



## Forest Carbon Partnership Facility

# FMT's Report: Progress Update and FY15 Annual Report

Eighth Meeting of the Participants Assembly (PA8)

San Jose, Costa Rica

November 6, 2015

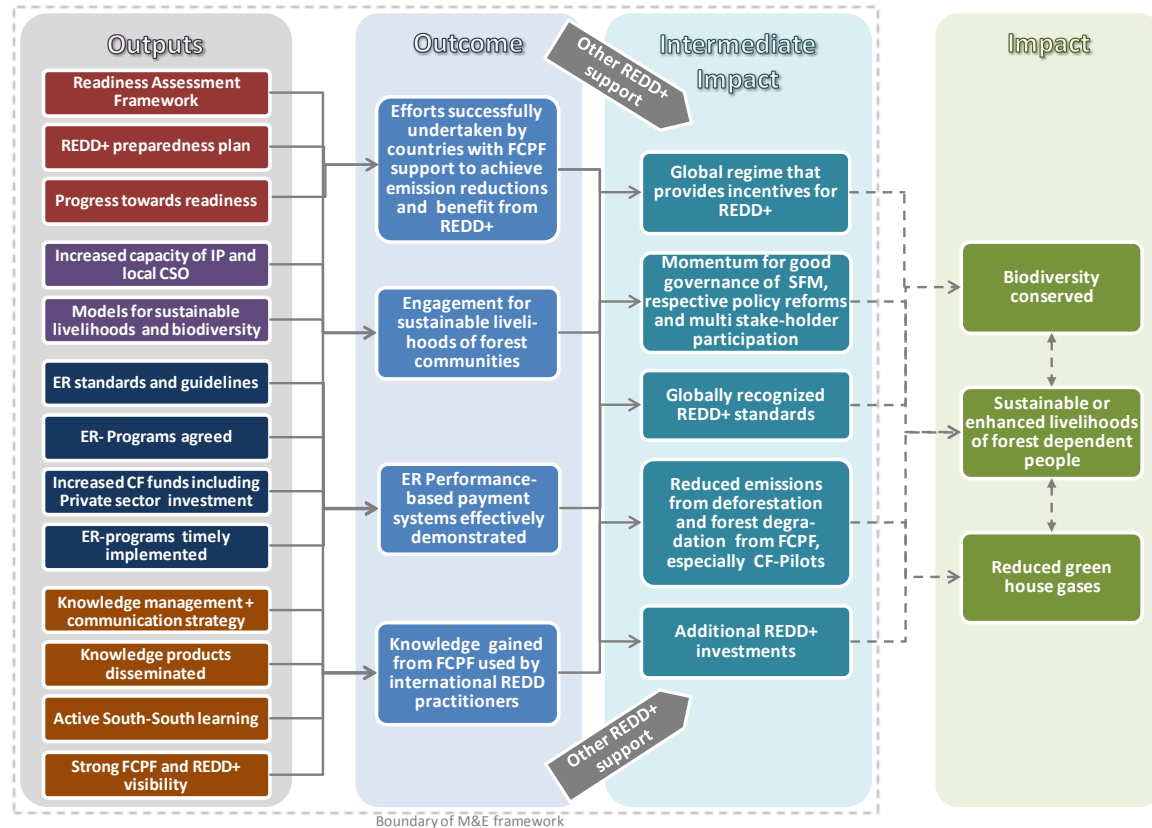
# Report Structure

- Achievements

- Impact
- Outcome
- Outputs

- Lessons Learned

- Issues and Challenges





An aerial photograph of a dense, lush green forest covering a hillside. The trees are vibrant green, and the canopy is thick and continuous. The word "Achievements" is overlaid in large white text across the center 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]

- **Submission to Standing Committee on Finance (SCF) of the UNFCCC** for the Working Paper on Coherence and Coordination for Financing on Forests (January 30, 2015).
- **Green Climate Fund adopted a Performance Measurement Framework** where performance measurement for REDD+ will be informed by the FCPF Methodological Framework.

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

- Adoption of the **General Conditions for Emission Reductions Payment Agreements (ERPA)** at PC18 in November 2014 (i.e., the legal underpinning for large-scale carbon transactions for REDD+).
- Previously, adoption of the **Methodological Framework** for the Carbon Fund and the FCPF **Readiness Assessment Framework**.



# Reporting on selected impacts [2]

## Common Approach successfully implemented [related to impact 3]

- In FY15, implementation of Common Approach was rolled out.
- Full reports on implementation submitted by IDB (for Guatemala and Peru) and from UNDP (for Honduras and Surinam) for the first time.
- Joint guidance note on Establishing and Strengthening Grievance Redress Mechanisms.
- Capacity Building around the Common Approach shifted to country-level activities led by each DP (and away from regional workshops).



# Reporting on selected impacts[3]

- **Amount of non-FCPF investments under R-PP process** [related to impact 4]
- **Total non-FCPF investments leveraged** (as per country reporting; not exhaustive):
  - **Readiness:** 23 countries reported a total of \$186 million
  - **Implementation of ER-Programs:** 14 countries reported a total of \$1,162 million (on average \$83 million per country)
- To fill the “missing middle”, countries are increasingly looking into financing options beyond traditional bilateral, multilateral, and public investment finance, and are exploring private sector investments, as well as other innovative financing options.

