



Forest Carbon Partnership Facility

FMT's Report: Progress Update and FY14 Annual Report

Seventh Meeting of the Participants Assembly (PA7)

Arusha, Tanzania

November 1, 2014

Report Structure

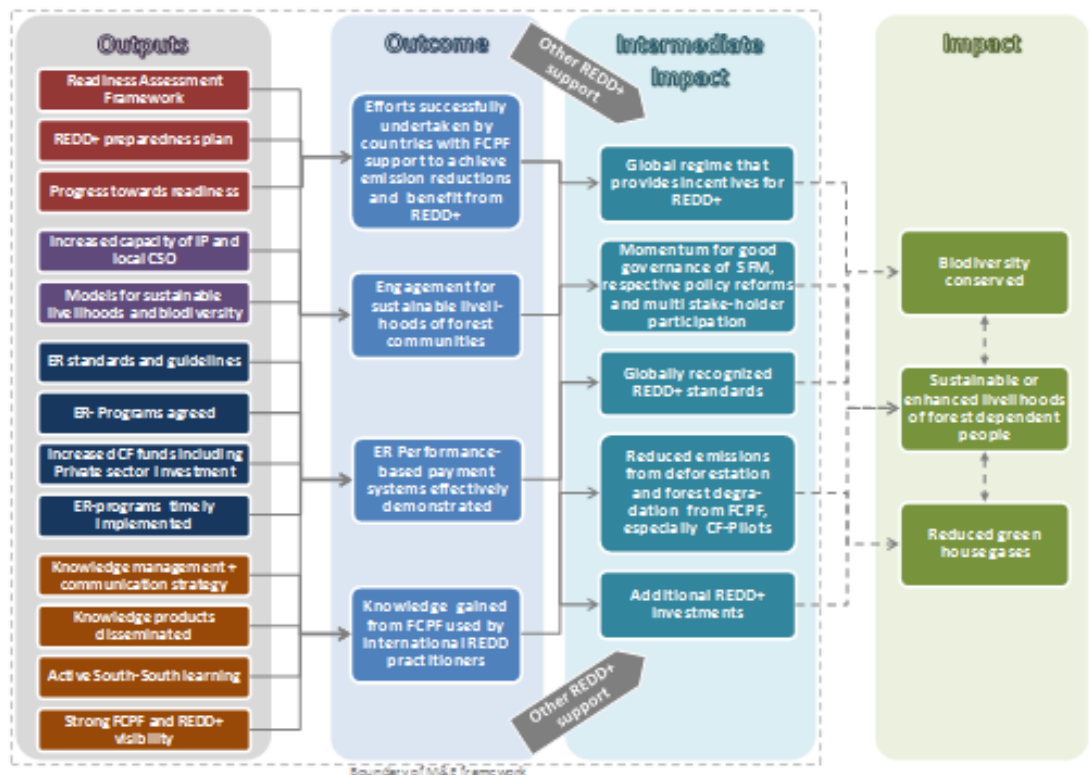
- Achievements

- Impact

- Outcome

- Outputs

- Issues and Challenges



An aerial photograph of a vast, dense tropical forest. The canopy is thick and layered, with a variety of green shades from deep forest green to bright, sunlit yellow-green. The perspective is from a high angle, looking down into the forest. The word "Achievements" is superimposed in large white letters across the middle of the image.

Achievements

Intermediate Impact-level Results for the FCPF

1. The FCPF has **contributed to the design of a global regime under or outside UNFCCC** that provides incentives for REDD+
2. **Reduced emissions from deforestation and forest degradation** from FCPF, especially Carbon Fund portfolio countries
3. The FCPF has catalyzed the **creation of recognized global standards for REDD+**
4. The FCPF has catalyzed **investment in REDD+** (Carbon Fund, and grants)
5. The FCPF has generated **momentum to address governance and transparency issues and policy reforms** related to sustainable forest resource management and REDD+

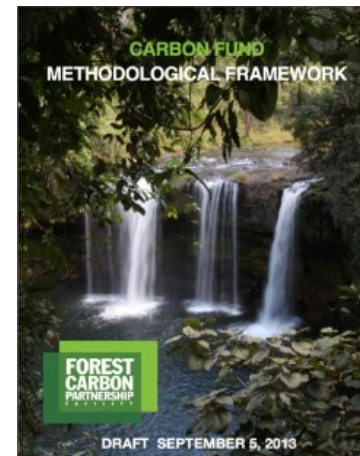
Reporting on selected impacts

Examples FCPF learning and experience that has fed into UNFCCC REDD+ decisions [related to impact 1]:

