



# Forest Carbon Partnership Facility

## **2f. Adjustment to Grant Disbursement Process**

Seventh Meeting of the Participants Committee (PC7)

Washington, DC

November 2-3, 2010

# Background:

## PC Resolution and Implementation Challenges

- PC Resolution 2008-3 Attachment II: Grant Allocation to REDD Country Participants
  - Allocation of Readiness grant of average US\$3.6 million to be disbursed in tranches:
    - \$200,000 R-PP formulation grant and \$3.4 million R-PP preparation grant
    - For R-PP preparation grant, after first US\$2 million is disbursed, the REDD Country Participant will submit a progress report, which is subject to review assessment and review by the PC before any final disbursement is made
- Implementation challenges
  - In practice, R-PP preparation grant (US\$ 3.4 million) is an integrated package for R-PP preparation
  - Difficult to determine the point of disbursement of US\$2 million
  - Putting on hold further disbursements past the US\$2 million point would be inefficient and could cause delays in REDD+ Readiness activities

# REDD Country Progress Report

- Charter (Section 6.3(b))
  - REDD Country Participant reports to the PC on its progress of implementation in accordance with timeframe and requirements under the Grant Agreement
- Grant Agreement (Standard Conditions)
  - “Activity Reports” by the recipient countries to the World Bank
- Assessment of report by
  - PC; and
  - The World Bank as the implementing entity to supervise grant implementation
- Consequences of non-performance
  - Failure to fulfill the obligations under the Grant Agreement:
    - Grant suspension
    - Participant loses its rights and privileges rendered in the Charter and its eligibility to become a PC member

# FMT Recommendations

- REDD Country to periodically report to the PC on progress of the implementation of the R-PP Preparation Grant
- Mid-term review
  - The REDD Country Participant will submit a mid-term progress report for PC and World Bank review
    - The timetable shall be jointly agreed by the delivery partner (e. g., the World Bank) and the REDD Country Participant and be reflected in the Grant Agreement
    - The format will be developed by the FMT
- Final report
  - REDD Country Participant submits Readiness Package to the PC
    - Reference level
    - REDD+ Strategy
    - MRV system
    - Institutional arrangements for REDD+



THANK YOU

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