# Reporting on selected impacts[4]

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

The REDD+ readiness process has influenced the discussions related to policy from in several countries. Examples:

- **DRC** has integrated REDD+ into the national Economic Governance Matrix, with progress regularly monitored by the Ministry of Finance. Amongst other, this has provided new momentum for development of a national land use plan.
- **Mozambique** has streamlined policy reform and coordination responsibilities in the land sector with the creation of a new Ministry (MITADER) responsible for land, environment, rural development, protected areas, and forests. This brings together the previous Ministry of Agriculture and the Ministry of Environmental Affairs.
- **Ethiopia** also recently streamlined institutional arrangements with a new Ministry of Environment and Forests. The newly elected government integrated climate change into the mandate in an effort to better align coordination around forest management, climate change adaptation, and mitigation.



# Reporting on selected impacts[4]

## Number of policy reforms initiated, completed or underway [related to impact 5] – *Continued*

- **Guatemala** approved the PROBOSQUE program into law, which will help scale up existing forest incentive programs by devoting 1% of national budget to incentivize the establishment of an additional 40,000 hectares of natural forest protection, reforestation, and agroforestry.
- **Mexico** incorporated the Integral Territorial Management Model, including its approach to sustainable forest development, and REDD+ into the 2014-2018 National Forestry Program (PRONAFOR).
- **Peru** passed a new Ecosystem Services Law which provides a legal framework to recognize the maintenance of ecosystem services, including greenhouse gas emission reduction, biodiversity conservation, and the preservation of natural beauty.
- **Colombia** included a chapter on green growth in the National Development Plan for the period of 2014-2018, and thereby provides a frame of action for further policy reform around REDD+.

# 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**

In FY15, **Ghana completed its National REDD+ Strategy**. The strategy itself does not include concrete indicators related to non-carbon benefits, but states that Ghana is expected to have a functional MRV system in place and use existing methodologies, such as CCB standards.

**Ethiopia** issued the first **draft of its National REDD+ Strategy**, which envisages implementing REDD+ based on a set of principles that ensures climate benefits along with co-benefits for biodiversity and livelihoods.

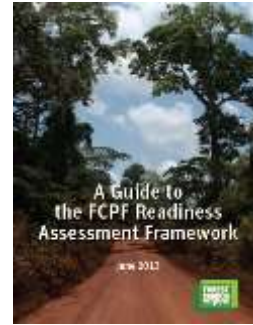
Several other strategies are in advanced draft stage (e.g., Mozambique) or have been updated (e.g., Mexico now in fourth version).



# 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 FY15, applied by 6 countries for their MTR and 1 country for the R-PP.
- In FY15 technical support continued to focus on **customized support to countries that were preparing early ideas or ER-PINs for presentation to the Carbon Fund.**
- Several countries received technical assistance for designing reference levels and forest monitoring systems for their future REDD+ programs and for presentation in their ER-PINs; this was supported with the **web-based tool on RL and MRV design**
- Well-received was a study on “**Early Lessons from Jurisdictional REDD+ and Low Emissions Development Programs**” that was jointly published by The Nature Conservancy and the FCPF.



# Reporting on selected output indicators

## Outputs for the Readiness Fund:

Item	M&E Target	In FY 15 (prior to FY15)	Q1 FY16	To FY15 + Q1 FY16
<b>R-PPs</b>	30+ R-PPs by 2015	5 (40)		45
<b>Mid-term progress reports</b>	20+ MTR by 2015	6 (3*)	3 (Chile, Nepal, Mozambique)	11
<b>Supplemental Grant for additional \$5 million</b>	No target	1 Ghana (1 DRC)	1 (Liberia)	3
<b>R-Packages</b>	2 by 2014, 8 by 2015	1 (DRC)	1 (Costa Rica)	2



# Reporting on selected output indicators

Readiness Grants	M& E target	In FY15 (prior to FY15)	Q1 FY16	Cumulative to FY15 + Q1 FY16
<b>Grant agreements</b>	30+ signed grant agreements by 2015	13 (22)	1 (Dom Rep)	36

## Countries expecting grants to be signed by early 2016

Argentina

Belize

Panama

Thailand

Uruguay



# Reporting on selected output indicators

Disbursements & Commitments	Cumulative to end of FY15	Q1 FY16	Cumulative to October 2015
Grants disbursed to countries	\$34.4 m	\$4.1 m	\$38.5 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)	\$143 m	\$5 m	\$148 m
Grant allocations to countries	\$211 m		\$211 m
i. IDB (Guatemala, Guyana, Peru)	\$11.4 m		
ii. UNDP (Cambodia, Honduras, PNG, Suriname)	\$15.2 m		

More details on the dashboard

# Reporting on selected output indicators

## Outputs on the Carbon Fund to date:

- By end of FY15, 11 ER-PINs have been selected and to date, 18 ER-PINs selected into CF pipeline:
  - FY13: Costa Rica
  - FY14: Chile, DRC, Ghana, Mexico, Nepal, RoC, Vietnam
  - FY15: Guatemala, Indonesia, Peru
  - FY16: Cote d'Ivoire, Dominican Republic, Fiji, Lao PDR, Madagascar, Mozambique, and Nicaragua
- In FY15, the term of the **Carbon Fund was extended by five years to December 31, 2025**, to allow for the development of sound ER Programs and at least 5-year terms for program implementation.

# Reporting on selected output indicators

## Private sector engagement:

- FCPF continues to focus on engagement of the private sector at program level with view to facilitating public private partnerships with companies that produce, trade or buy commodities that have a role in driving deforestation or forest degradation.