- World Bank as trustee of the FCPF gave the **keynote speech at the Technical Expert Meeting on Land** (June 11, 2014 as part of the UNFCCC Ad Hoc Group on Durban Platform (ADP)). Building on the experiences of the FCPF, the keynote provided an overview of the state of financing, technology transfer and capacity-building

FCPF has catalyzed the creation of recognized standards for REDD+ [related to impact 3]:

- Approval of the **Methodological Framework** for the Carbon Fund at CF8, December 2013.
- Approval of the **ERPA General Conditions** (i.e., the legal underpinnings for large-scale carbon transactions for REDD+)
- Important progress was also made with:
 - the preparation of the **business process for the Carbon Fund**, including approval of a template and approval processes for ER-PINs, ERPDs, and ERPAs



Reporting on selected impacts [2]

Common Approach successfully implemented [related to impact 3]

- In FY14, **implementation of Common Approach has started** in some countries.
- **Focus on capacity building for the Common Approach**, including applicable policies and procedures on environmental and social safeguards, information sharing, and grievance and accountability mechanisms.
- **3 regional workshops held in FY14** (continuing series of FY13) to support capacity building on the Common Approach specifically, and social inclusion more generally.

- **Bogota, Colombia, December 2013**, 6 South American countries— Chile, Colombia, Guyana, Paraguay, Peru, and Suriname
- **Antigua, Guatemala, January 2014**, 8 Latin American countries—Argentina, Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, and Panama

Brazzaville, Republic of Congo, May 2014, 7 Francophone African countries –Burkina Faso, Cameroon, Cote d'Ivoire, Democratic Republic of Congo, Madagascar, Republic of Congo, and Togo.



Reporting on selected impacts[3]

- **Amount of non-FCPF investments under R-PP process [related to impact 4]:**
 - Countries reported leveraging at least **\$81 million in non-FCPF investments in readiness** (not exhaustive; reflects reporting from 14 countries).
 - Countries leveraged at least **\$594 million for investments and for implementation of ER-Programs** (not exhaustive; reflects reporting from 9 countries).



Reporting on selected impacts[4]

Number of policy reforms initiated, completed or underway [related to impact 5]:

The REDD+ readiness process has influenced policy reform – some examples:

- *July 2013: **Guatemala*** adopted the Framework Law on Climate Change; proposed PROBOSQUES Law now before Congress (will scale up forest incentive programs)
- *Sept 2013: **Indonesia's*** President Yudhoyono signed Presidential Regulation No. 62/2013 establishing the REDD+ Agency
- *Dec 2013: **Mozambique*** adopted regulation (Decree 70/2013) that establishes rules and procedures to guide investments in REDD+
- *Dec 2013: **Liberia*** ratified into a Voluntary Partnership Agreement (VPA) signed with EU, a bilateral trade agreement, central to the fight against illegal logging
- *Feb 2014: **Chile*** formally requested to the UNFCCC Secretariat to nominate CONAF as the national REDD+ focal point in response to REDD+ decision adopted at COP19
- *In early 2014, the **Ministry of Lands and Natural Resources in Ghana, the Ghana Cocoa Board, and the Forestry Commission*** took the groundbreaking decision to work as co-proponents for a landscape-scale, cross-sectoral, multi-institutional, public-private approach to transform the cocoa sector in Ghana

Reporting on selected outcomes

Design of national REDD+ strategies, monitoring systems and ER Programs addresses indicators for enhancement of livelihoods of local communities and for biodiversity conservation:

- The DRC's National REDD+ Framework Strategy, developed through national multi-stakeholder processes, is an example of how **indicators for the enhancement of livelihoods and biodiversity conservation have been incorporated in the national approach to REDD+.**
- The Indonesian REDD+ Task Force has developed **Principles, Criteria and Indicators for REDD+ Safeguards in Indonesia (PRISAI)** which consist of 10 governance, social, and environmental safeguard principles. While Min of Forestry has developed SIS to address UNFCCC Cancun Safeguards
- In Costa Rica, FONFIFO has advanced the development of a **Safeguards Information System (SIS). Work is also ongoing on quantifying non-carbon benefits.**

