



Forest Carbon Partnership Facility

5. Strategic Direction of the FCPF

Eleventh Meeting of Participants Committee (PC11)

Asunción, Paraguay

March 28-30, 2012

Outline

- Background
- Introduction to FMT Note 2012-3
 - 5a:Update:Participation Agreements signed, countries' confirmation of intent to submit R-PP
 - 5b:Update: Proposal on possible reopening the FCPF to new countries
- Action expected from PC11

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Background (1)

- Discussion of strategic issues at PC10
 - Issues that are relevant to FCPF, including future operations of Readiness Fund
 - FMT Note 2011-10 presented 5 proposals for PC's consideration:
 - A: Ascertain REDD Country's participation status in the FCPF and eligibility to FCPF grant financing
 - B: Increase readiness grant support
 - C: Enhance readiness support through analytical and knowledge, including South-South cooperation
 - D: Enhance support to southern civil society organizations and Indigenous Peoples
 - E: Possible reopen of FCPF to new countries

Background (2)

- Resolution on Strategic Direction of the FCPF at PC10, Berlin
 - Agreed to increase readiness grant support by up to \$5 million to countries demonstrating good progress on readiness
 - Allocated \$5.5 million for enhanced support to southern civil society organizations and Indigenous Peoples
 - Requested mapping of proposed CSO and IP activities by different initiatives
 - Agreed to next steps for signing pending Participation Agreements
 - Requested REDD Country Participants to confirm intent to submit R-PP submission and by when
 - Asked FMT to solicit further information from candidate countries and propose criteria & process for consideration by the PC

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5a. Recap from PC10: Ascertain Participation Status, confirmation of intent to submit R-PP (1)

- Why ascertain Participation Status?
 - Resources remain set aside for all FCPF countries even though progress varies
 - Proposal: REDD Country Participants to confirm they are still committed to the FCPF, otherwise free up some of the Readiness funds in order to
 - Provide increased support to countries that are making good progress towards REDD+ readiness; or
 - Support more countries should the PC decide to reopen the Readiness Fund
- Decisions at PC10:
 - Countries to sign Participation Agreement by February 1, 2012
 - Countries should submit R-PP for formal PC assessment by PC14 for access to FCPF grant
 - PC requested countries to inform by March 31, 2012 their intent to submit R-PP

5a. Update: Ascertain Participation Status, intent to submit R-PP (2)

- Participation Agreements for Chile and Equatorial Guinea were pending
 - Signed PA for Chile received
 - PA for Equatorial Guinea not received
- Possible PC action: PC may want to formally notify Equatorial Guinea that it would need to reapply to be selected as REDD Country Participant

5a Update: Ascertain Participation Status, intent to submit R-PP (3)

- Status of REDD Country Participants presented in Table 2 of FMT Note:
 - 36 countries signed Participation Agreements
 - 23 Countries requested \$200k R-PP Formulation Grant
 - 23 R-PPs formally submitted for PC assessment (including at PC11)
 - 6 out of 13 countries confirmed intention to submit R-PP before PC14
 - Awaiting confirmation from 7 countries; Countries are however not obligated to provide information by March 31, 2012, in which case it will be known only by PC14 only (March 2013) if additional resources are freed up
- Virtual approval of additional readiness grant of up to \$5 million to REDD Country Participants (based on a no objection period of 14 days after PC10)

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5b. Possible reopening of the FCPF (1)

- 13 countries have expressed interest in joining the FCPF
 - 11 Requests at PC10: Belize, Bhutan, Burkina Faso, Burundi, Chad, Côte d'Ivoire, Guinea, Jamaica, Nigeria, Pakistan and Sudan
 - 3 additional requests after PC10: Sri Lanka, the Philippines & Togo
 - 1 subsequent clarification (Burkina Faso clarified it does not intend to join FCPF; only wishes to submit R-PP for assessment)
- Per Berlin Strategic Direction Resolution FMT
 - solicited supplemental information on the level of engagement in REDD+
 - Information received from all countries except Chad and Guinea
 - Complete information available on FCPF website; FMT summary presented in Annex 1 of FMT Note
 - proposed strategic and country level criteria for possible inclusion of countries in the FCPF for PC's consideration and,
 - analyzed financial and human resource implications to support REDD+ readiness in countries

5b:Key observations from information received from candidate countries (2)