# Reporting on selected output indicators

## Private sector engagement:

- Relationships deepened with private sector to provide scaled-up investments at the program level. Examples:
  - **Cote d'Ivoire:** Mondelez International and its suppliers have expressed their support for improving cocoa farming and are exploring the basis for cooperation between the emerging ER-Program and the pilot of Mondelez' Cocoa Life program.
  - **Republic of Congo:** CIB-OLAM has been a longstanding partner, including in the development of the country's ER-PIN. CIB-OLAM is partnering with the Government to rehabilitate the cocoa market.
  - **Ghana:** FCPF is supporting a partnership between the National Cocoa Board, small-scale cocoa farmers and cocoa-sourcing private sector companies.



# Reporting on selected output indicators

## Examples of in-country IP and CSO participation [indicator 3.1.a]

**Mexico:** CONAF Roundtable for Indigenous Peoples and Rural Dwellers established in 2014; supports the consultations on and input to the national REDD+ Strategy (ENAREDD+)

**Nicaragua:** Following 7 pre-SESA meetings, need for additional awareness raising was identified. Consequently, additional 23 consultation workshops were carried out.

**Uganda:** Self-selection process has been planned to select IP and CSO representative for REDD+ institutional arrangements such as the REDD+ Technical Working Group, SESA Task Force, etc., and strengthens accountability within REDD+ structures.

*See more examples in Annual Report*



# Reporting on selected output indicators

Examples IP and CSO representation in institutional arrangements [indicator 3.1.c]

## **IP and CSO representation in institutional REDD+ arrangements:**

Cameroon, Chile, Colombia, Costa Rica, DRC, El Salvador, Fiji, Guatemala, Guyana, Honduras, Indonesia, Kenya, Mexico, Nepal, Nicaragua, Panama, Peru, Republic of Congo, Thailand, Uganda, Vanuatu, and Vietnam.

## **CSO and local community representation in institutional REDD+**

arrangements: Bhutan, Cote d'Ivoire, Ethiopia, Ghana, Liberia, Madagascar, Mozambique, Nigeria, Uruguay, and Togo.

# Capacity Building Program for Forest-Dependent Peoples and Southern CSOs

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

- Phase 1

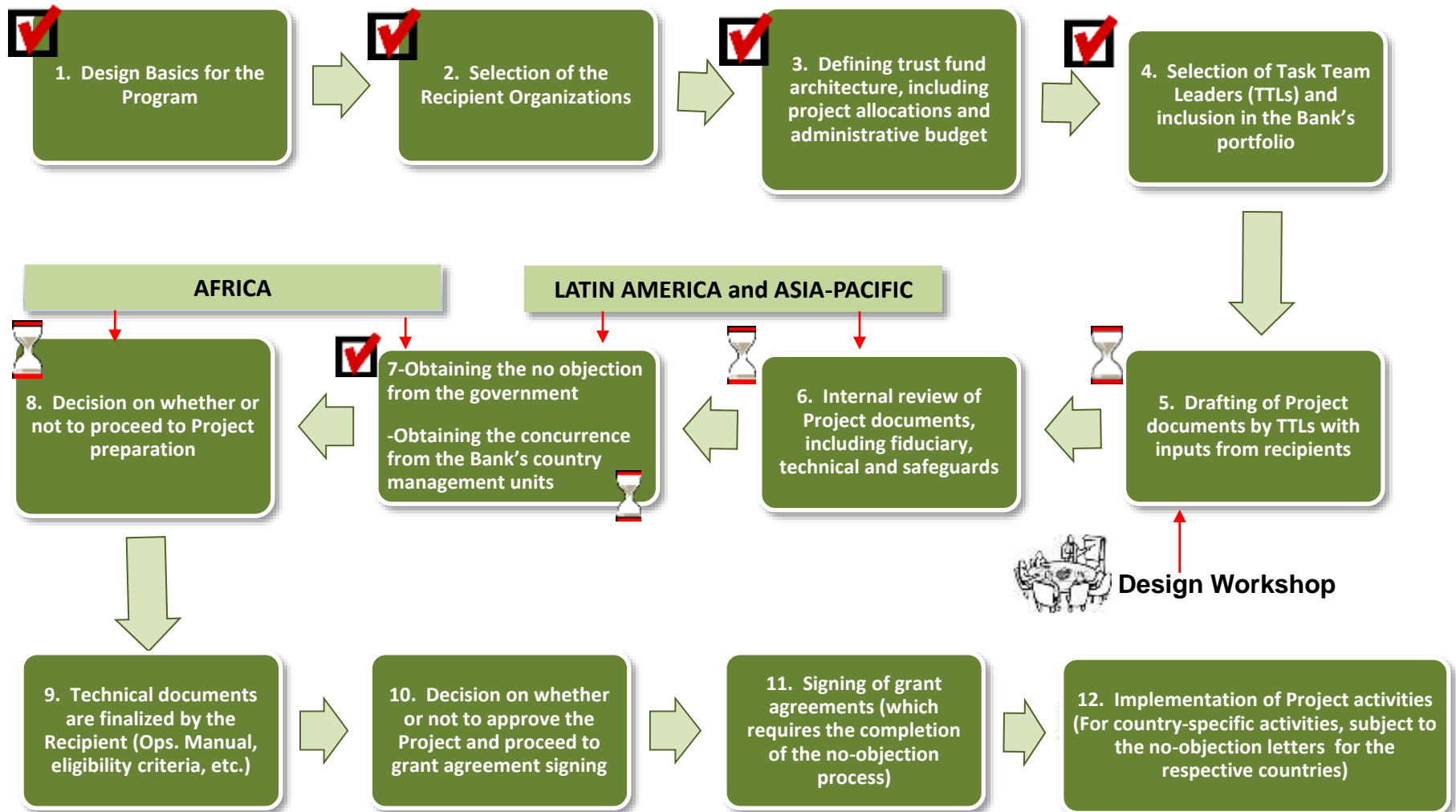
- Under this phase, indigenous peoples' and civil society organizations were selected and contracted as consultants to carry out specific capacity building activities in line with the overall objectives of the CBP
- This phase is expected to close by end-December 2015, once all activities have wrapped up