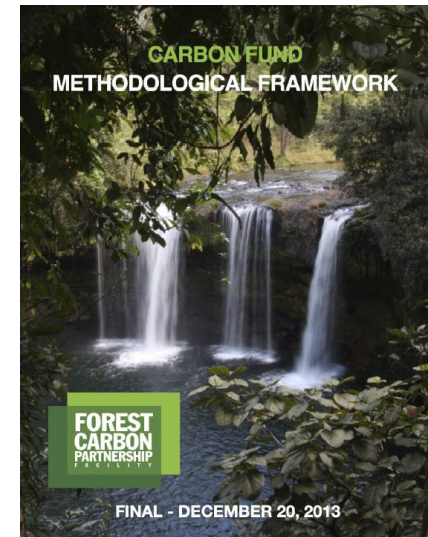
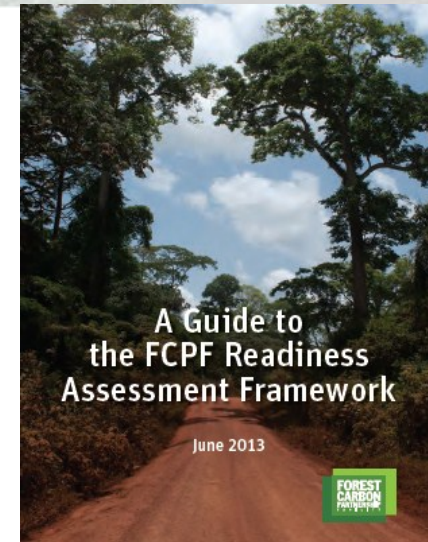
Number of new countries/stakeholders requesting to become FCPF members/observers:

- **11 new REDD+ countries** submitted R-PPs to be selected into the FCPF: Belize, Bhutan, Burkina Faso, Côte d'Ivoire, Dominican Republic, Fiji, Nigeria, Pakistan, Sudan, Togo, and Uruguay.
- All 11 countries were selected into the FCPF based on high-quality of R-PPs.

Reporting on selected outcomes

Examples of utilization of/or reference to FCPF knowledge products:

- The ***Guide to the FCPF Readiness Assessment Framework*** continues to be the most utilized knowledge product to inform countries at different stages of readiness preparation
- In FY14 the focus of **technical support shifted to providing customized support to countries** that were preparing early ideas or ER-PINs for presentation to the Carbon Fund. Several countries received technical assistance for developing proposals in line with the Methodological Framework, for designing reference levels and forest monitoring systems for their future REDD+ programs and for presentation in their ER-PINs.



Reporting on selected output indicators

Outputs on the Readiness Fund:

Item	M&E Target	In FY 14 (prior to FY14)	In Q1+2 FY15	Cumulative to FY14 + Q1+2 FY15
R-PPs presented for formal assessment	30+ R-PPs by 2015	13 (33)		46
Mid-term progress report submitted	7 MTR by 2014; 20+ by 2015	4 (1)	1 (Liberia)	6
Signed Supplemental Grant for additional \$5 million	No target	1 (DRC)		1

Reporting on selected output indicators

Readiness Grants	M&E target	In FY14 (prior to FY14)	Q1 FY15	Cumulative to October 2014
Grant agreements signed	24 signed grant agreements by 2014, 30+ by 2015	13 (9)	2 (Côte D'Ivoire and Lao PDR)	24

Reporting on selected output indicators

Disbursements & Commitments	Cumulative to end of FY14	Q1 FY15	Cumulative to October 2014
Grants disbursed to countries	\$18.2 m	\$4.0 m	\$22.2 m
Grants signed with countries (since PA6: Cambodia, Chile, Cote D'Ivoire, El Salvador, Guatemala, Guyana, Honduras, Lao PDR, Mexico, Nicaragua, Peru, Suriname) + (DRC Supplemental grant)	\$88.6 m	\$7.6m	\$96.2 m
Grant allocations to countries by DP:	\$191 m		\$191 m
i. WB	\$168.2 m		\$168.2 m
ii. IDB (Guatemala, Guyana, Peru)	\$11.4 m		\$11.4 m
iii. UNDP (Cambodia, Honduras, Suriname)	\$11.4 m		\$11.4 m

More details on the dashboard

Reporting on selected output indicators

Outputs on the Carbon Fund to date:

- **Methodological Framework approved in FY14**
- Pricing Approach discussed, early price signals indicated by buyers
- **ERPA General Conditions approved at PC18 (FY15)**
- To date **15 countries presented early ideas and ER-PINs**
- To date **11 ER-PINs selected into CF pipeline:**
 - **FY13:** Costa Rica
 - **FY14:** Chile, DRC, Ghana, Mexico, Nepal, Rep. of Congo, Vietnam
 - **FY15:** Guatemala, Indonesia, Peru
- **Letters of Intent signed with:** Costa Rica, DRC, and Republic of Congo

Reporting on selected output indicators

Level of private sector investments for ER-activities:

- **New approach to private sector investments:** private sector no longer approached to purchase carbon assets or invest in the Carbon Fund, but instead...
- **...new relationships built with private sector as partner to provide scaled-up investments at the program level.**
Examples: cocoa production/sourcing in Ghana, wood production in Costa Rica, concession management in RoC.