- All countries would like to participate in the FCPF with full financial support
- Out of 11 countries that submitted information:
 - 1 (Togo) is low forest, high deforestation rate
 - 2 (Belize and Bhutan) are high remaining forest, low deforestation rate countries, and
 - 8 are low forest, low deforestation rate countries
- Most countries sufficiently advanced in thinking on REDD+ and identified areas where FCPF support is required
- Some countries working in collaboration with other partners on REDD+ already

5b: Should the FCPF Readiness Fund be reopened? Strategic Considerations (3)

- Should FCPF continue to focus on REDD+ readiness, or move beyond that?
 - FCPF objectives continue to fit well within the changed negotiation context where legal agreement is expected only by 2020
- Are there or will there be enough resources in the Readiness Fund?
 - Availability of resources to be weighed against other concurrent proposals and prioritized:
 - \$3.8 million standard allocation of resources to countries whose R-PPs are assessed by PC14
 - \$5.5 million support for engaging CSOs and Forest Dependent Indigenous Peoples in REDD+ FY2012-2015,
 - Up to \$13.4 million for enhanced capacity on dispute resolution mechanisms
 - **Additional grant of up to \$ 5 million to some countries at mid-term**
 - **Enhancing support on REDD+ through analytical and knowledge management (to be proposed)**
 - **Potential grant funding for new REDD+ countries**

5b:Resources required to include new countries

Sources and Uses of Readiness Funds (4)

Uses	
Commitments (grants) to REDD Countries	133.0
Administrative, Operations and Country Support, over the life of Facility (2020)	69.4
Reserve for Delivery Partner capacity for dispute resolution	2.0
Additional IP and CSO Program (part funded by CF)	4.2
Total uses	208.6
Sources	
Committed Funding	229.6
Estimated Reserve	
Committed funding less total uses (\$)	21.0
Additional activities identified for Action in Berlin Resolution	
Additional readiness grant for 20 countries (upto \$5 million per country)	100
Proposal for knowledge management (to be presented at PC12)	tbd
Reopening FCPF to 11 new countries (\$5.8 per country)	63.8
Total funding required for additional activities	163.8
Funding Gap for additional activities	142.8

5b: Should the FCPF Readiness Fund be reopened? Strategic Considerations (5)

- Implications for quality of support to existing countries
 - Need to consider level of support required for readiness in 23 countries with R-PPs assessed and how inclusion of new countries may impact support to existing countries
- Availability of delivery Partners
 - 6 candidate countries have indicated possible choice of currently approved Delivery Partners (does not reflect views of Delivery Partners nor the capacity of DPs to accept additional countries)
- FMT capacity
 - Estimated that 2 additional full time staff would be required if all 11 candidate countries are accepted into the FCPF
- Synergies with the UN-REDD Programme
 - 7 out of potential 13 candidate countries are UN-REDD Programme countries.
 - Pros and cons of including countries in both programs need to be ascertained

5b:Summary: Pros and Cons of reopening FCPF (6)

Pros	Cons
•Opportunity to support countries in readiness efforts pending creation of a dedicated mechanism in the UNFCCC •Provide support as part of same partnership •Including more countries addresses questions of international leakage •Promotes knowledge exchange amongst countries facing common challenges	•More funding is required •Requires enhanced FMT capacity •Not clear if each country would have a delivery partner •Could possibly detract support to existing REDD countries

5b:If FCPF is to be reopened, how should it be?

Country Level Considerations (7)

- Possible criteria to guide on how to reopen: Which countries? When and with what level of support?
 - Allow as many candidate countries as possible with a view to advancing REDD+ readiness globally;
 - Countries with expertise in specific areas could have added value for existing countries;
 - Countries that are showing progress on readiness (for example, initiation of R-PP preparation, political support);
 - Countries that do not have support from other sources could be given priority or those whose needs exceed support available at present;
 - Countries with identified Delivery Partners could be given priority;
 - Time at which country requested access to the FCPF;
 - Other possible criteria such as relative forest cover, rate of deforestation, cross boundary co-operation

5b: Possible PC action (10)

- Whether to reopen the FCPF?
 - PC may wish to take stock of information presented and guide the FMT with a view to making a decision at PC12
- If Readiness Fund is reopened, how should it be?
 - PC may wish to consider and amend/finalize criteria as appropriate including assigning weights to criteria
 - FMT could use the list of criteria adopted at PC11 to tabulate the countries and propose procedures for opening up to new countries, for decision at PC12
 - Guide the FMT on next steps
- Contact Group will meet today to discuss the strategic issues including reopening of Readiness Fund, Log frame and other issues



THANK YOU!

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