- Phase 2

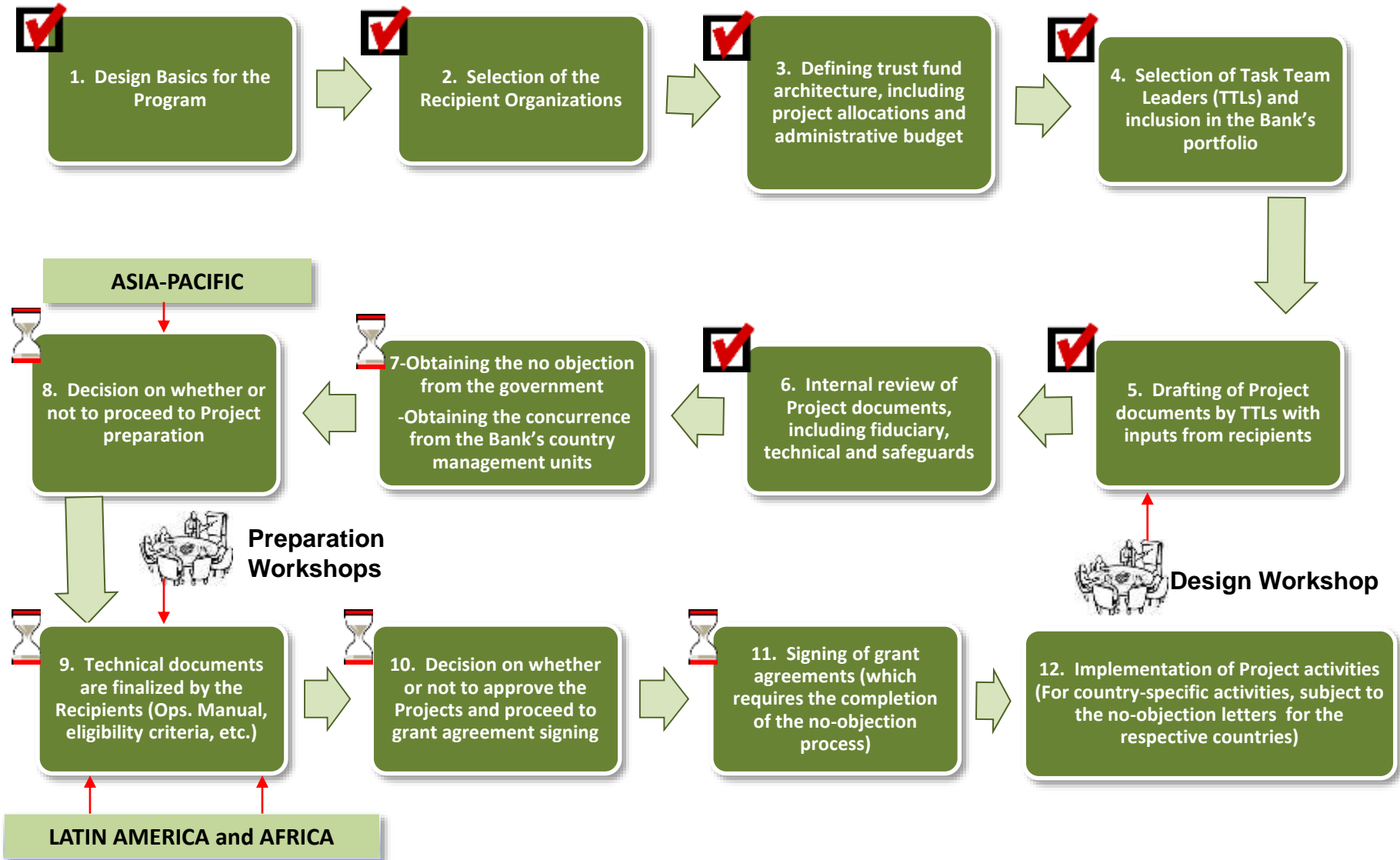
- Under this phase, new activities under the Program will be implemented according to the World Bank's Small Grants Funding Guidelines
- Despite initial delays, Phase 2 of the of the CBP is now moving along at an accelerating pace (details on the next slide)
- There is U\$3,047,394 million remaining in funding for this period, not including operating costs



# CBP Phase 2: Overview of Progress in May 2015



# CBP Phase 2: Overview of Current Progress



# CBP Phase 2: Overview of Current Progress (II)

- Accomplishments as of PC20
  - “Concept Review” undertaken
    - All six grant packages have been prepared, and authorization to proceed with Project preparation has been granted for 4 out of 6 of them
  - A comparison with the presentation provided to the PC last May shows that a number of important steps have been effectively taken
    - The Africa region is in the lead, as the “Decision Review” for the two Projects is almost complete
  - Bank- and country-based no-objection process
    - Concurrences from Bank country management units have been obtained for 5 out of 6 grants, but no-objection letters from governments in Asia-Pacific countries where the recipient organizations are based have yet to be obtained
  - Work with recipient organizations
    - 2 out of 4 regional preparation workshops have already been held; a third one, for LAC, is confirmed for November 18-19, 2015
    - Assessment of the capacity of recipient organizations to implement Project activities and manage grant funds has been completed for 3 out of the 6 Projects