Reporting on selected output indicators

- **Examples of enhanced capacity of Indigenous Peoples and CSOs to engage in REDD+ processes:**



- **Ethiopia:** National REDD+ awareness workshop in January 2014 with over 400 people in Addis Ababa, and subsequently 3 regional level workshops. 1200 people reached. TV, radio, and newspaper coverage.
- **Indonesia:** New protocol for well-planned, systematic consultations developed by National Forestry Council and now guiding consultations.
- **Costa Rica:** “Cultural mediators” trained, who now play a key role in communicating the REDD+ process and developing culturally appropriate materials.

Reporting on selected output indicators

- **Indigenous Peoples and CSO representation in institutional arrangements for REDD+ at the national level:**
- **IP and CSO representation:** Chile, Colombia, Costa Rica, DRC, El Salvador, Fiji, Guatemala, Guyana, Honduras, Indonesia, Kenya, Mexico, Nepal, Nicaragua, Panama, Peru, Republic of Congo, Thailand, Uganda, and Vanuatu.
- **CSO and local community representation:** Ethiopia, Ghana, Liberia, and Uruguay.

List may not be exhaustive.



Reporting on selected output indicators

Example of resources made available to enable participation of IPs, CSOs, and local communities:

- Total of \$1,732,844 allocated to finance 25 project in Asia, Latin America, and Africa under Phase 1 of the IP/CSO Capacity Building Program.
- 11 of these now closed, 14 under implementation. These cover broad spectrum of activities:
 - Identifying underlying causes of deforestation and related land tenure issues.
 - Training on community monitoring
 - GIS development in local communities
 - Capacity building on benefit sharing (carbon and non-carbon benefits)
 - Developing indicators for monitoring environmental and social safeguards



Capacity Building Program for Forest-Dependent Peoples and Southern CSOs

Just to recap, the CBP is being implemented in two phases:

- Phase 1

- Indigenous Peoples' and CSOs were selected and contracted as consultants to carry out specific capacity building activities in line with the overall objectives of the Program
- Phase 1 is expected to close in January 2015, once all activities have wrapped up

- Phase 2

- New activities under the Program will be implemented according to the World Bank's Small Grants Funding Guidelines
- Despite initial delays, preparation is now moving along at a steady pace (details on the next slide)
- PC17 approved extending the operation of the Program through end-FY17 US\$3.4 million remains in funding for this period.

Capacity Building Program for Forest-Dependent Peoples and Southern CSOs, Phase 2

Current Targets for PC18	Status
Preparation underway - Responsibilities for Program processing formally decentralized to the level of three regions - Three Task Team Leaders designated - Trust Fund structure and allocations determined	✓
“Concept Review” undertaken Preparation of several grant packages is underway, but Concept Reviews have not taken place yet	Underway
Future Targets for PC19	Dates
Due Diligence process Identify strengths and gaps in the capacity of pre-selected grantee organizations to implement planned activities and manage grant funds	11/14-12/14
Program “Appraisal” - Detail activities and benchmarks through preparation of Work Plans, Operational Manuals - Country- and Bank-based no-objection letters received for all 6 countries where grantee organizations are based	01/15-02/15
Drafting and Signing of Grant Agreements Specify how grantee organizations, acting as intermediaries, would make funding available to organizations working at the country level	02/15-03/15

Reporting on selected output indicators

Number of IPs and CSO representatives that benefitted from REDD+ training:

- **3 social inclusion workshops:**
- *Bogota, Colombia: 46 people* from 6 countries in South America
- *Antigua, Guatemala: 62 people* from 8 countries
- *Brazzaville, RoC: 54 people* from 7 franco-phone countries in Africa
- In addition, numerous IPs and CSOs trained in nationally organized workshops.



