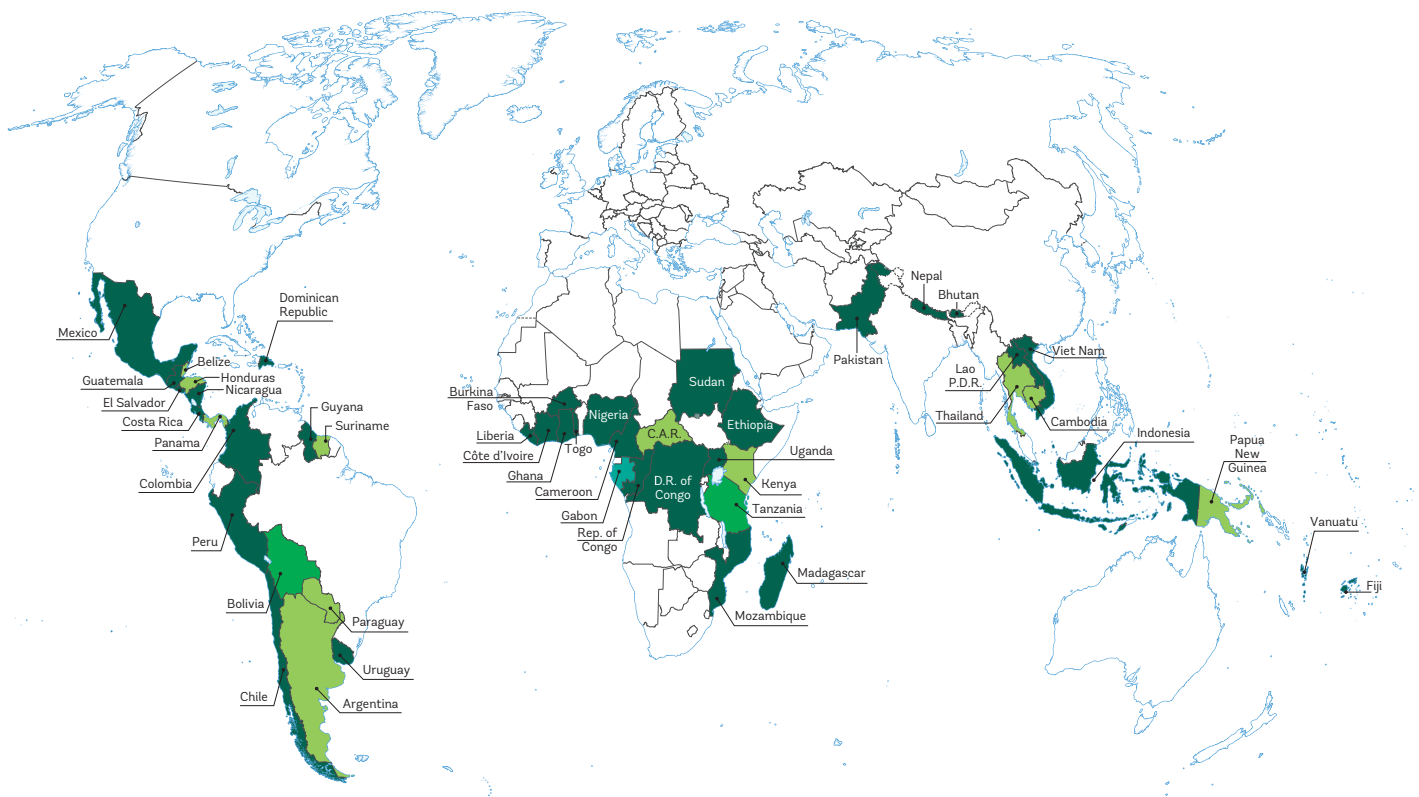


 Guatemala

Annex 1

47 Countries in the Readiness Fund

Between 2008 and 2022, 47 REDD+ country participants were selected into the FCPF and signed Participation Agreements. This map illustrates the furthest milestone toward readiness completion that each country had achieved as of December 2022, when the Readiness Fund officially closed its operations.



MAP LEGEND

- 34** READINESS PACKAGES ENDORSED BY PARTICIPANTS COMMITTEE
- 10** MIDTERM REPORTS ASSESSED BY PARTICIPANTS COMMITTEE
- 1** READINESS PREPARATION GRANT SIGNED
- 2** PARTICIPATION AGREEMENTS SIGNED

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The logo for the Forest Carbon Partnership Facility. It features the text "FOREST CARBON PARTNERSHIP FACILITY" in white, bold, uppercase letters. The text is arranged in four lines: "FOREST", "CARBON", "PARTNERSHIP", and "FACILITY". The text is centered within a white square that is slightly offset to the right and top relative to a larger, semi-transparent light green square behind it.

**FOREST
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