# CBP Phase 2: Overview of Current Progress (III)

- FCPF CBP Monitoring Group

- In PC19, the FMT proposed a system for reporting to a subgroup of you on a quarterly basis
- This proposal is being implemented
  - A five-member CBP Monitoring Group was formed
  - An initial Quarterly Progress Report was sent to this Group at the end of August 2015
  - The next Progress Report is scheduled to go out at the end of this month





# Reporting on selected output indicators

- **Knowledge products – *continued*:**

## REDD+ Decision Support Tool

- Web-based tool and guidance material on Reference Level and MRV
- Created to help FCPF countries explore where the greatest opportunities for emission reductions or removals may be.
- Produces customized estimates of emissions from REDD+ activities and builds basic REDD+ reference levels.

Home | Knowledge and Resources | Technical Decision Support and Training Material

### Technical Decision Support and Training Material

View | Edit | Revisions | Devel

Sound quantitative estimates of forest extent and quality are essential for REDD+. The observation of forest change is fundamental to demonstrate emissions reductions that result from respective policies and measures. An important activity promoted by the FCPF is the development of forest reference emission levels (emission baselines) and forest monitoring capacity. Such work requires REDD+ countries to make a variety of technical and policy decisions and advance capacity building and training accordingly. To assist countries in this respect, the FCPF has developed a REDD+ Decision Support that allows users to explore policy, methodological and technological options and a set of comprehensive technical training materials.






### Scale

At what scale will the REDD+ Program be implemented?

The basic decisions and steps for REDD+ design are relevant at both national and subnational scales. Countries may decide to work on their historical emissions and removals estimates in a stepwise fashion which can include developing a reference level (RL) initially for only specific regions of the country. A decision is required on whether to allow subnational REDD+ at all, whether REDD+ can be piloted at the subnational level, or whether it is necessary to wait for full national accounting with the national results as the sum of subnational areas.

Options for scale are presented below. Note that the maps on this page are only for demonstration purposes and do not reflect the country chosen.

National	Subnational, All Jurisdictions	Subnational, Only Focal Jurisdictions
		

# Reporting on selected output indicators

- **New FCPF Resolutions page sorted by topic**

The screenshot shows the Forest Carbon Partnership Facility (FCPF) website. The top navigation bar includes a search box, social media icons for Facebook, Twitter, and YouTube, and a 'Go' button. The main navigation menu contains links for Home, About, Governance, REDD+ Countries, Meetings, Knowledge and Resources, and Document Search. The left sidebar is titled 'Knowledge and Resources' and lists various topics, with 'FCPF Resolutions' highlighted in bold. The main content area is titled 'FCPF Resolutions' and includes a breadcrumb trail: Home > Knowledge and Resources > FCPF Resolutions. Below the title are links for 'View', 'Edit', 'Revisions', and 'Devel'. A large group photograph of participants is displayed. Below the photo, a paragraph explains that resolutions passed by the FCPF Participants Committee and Carbon Fund are sorted by topic and can also be found on respective meeting pages. A section titled 'FCPF Country Selection' lists five resolutions with their respective dates and locations, each with language selection icons for English, Français, and Español.












Home > Knowledge and Resources > FCPF Resolutions

## FCPF Resolutions

[View](#) [Edit](#) [Revisions](#) [Devel](#)

Below please find resolutions passed by the FCPF Participants Committee and Carbon Fund sorted by topic. Resolutions may also be found on each respective [Participants Committee/Participants Assembly](#) and [Carbon Fund meeting](#) page.

### FCPF Country Selection

- [Selection of Additional New REDD Country Participants](#) (English , Français , Español ) PC17, July 2-4, 2014, Lima, Peru
- [Selection of New REDD Country Participants](#) (English , Español , Français ) PC16, Dec 12-16, 2013, Geneva, Switzerland
- [Status of REDD Country Participants and Possible Inclusion of Additional Eligible REDD Countries in the FCPF](#) (English , Español , Français ) PC11, March 28-30, 2012, Asunción, Paraguay
- [Country Selection](#) (English ) PC2, March 11-13, 2009, Panama
- [Selection of REDD Country Participants](#) (English ) PA1/PC1, October 19-22, 2008, Washington, DC



# Reporting on selected output indicators

- **South-South learning [output 4.2]:**

*February 23-28, 2015:*

**South-South knowledge exchange on sustainable forest plantations:**

- Government and private sector representatives from **Ethiopia** and **Mozambique** traveled to **Brazil** to learn how forest plantations can promote rural development and reduce pressure on native forests.



More information on South-South Knowledge Exchange on FCPF website:

<https://www.forestcarbonpartnership.org/south-south-knowledge-exchange-planted-forests-between-brazil-ethiopia-and-mozambique>



# Reporting on selected output indicators

## Visibility of FCPF [Indicator 4.3.]:

- Examples of webstories and blog posts on World Bank platforms, which are disseminated via social media



**Voices**  
Perspectives on Development

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### Actions speak louder than words: Opportunities abound for forests in combating climate change

SUBMITTED BY ELLY SAR BAROUDY ON WED, 10/20/11

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Over the past several weeks, we have made headway in our efforts to reduce deforestation and promote sustainable land use as part of a broader World Bank Group approach to combat climate change. Partnering with the Forest Carbon Partnership Facility (FCPF), the Democratic Republic of Congo has taken a major step by assessing its readiness for a largescale initiative in which developing forested countries keep their forests standing and developed countries pay for the carbon that is not released into the atmosphere. Likewise, other countries in the 47-country FCPF partnership are making strides in their efforts to prepare for programs that mitigate greenhouse gas emission and support sustainable forest landscapes.