Reporting on selected output indicators

Number of South-South learning activities

- **3 Workshops on Capacity Building for Social Inclusion:** Bogotá, Antigua, Brazzaville— December 2013 to May 2014
- **Asia Regional Workshop on Linking Local REDD+ Initiatives with National REDD+ Strategies:** Jakarta, Indonesia—June 2014
- **South-South exchange and learning session on the development of reference levels:** Mexico— January 2014
- **Joint FCPF–UN-REDD Programme Knowledge Exchange Day** in the context of the UN-REDD Policy Board and FCPF PC meetings in Geneva, in December 2013

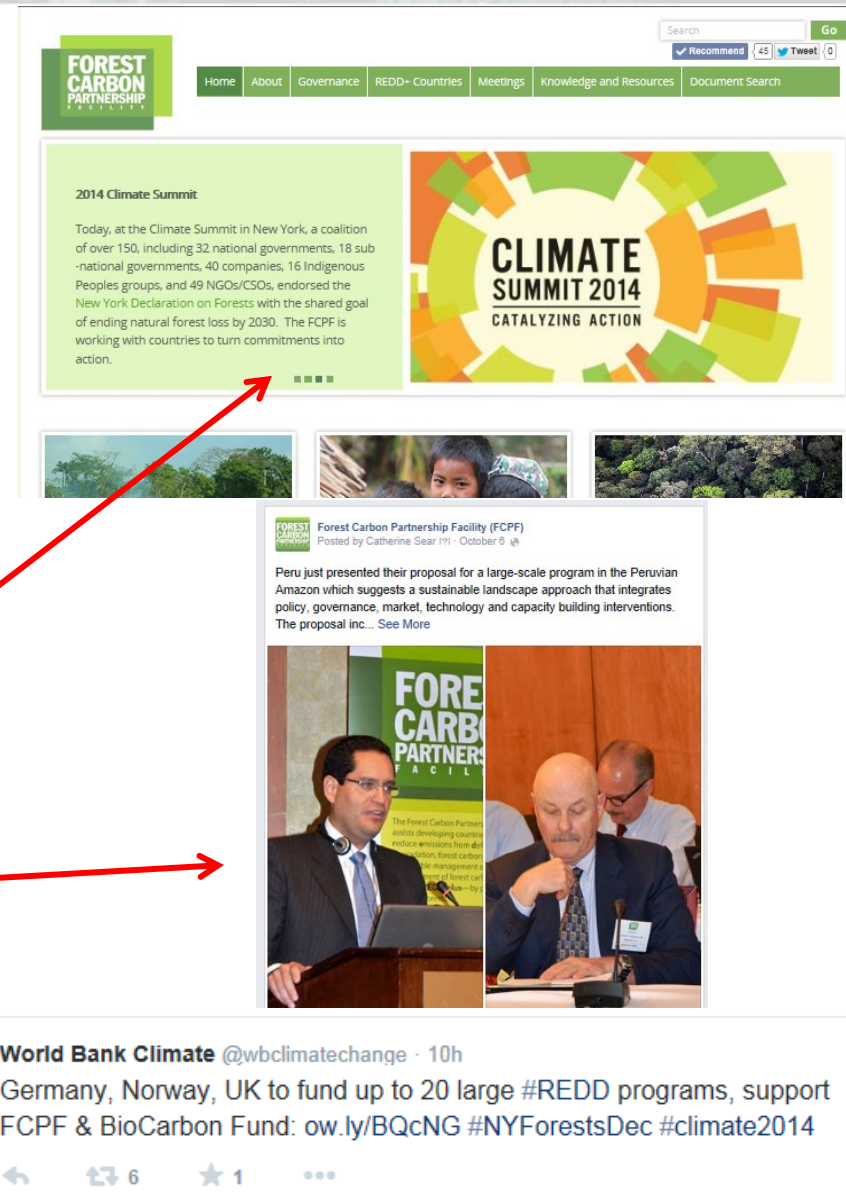
In FY14, the FMT generally **prioritized country-tailored support for learning and application of existing knowledge products** in the context of national REDD+ readiness processes, as well as ER Program development.

Reporting on selected output indicators

Visibility of REDD+ and FCPF

Continuous improvements of the online presence:

