

**FOREST CARBON PARTNERSHIP FACILITY (FCPF)
SIXTEENTH PARTICIPANTS COMMITTEE MEETING
December 12-15, 2013
Geneva, Switzerland**

Resolution PC/16/2013/2

Bhutan's Readiness Preparation Proposal

Whereas:

1. The Participants Committee (PC), through its Resolution PC/14/2013/2, specified the criteria and the process by which Qualified Eligible REDD Countries may be selected into the FCPF;
2. Bhutan submitted a Readiness Preparation Proposal (R-PP) to the Facility Management Team (FMT) in July 2013, in accordance with Resolution PC/14/2013/2, and the R-PP was reviewed by a Technical Advisory Panel (TAP), and a working group consisting of Participants Committee (PC) members established for this purpose;
3. The PC reviewed the R-PP in accordance with Section 11.1 (b) of the Charter Establishing the FCPF (Charter) at its sixteenth meeting;
4. The PC acknowledged the extensive efforts made by Bhutan, and the high quality of the R-PP; and
5. The PC recalls that, as specified in Resolution PC/14/2013/2, Bhutan shall meet both of the following conditions to have guaranteed access to Readiness Preparation Grant funding: 1) submit their Revised R-PP within nine months of being allocated Readiness Preparation Grant funding by the PC through this Resolution; and 2) sign their Readiness Preparation Grant Agreement within fourteen months of being allocated Readiness Preparation Grant funding by the PC through this Resolution.

The Participants Committee,

1. Decides to allocate funding to Bhutan to enable it to move ahead with the preparation for readiness, subject to signing of the REDD Country Participation Agreement between Bhutan and the Trustee of the Readiness Fund.
2. For this purpose, requests:
 - i. Bhutan to submit a revised R-PP (Revised R-PP) to the FMT, reflecting the key issues in the summary report prepared by the FMT included in the annex of this Resolution;
 - ii. The FMT to check on the Revised R-PP for completeness, make it available on the FCPF website and notify the PC of its availability;
 - iii. The World Bank, as the Delivery Partner, to complete its due diligence, in particular with regard to the World Bank's Operational Policies and Procedures, working

closely with Bhutan, in order to provide a grant of up to US\$ 3.8 million, in accordance with Resolutions PC/3/2009/4 and PC/Electronic/2012/1;

- iv. Bhutan to consider the issues identified in the TAP's R-PP assessment as well as those raised by the FCPF PC at this meeting during readiness preparation; and
- v. Bhutan to report to the PC on progress made in accordance with Section 6.3 (b) of the Charter and to carry out its responsibilities in accordance with the Grant Agreement.

Annex
Summary Report Prepared by the FMT

The PC noted that the R-PP offers good opportunities for other REDD countries to learn from Bhutan's experience.

Key Issues

The following are the key issues that Bhutan needs to address before entering into a Readiness Preparation Grant Agreement with the Trustee of the Readiness Fund.

1. In component 1a of the R-PP, include the results of a needs assessment for REDD+ capacity building or plans to conduct one, with details on training needs at different governance levels, as relevant.
2. In component 1c of the R-PP, include information on how stakeholder engagement with vulnerable and marginalized groups (i.e. indigenous peoples, ethnic minorities, youth, women) will be conducted during readiness preparation, with reference to any regulations/guidelines underpinning such engagement, as well as to modalities of access by these groups to the proposed grievance redress mechanism.