This approach is also known as REDD+, or reducing emissions from deforestation and forest degradation. Active REDD+ programs can help reduce the 20 percent of carbon emissions that come from forest loss and

**Featured Bloggers**

- Jin-Fang Wu, President, World Bank Group
- Paul Combs, Gender Economist
- Xu-Yang Cai, Executive Vice President and CEO, IFPRI
- Kathryn Kyle, Vice President and Special Envoy for Climate Change

**Recent blog posts**

- SEI agenda advances climate-diversity views
- Leveraging Islamic finance promotion growth and prosperity of small businesses
- Introducing our new Sustainable Communities blog series
- How Nantia's race against the Yangtze
- Knowing your client's origin and intent in the environment? It's possible
- Flying it forward in a digital age: A global community committed to a real world
- Madagascar: Expanding the bandwidth of the extreme poor

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**Development in a Changing Climate**  
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### Covering more ground: 18 countries and the work to conserve forests

SUBMITTED BY ELLY SAR BAROUDY ON WED, 10/20/11

Like Share Tweet Print LinkedIn StumbleUpon



Participants at the 13th FCPF Carbon Fund meeting in Brussels, Belgium  
Credits: FCPF Carbon Fund

With all eyes on Paris climate meetings in December, we are at a critical moment to show that our efforts to reduce emissions from deforestation and forest degradation are moving from concept to reality.

The World Bank's Forest Carbon Partnership Facility, a 47-country collaboration, focuses on reducing emissions from deforestation and degradation, also known as REDD+. The Carbon Fund supports countries that have made progress on REDD+ readiness through performance-based payments for emission reductions.

At the 13th meeting of the Carbon Fund in Belgium, nine countries presented diverse ideas for largescale emission reductions programs that ranged from reforestation efforts on reclaimed land to a canal project for more sustainable cocoa production through partnerships with private sector chocolate companies.

The seven programs selected at the meeting, along with the 11 others already in the funding "pipeline," all share

**Tweets**

World Bank Climate @WBG\_Climate

Geothermal power: one of most plentiful & cheapest renewable energy options available [available](http://bit.ly/1v42C) <http://bit.ly/1v42C> [pdx.twitter.com/1v42C](http://pdx.twitter.com/1v42C)

World Bank Climate @WBG\_Climate

What are REDD+ projects? Learn more about it with the latest #climatechat by @CP\_Action <http://bit.ly/1U4W9B> [pdx.twitter.com/1U4W9B](http://pdx.twitter.com/1U4W9B)

World Bank Climate @WBG\_Climate

Emissions trading in China: Early lessons from on-carbon pilots

**Most Popular**

Emissions trading in China: Early lessons from on-carbon pilots

# Reporting on selected output indicators

## Visibility of FCPF [Indicator 4.3.]:

### Increased social media presence:

- 206 → 700+ facebook followers since PC18
- Some posts reaching over 400+
- Twitter presence on [@WBG\\_Climate](https://twitter.com/WBG_Climate) (50+K followers)



World Bank Climate @WBG\_Climate · 18h

#COP21 is approaching: we need to address deforestation and tackle #ClimateChange [wrd.bg/TV4oU](http://wrd.bg/TV4oU)



25 8



# Issues and Challenges



## Key Issues and Challenges

- Overall progress on FCPF outputs and outcomes as intended for the FY15 reporting period has been satisfactory.
- While progress was made on resolving challenges related to disbursement and country-level M&E identified in the previous reporting period, the FMT continues to monitor and address these.
- New challenges identified in FY15 relate to operationalizing private sector engagement and leveraging adequate upfront investment finance.