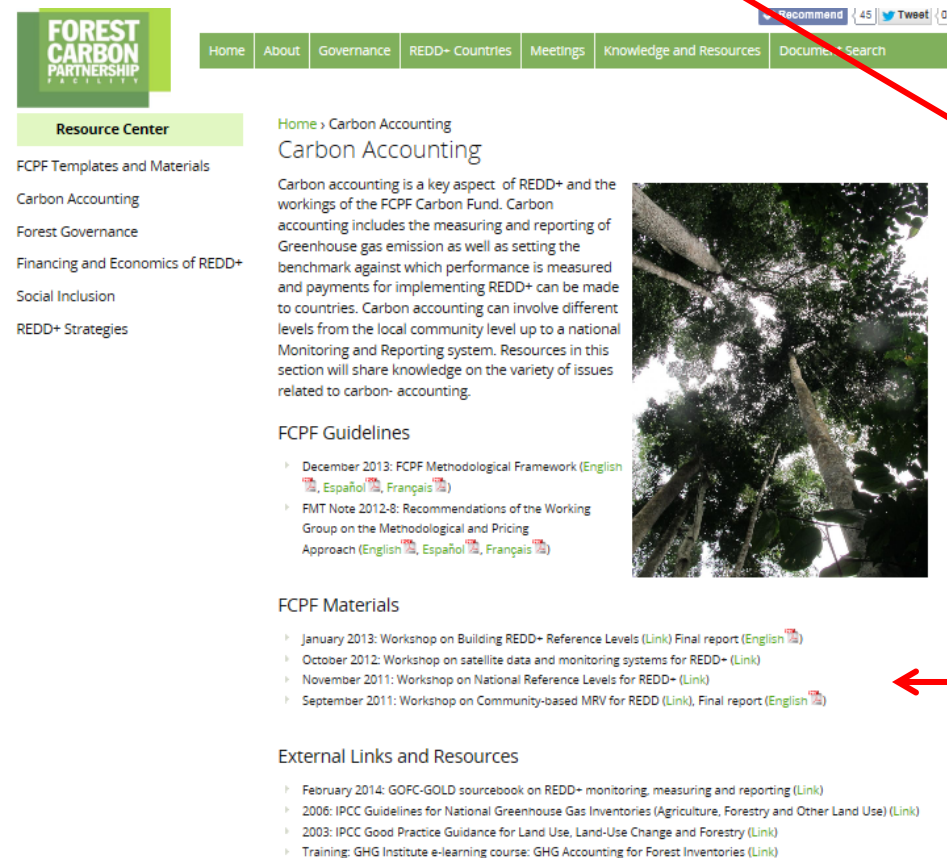
- ~ 5,000 visits per month, increasingly from REDD+ countries
- **Website analytics** introduced to track use and improve website accordingly
- **Carousel** on homepage with latest highlights
- Improved **visual appeal** and cross-referencing
- Active use of **social media**
- Frequent **FCPF Facebook** updates
- Active **twitter presence** for announcements/news via WB's Climate Change twitter account (25k followers)



Reporting on selected output indicators

Continuous improvements knowledge on the FCPF's website:

Compilation of all resolutions, FMT Notes, etc. on FCPF website



Home > Carbon Accounting

Carbon Accounting

Carbon accounting is a key aspect of REDD+ and the workings of the FCPF Carbon Fund. Carbon accounting includes the measuring and reporting of Greenhouse gas emission as well as setting the benchmark against which performance is measured and payments for implementing REDD+ can be made to countries. Carbon accounting can involve different levels from the local community level up to a national Monitoring and Reporting system. Resources in this section will share knowledge on the variety of issues related to carbon- accounting.



FCPF Guidelines

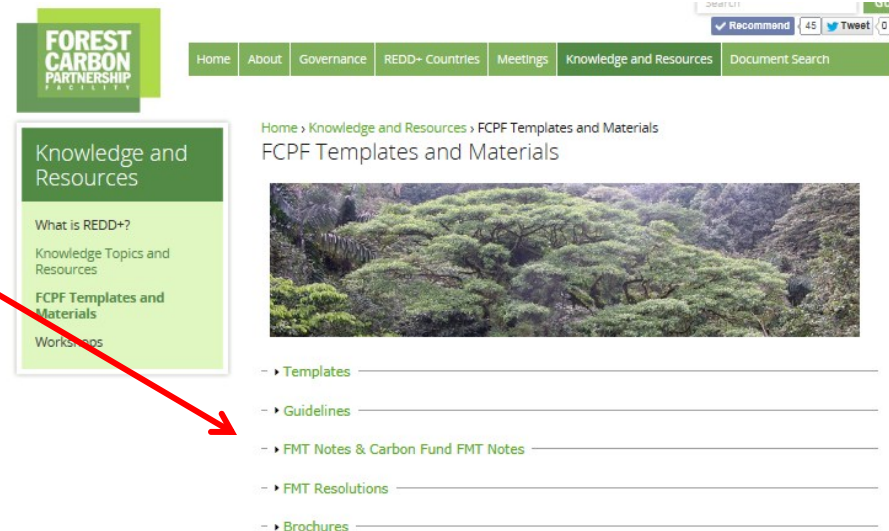
- December 2013: FCPF Methodological Framework (English [\[Link\]](#), Español [\[Link\]](#), Français [\[Link\]](#))
- FMT Note 2012-8: Recommendations of the Working Group on the Methodological and Pricing Approach (English [\[Link\]](#), Español [\[Link\]](#), Français [\[Link\]](#))

