

## Forest Carbon Partnership Facility (FCPF)

### Working Group on the Methodological and Pricing Approach for the Carbon Fund of the FCPF (WG)

2<sup>nd</sup> conference call (Tuesday, February 14, 2012)

<b>Mexico City</b>	05:00-07:00	<b>Berlin/Oslo</b>	12:00-14:00
<b>Washington, DC</b>	06:00-08:00	<b>Kathmandu</b>	16:45-18:45
<b>Paramaribo</b>	08:00-10:00	<b>Canberra</b>	22:00-24:00
<b>London</b>	11:00-13:00		

#### Agenda (Using Washington times)

06:00-06:15	<p><b>Introduction</b></p> <p>Content:</p> <ul style="list-style-type: none"> <li>• FMT summary of WG call #1 (if any questions, or clarifications are needed)</li> <li>• Report on WG selection process for co-chairs or chair</li> <li>• Review agenda for this call</li> </ul> <p>Background documentation: FMT summary of WG call #1 (if any questions, or clarifications are needed)</p> <p>Expected outcome:</p> <ul style="list-style-type: none"> <li>• Approval of chairing arrangement(s)</li> <li>• Approval of agenda</li> </ul>
06:15-07:00	<ul style="list-style-type: none"> <li>• <b>Methodological Framework carbon accounting topics and potential principles.</b></li> </ul> <p>Content: Introduction of FMT’s background note on the methodological framework</p> <ul style="list-style-type: none"> <li>• Discussion:             <ul style="list-style-type: none"> <li>○ Carbon accounting methodological topics</li> <li>○ Consider potential principles for carbon accounting</li> </ul> </li> </ul> <p>[Note: program criteria for eligibility of Emission Reductions Programs (ERPs) for the Carbon Fund, and other programmatic characteristics, would be discussed in call #3]</p> <p>Background documentation: Background note #2 provided by FMT as background</p> <p>Expected outcomes: Full consideration by the WG, in order to give the FMT guidance for further elaboration of:</p> <ul style="list-style-type: none"> <li>• Key carbon accounting methodological issues that a set of principles should address</li> <li>• How to draft principles addressing carbon accounting methodological issues</li> </ul>

07:00-07:45	<p><b>Policy guidance on pricing methodologies.</b></p> <p>Content:</p> <ul style="list-style-type: none"><li>• Price as a function of quality</li><li>• Price as a function of non-carbon values</li></ul> <p>[Note: Discussion of valuation methods for determining the price of ERPs, and any early ideas on any guidance, would take place in call #3]</p> <p>Background documentation: Background note #3 provided by FMT</p> <p>Expected outcomes: Full consideration by the WG, in order to give the FMT guidance for further elaboration of:</p> <ul style="list-style-type: none"><li>• Key determinants of price for the FCPF Carbon Fund</li><li>• Ways to reflect quality, including non-carbon values in the price of ERPs</li></ul>
07:45-07:55	<p><b>Process</b></p> <ul style="list-style-type: none"><li>• Review WG process to date, and any enhancements to the process (e.g., quality and format of FMT background notes, potential facilitation, issues where data or analysis are needed)</li></ul>
07:55-08:00	<p><b>Dates and topics of the next calls and face-to-face meetings of the WG</b></p>

## Proposed WG process and schedule

Date	Type of interaction	Objectives
January 11, 2012	Conference call #1	Review ToRs and agree on key issues for discussion and schedule of activities
February 14, 2012	Conference call #2	<p><b>Methodological framework:</b> Discuss objectives and desired outcome regarding carbon accounting methods in the Carbon Fund.</p> <p><b>Pricing:</b> Discuss pricing reflecting the quality of ERPs presented, and pricing reflecting non-carbon values.</p>
February 29, 2012	Conference call #3	<p><b>Methodological framework:</b> Discuss objectives and desired outcome regarding programmatic characteristics, including both inherent and any additional social and environmental benefits beyond carbon.</p> <p><b>Pricing:</b> Discuss options for valuation of ERPs, to contribute to price setting (e.g., review existing transactions, etc.). Discuss guidance to reflect valuation considerations.</p>
March 25, 2012	Face-to-face meeting in Paraguay between the two days of the third Carbon Fund meeting (March 24 and 26), before PC 11 (March 28-30). Dial-in for WG members unable to attend.	Discuss outstanding issues from the conference calls and plan for future sessions.
April 18, 2012 (tbc)	Conference call, if needed	tbd
May 16, 2012 (tbc)	Conference call, if needed	tbd
June 26-28, 2012	PC 12, adoption of the policy guidance on pricing and guiding principles on the key methodological framework	