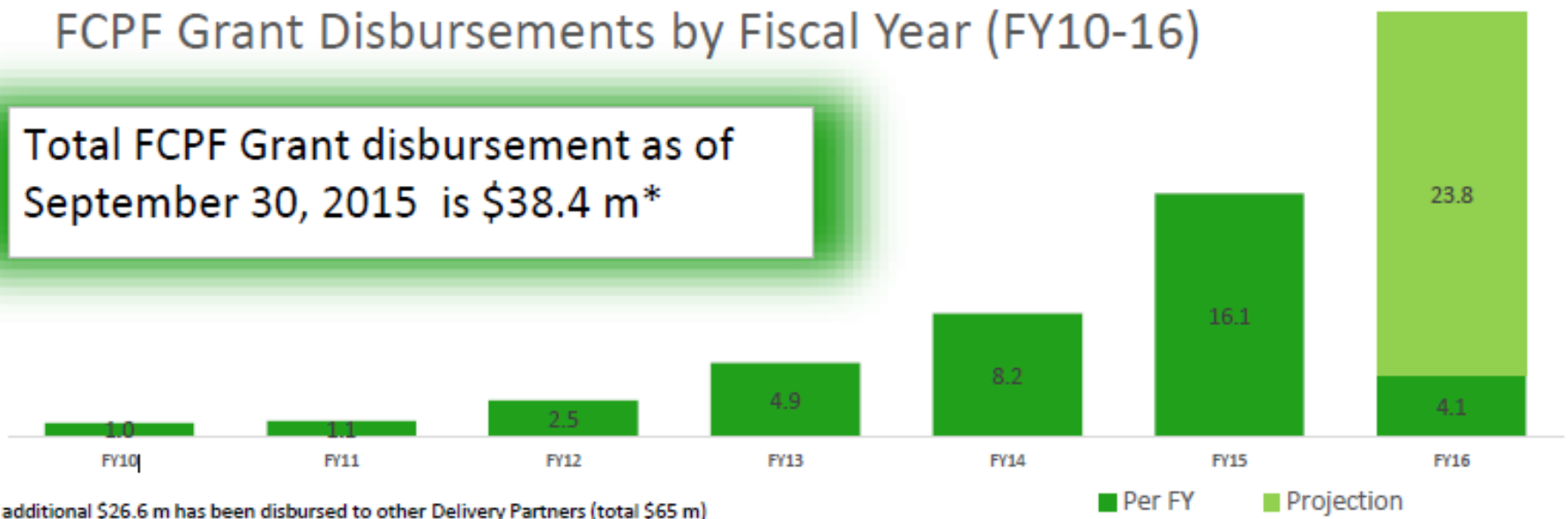


# Key Issues and Challenges: Disbursement

- In FY15, recent trend of acceleration in grant disbursement continued. The \$16 million in grants disbursed in FY15 represent a 100% increase compared to FY14. Disbursements for FY16 are projected to be around \$28 million.

FCPF Grant Disbursements by Fiscal Year (FY10-16)

Total FCPF Grant disbursement as of September 30, 2015 is \$38.4 m\*



\*An additional \$26.6 m has been disbursed to other Delivery Partners (total \$65 m)

# Key Issues and Challenges: Reporting

- Progress was made on reporting. All countries with signed grant agreements reported on progress using the new reporting format as per the FCPF M&E Framework. However, the quality of reporting still varied widely.
- The development of national M&E systems for robust monitoring data of national REDD+ readiness continues to be low.



# Key Issues and Challenges: Operationalizing private sector commitments

- And a key challenge today is how to make 'deforestation-free' commitments such as those made in the New York Declaration on Forests a reality on the ground. There is often a disconnect between company commitments and pledges made at headquarters and the reality in decentralized company offices on the ground.
- The FCPF is helping facilitate dialogue and action between private sector groups seeking to 'green' and secure their supply chains, and countries that are ready to address land-use challenges with improved policy measures and regulatory reform.
- Partnerships are win-win for the public and private partners as a result of their shared investments and risk taking, allowing each side to do what it does best.



# Key Issues and Challenges: Leveraging Investment Finance

- The FCPF is supporting countries in identifying and aligning various streams of upfront investment finance to cover implementation cost.
- The FCPF is further exploring innovative financing options, such as bonds, guarantees, etc.







# Update on the Carbon Fund

# Updates on the Carbon Fund

- **Extension of the Term of the Carbon Fund** by 5 years to December 31, 2025. The FCPF Carbon Fund extension has been submitted to the World Bank Board for approval. Final approval is pending, subject to a no-objection basis, and is expected in the coming month.
- Following extension of the Carbon Fund, countries were invited to present early ideas and ER-PINs at CF12 and CF13, respectively. **At CF13, seven additional ER-PINs were selected (or conditionally selected).** This brings the total number of countries in the pipeline to a total of 18.

# Carbon Fund Pipeline



**18 countries have selected into the pipeline to date:**

- 7 countries in Latin America
- 6 countries in Africa (provisional selection of Mozambique)
- 5 countries in Asia (provisional selection of Fiji, Indonesia, and Lao PDR)

# Carbon Fund Country Progress: Signature of Letters of Intent

	Date in Pipeline	Letter of Intent Signed	Letter of Intent Expiration
Chile	June 2014	✓	August 22, 2016
Costa Rica	March 2013	✓	September 10, 2015
DR Congo	April 2014	✓	June 5, 2016
Ghana	April 2014	✓	September 29, 2016
Guatemala	October 2014	Awaiting outcome of elections	
Indonesia	October 2014	Pending revised ER-PIN submission	
Mexico	April 2014	✓	September 24, 2016
Nepal	April 2014	✓	June 3, 2017
Peru	October 2014	Pending	
Rep. of Congo	June 2014	✓	September 25, 2016
Vietnam	June 2014	✓	December 10, 2016



# ER-PD assessment process

- At CF12, **process guidelines** (FMT Note CF-2014-3-rev) were approved which detail the **assessment process for ER-PDs**, including the **role of a TAP** to review and assess the ER-PDs against the criteria and indicators listed in the Methodological Framework of the FCPF Carbon Fund.
- At CF12, **CFPs agreed on the Terms of Reference** for the TAP. The FMT registered a Roster of Experts for the TAP.
- A **TAP Orientation Workshop** was held in September 2015 to discuss how to assess draft Emission Reductions Program Documents (ER-PDs) against the FCPF Methodological Framework and to ensure consistency across reviews.
- The TAP is currently reviewing the draft ER-PDs for Costa Rica and DRC.