FCPF Materials

- January 2013: Workshop on Building REDD+ Reference Levels (Link) Final report (English [\[Link\]](#))
- October 2012: Workshop on satellite data and monitoring systems for REDD+ (Link)
- November 2011: Workshop on National Reference Levels for REDD+ (Link)
- September 2011: Workshop on Community-based MRV for REDD (Link), Final report (English [\[Link\]](#))

External Links and Resources

- February 2014: GOF-GOLD sourcebook on REDD+ monitoring, measuring and reporting (Link)
- 2006: IPCC Guidelines for National Greenhouse Gas Inventories (Agriculture, Forestry and Other Land Use) (Link)
- 2003: IPCC Good Practice Guidance for Land Use, Land-Use Change and Forestry (Link)
- Training: GHG Institute e-learning course: GHG Accounting for Forest Inventories (Link)



Home > Knowledge and Resources > FCPF Templates and Materials

FCPF Templates and Materials



- Templates
- Guidelines
- FMT Notes & Carbon Fund FMT Notes
- FMT Resolutions
- Brochures

Improved knowledge pages, now organized by topics.

- Carbon Accounting
- Financing and Economics of REDD+
- Forest Governance
- REDD+ Strategies
- Social Inclusion

Issues and Challenges



Key Issues and Challenges

- **Overall progress on FCPF outputs and outcomes** as intended for the FY14 reporting period **has been satisfactory.**
- **Progress was made on resolving challenges identified in FY13** (i.e., development of ERPA General Conditions and private sector engagement).
- **Challenges remain on:**
 - Disbursements
 - Country-level M&E reporting.



Disbursements of Readiness Grants

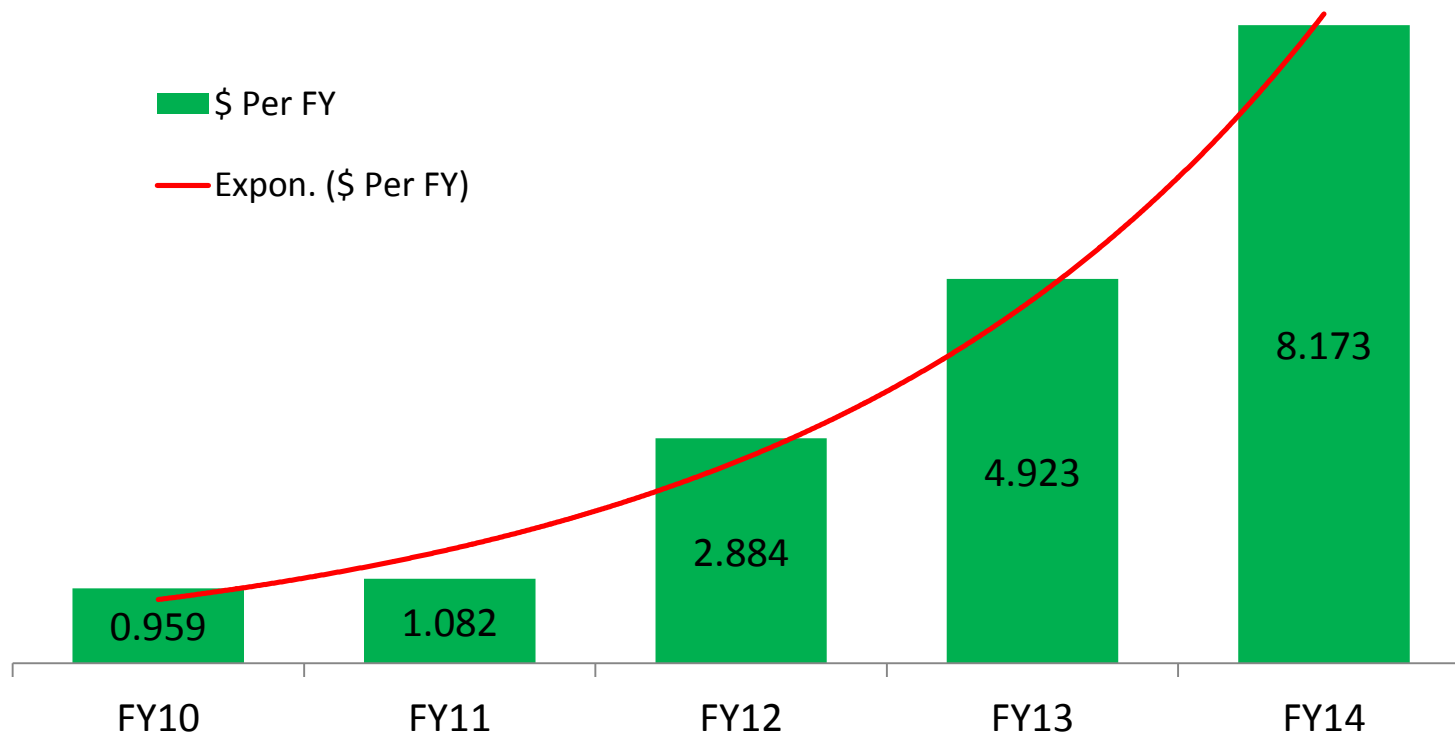
- Compared to previous years, **grant disbursements through the World Bank as Delivery Partner increased exponentially**, totaling more than \$18 million at the end of FY14
- This represents an **increase of \$8.2 million in FY14** or an increase of almost **70 percent** compared to the previous year. In addition, the number of **readiness grants signed in FY14 doubled** to a total of 22 (with 2 more signed in Q1 of FY15).



