

**FOREST CARBON PARTNERSHIP FACILITY (FCPF)
TWENTY FIRST CARBON FUND MEETING
January 22-23, 2020
Paris, France**

**Resolution CFM/21/2020/1
Revised Methodological Framework for the Carbon Fund of the FCPF**

Whereas:

1. The FCPF Participants Committee, through its Resolution PC/12/2012/3, adopted the ‘Recommendations of the Working Group on the Methodological Framework and Pricing Approach for the Carbon Fund of the FCPF’, as guiding principles on the key methodological framework for the Carbon Fund of the FCPF (“Methodological Framework”).
2. At the eighth Carbon Fund Meeting, Carbon Fund Participants approved, as per Resolution CFM/8/2013/1 (Methodological Framework for the Carbon Fund of the FCPF), the Methodological Framework.
3. The Methodological Framework stipulates that the Methodological Framework may be refined by Carbon Fund Participants from time to time after the first ER-PINs and ER Programs proceed and lessons are learned, or as new guidance on REDD+ is provided by the UNFCCC. While the Carbon Fund encourages ER Programs to consider meeting any such refinements on a voluntary basis, it would not require ER Programs, once an Emission Reductions Payment Agreement (ERPA) is signed, to meet new or revised criteria and indicators that may be subsequently approved by Carbon Fund Participants.
4. In addition, as per Resolution CFM 8/2013/1, Carbon Fund Participants agreed to review the adopted Methodological Framework, after one year from the adoption of Resolution CFM 8/2013/1 or any other time period as may be agreed to by the Carbon Fund Participants, to consider any relevant lessons learned from the application of the Methodological Framework by the ER Programs, and any relevant new guidance from UNFCCC negotiations on REDD+. If necessary, Carbon Fund Participants may consider modifying the relevant criteria and/or indicators of the Methodological Framework after this review, or at any later time as relevant.
5. At the fourteenth Carbon Fund Meeting, Carbon Fund Participants approved, as per Resolution CFM/14/2016/4 a first revision to the Methodological Framework dated June 22, 2016.
6. Prior to this meeting, the Facility Management Team (FMT) shared with Carbon Fund Participants a proposal for a second revision to the Methodological Framework as per FMT Note CF-2020-1 and presented on the proposed revisions during this meeting.
7. At this meeting, Carbon Fund Participants seek to revise the Methodological Framework a second time in line with FMT Note CF-2020-1, in accordance with the Methodological Framework and Resolution CFM 8/2013/1, and approve corresponding revisions to the Methodological Framework.

The Carbon Fund Participants,

1. Decide to adopt revisions to the Methodological Framework, as specified in the Annex to this Resolution.
2. Request the FMT to modify the Methodological Framework in line with the revisions approved in paragraph 1 above and submit such modified draft of the Methodological Framework to Carbon Fund Participants for adoption through a 3-week no objection process.

ANNEX

- Revise Indicator 19.1 of the Methodological Framework by deleting Option 1 and, thereby, requiring all ER Programs to use the ER Program Buffer during the ERPA term.
- Revise Indicator 20.1 of the Methodological Framework by requiring ER Programs to have in place an acceptable Post-ERPA Reversal Management Mechanism as specified in the ER Program Buffer Guidelines.
- Revise Indicator 20.2 of the Methodological Framework by deleting reference to the Options of Indicator 19.1 and keeping the cancellation of remaining Buffer ERs if no Post-ERPA Reversal Management Mechanism is in place.
- Replace the terms ‘ERPA start date’ and ‘ERPA term’ with the terms ‘Crediting Period Start Date’ (i.e. “Also known as ERPA start date under the FCPF ERPA General Conditions, is the start date of the first Reporting Period under the ER program”) and ‘Crediting Period’ (i.e. “Also known in the FCPF ERPA General Conditions as the ERPA term, is the period between the Crediting Period Start Date and the end date of the last Reporting Period under the ER Program”) and include such definitions in the glossary of terms.
- Remove the glossary of terms from the Methodological Framework, move such terms to a separate general reference document “FCPF Glossary of Terms” and refer in the Methodological Framework to such FCPF Glossary of Terms.