# Technical Advisory Panel (TAP)

**Considerations related to the TAP as discussed and agreed by CFPs:**

- **Technical Advisory Panel (TAP) reviews should go beyond indicating strength and weakness and provide judgment on the ER Program's consistency with the Methodological Framework.**
- **TAP has the role of independent reviewer/auditor.**
- **Review teams should include experts with in-depth country and technical expertise to ensure assessment against national context and circumstances.**
- **Results of TAP reviews should inform CFPs review and comments on ER PDs.**

# Buffer Guidelines

- At CF13, the latest draft of the Buffer Guidelines was presented.
- Applying ER buffer reserves is intended to **manage the risks of uncertainty and reversal of ERs generated by ER Programs.**
- **Reversal buffers are one option** to manage risks of reversal, but **not mandatory** if a REDD+ Country Participant applies other risk management mechanisms.
- The **‘uncertainty buffer’** not only manages the risk that ERs are overestimated for prior reporting periods, but **also creates an incentive for improving the accuracy of measuring, reporting and verification (MRV) systems.**
- **Next step is virtual adoption of the Buffer Guidelines** to ensure that countries can work with buffer guidelines as they prepare their ER-PDs for next CF meetings in 2016.

# Deadlines for interim milestones

- At CF12, CFPs agreed on **interim deadlines** to be for ER-PINs that have been selected into the pipeline of the Carbon Fund.
- The objective of these deadlines is to **encourage REDD Country Participants to continue efforts to swiftly move through ER Program development.**

# Deadlines for interim milestones

- **New deadline for revised ER-PIN from Indonesia:** no later than CF14 (possible earlier virtual decision)
- **New deadline for Peru and Guatemala to sign LOIs** by 8 April 2016 (18 months after selection into pipeline)
- **New deadline for signature of LOIs: 9 months after selection into pipeline** or when funding is available to proceed with signing (will include Indonesia and any new countries selected into pipeline)
- Extensions to Exclusivity Periods through no-objection from CFPs

# Other proceedings at the Carbon Fund

- At CF12, CFPs concurred with the FMT's "in principle" **no cost recovery proposal**.
- At CF12, CFPs reviewed legal implications of allowing Program Entities to request the **use of reduced tCO<sub>2</sub>e** of underlying transferred Contract ERs **for their domestic compliance**.
- At CF11 and CF12, the FMT presented **options for addressing financing gaps in ER Programs**. More specifically two specific proposals on the possible use of **guarantees and bonds** were presented. Both financial instruments could provide means to leverage Carbon Fund resources to generate investment finance from other sources, including the private sector.



# Update on work on Transaction Registries

- **Guidance on the Development and Management of Transaction Registries**
  - Performed jointly with the Partnership for Market Readiness (PMR)
  - The focus is broader, not exclusively on REDD+
  - Support countries with decision-making between options such as (i) in-house registry development, (ii) acquisition of an off-the-shelf registry software, or (iii) outsourcing of registry services
  - Provide background on relevant regulatory and legal issues
  - Learn from existing international experience administering and managing transaction registries
- **Requirements specific to REDD+ and the operation of the Carbon Fund are to be incorporated**
  - Address needs in countries that hope to integrate REDD+ transaction in a broader framework for registries (not stand-alone)

# Joint PMR/FCPF Report on Registries: Progress and Timeline

- Registry experts have developed draft notes (8/15)
  - *Legal Framework for Transaction Registries* ([link](#))
  - *Institutional Framework for Transaction Registry Administration* ([link](#))
  - *Technical Infrastructure for Transaction Registries* ([link](#))
- Workshop (9/15) presented preliminary findings to 20 countries ([link](#))
- Specific component focusing on registry arrangements for REDD+, including:
  - *Establish accounting rules – including buffer and nesting*
  - *Operational and procedural regulations (data management systems or other registries)*
- Team has reviewed pertinent features of existing registries
  - *Verified Carbon Standard, UK Woodland Carbon Code, New Zealand Emissions Trading System, California Cap-and-Trade Program, Australia Carbon Farming Initiative*
- Next steps:
  - *REDD+ specific note to be circulated for review (November-December 2015)*
  - *Finalization of the PMR/FCPF Report (Q1 2016)*



An aerial photograph of a dense tropical forest. The canopy is thick and multi-layered, showing a variety of green shades from deep forest green to bright lime green. Some taller trees with thin trunks are visible, rising above the main canopy. The overall texture is complex and organic.

# Updates from the World Bank Group

# WBG Programmatic Approach

- **The WBG has been working to streamline internal institutional arrangements and procedures around forest. This includes:**
  - “One WB Forest team”: Working across the WBG’s Global Practices and the Climate Change Solutions Area, as one team;
  - Look at how different finance streams can be combined with a lower transaction cost for countries; and
  - Streamlining relevant global forest climate funds hosted by the World Bank, including procedural and governing arrangements.



# WBG DRAFT Forest Action Plan

- The **draft Forest Action Plan (FAP) FY16-20**, aims at positioning forests as a core element of sustainable development pathways.
- The draft FAP builds on the **2002 Forest Strategy**, responds to the **2013 IEG findings** and embraces **recommendations from the Committee on Development Effectiveness (CODE)** to scale up forestry investments and address the drivers of deforestation and forest degradation.
- The draft FAP proposes that the **WBG i) increases its investments in a sustainable forestry sector** and **ii) promotes “forest-smart” development** by responding to the threats to forests at scale by ensuring that its investments in agriculture, hydroelectric energy, oil and gas extraction, mining and transport consider avoiding or minimizing their potential adverse impact on forests.
- More information during a dialogue on the draft FAP this afternoon.

An aerial photograph of a dense, lush green forest. The trees are packed closely together, creating a textured canopy of various shades of green. The lighting suggests a bright day, with some areas appearing slightly brighter than others. In the center of the image, the words "Thank You!" are written in a bold, green, sans-serif font. Below this, the website address "www.forestcarbonpartnership.org" is written in a blue, underlined font.

**Thank You!**

[www.forestcarbonpartnership.org](http://www.forestcarbonpartnership.org)