Disbursements of Readiness Grants

FCPF Grant Disbursements to Countries by Fiscal Year [in US\$ millions] (FY10-14)

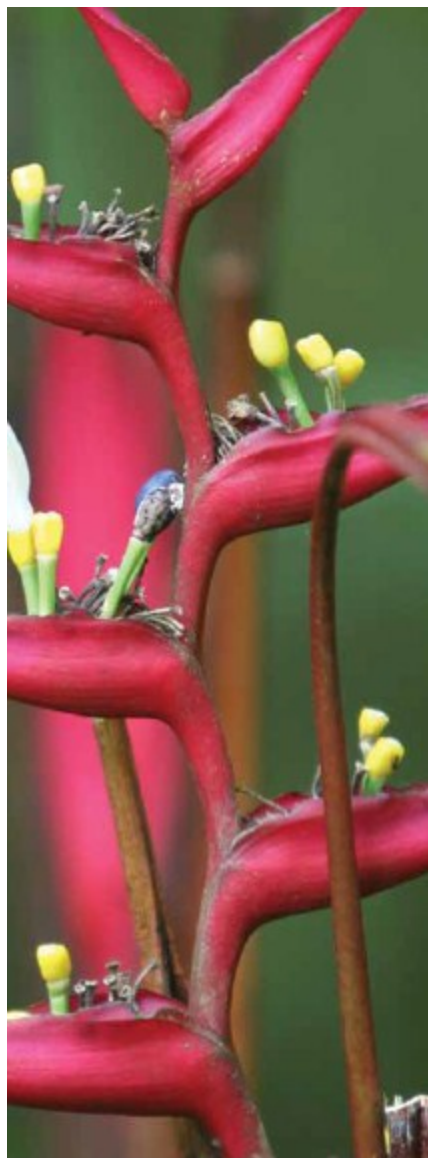
■ \$ Per FY
— Expon. (\$ Per FY)



Disbursements of Readiness Grants

- **While commitments are on track, total disbursement are still low overall due to a mix of circumstances:**
 - Delays on some grant signatures; some are related to country circumstances, some related to lack of prioritization
 - Disbursements also don't reflect actual commitments at country level for longer-term contracts (MRV, SESA/ESMF, etc.)
- The FMT has implemented mitigation measures and as a result **average time to signing grant agreements decreased from 17 months to 12 months. That is a 30% decrease in the time from R-PP assessment to grant signature.**
- In FY14, DRC was the first country to fully disburse its initial \$3.8m grant.
- **Several other countries reached mid-term status** in the past year and are now in the process of signing additional grants of \$5 million each. **It is therefore expected that disbursement will continue to increase significantly in the coming year.**

M&E and Readiness Reporting



- While an increasing number of countries submitting progress reports in the new M&E reporting template, **the quality of reporting is variable.**
- In FY14, the FMT continued to reach out to countries to offer guidance and support for preparation of M&E frameworks, but demand has remained low.
- **The FMT will continue to offer support to countries to improve the quality of reporting.**

Final messages

The FCPF had a number of watershed moments in FY14:

Readiness Fund:

- 45 (of 47) countries have approved R-PPs, grant agreements have more than doubled, disbursement are increasing exponentially, and an increasing number of countries has reached mid-term.
- Hopefully, readiness progress in the 11 new countries can be accelerated building on the lessons of the early movers in the Readiness Fund.

Carbon Fund:

- All guiding frameworks are now in place and the pipeline has been filled as per current capitalization levels.
- Focus is now on operationalizing large-scale REDD+ programs.



An aerial photograph of a dense forest. The trees are mostly green, with some brown and tan patches, suggesting a mix of species or perhaps some dead trees. The forest is very thick, covering the entire visible area.

Thank You!

www.forestcarbonpartnership.org