

FCPF Readiness Trust Fund - FY10 Budget

(US\$ thousands)

	FY09 Approved Budget	FY09 Committed/ Estimate	FY10 Budget ³
Projected Expenses			
Grants to REDD Countries	27,200	1,800	35,400
Other Services to REDD Countries	3,332	2,709	3,643
Country Implementation Support	1,194	1,139	1,734
Country Advisory Services	873	765	827
REDD Methodology Support ^{1&2}	1,265	805	1,082
FCPF Secretariat ¹	1,335	1,013	1,443
Readiness Trust Fund Administration	306	402	484

Footnotes:

- 1 Part of the 'Shared Facility Costs' to be shared with the FCPF Carbon Fund as per the Charter. They were initially planned at 65% in FY09, but the FMT recommends phasing of 100% in FY09 and, in FY10, 100% of Secretariat and 65% of REDD Methodology Support.
- 2 Includes IP Capacity Building Program of \$200k per year and Contingencies of \$200k per year for 5 years from FY09 as approved by the PC.
- 3 As Trustee, the World Bank requires that resources for FY11 expenses be available by the start of FY11, which is July 1, 2010.

Attachment 1 - Donor Contributions as of June 8, 2009

Attachment 2 - Explanatory Notes to the FY10 Readiness Fund Budget

Attachment 1 - Donor Contributions to the Readiness Fund
(as of June 8, 2009)

Available Contributions to the Readiness Fund (\$m) as of June 8, 2009					
	FY09	FY10	FY11	FY12	Totals
Australia	9.5				9.5
Finland	9.0				9.0
AFD (France)	4.6	0.4			5.0
Japan	5.0	5.0			10.0
Netherlands	5.0	5.1	5.1	5.1	20.3
Norway	5.0	15.0	10.0		30.0
Spain	7.0				7.0
Switzerland	8.2				8.2
UK		5.7			
USA	0.5	4.5			5.0
FY Totals	53.8	35.7	15.1	5.1	109.7

Grand Total

Attachment 2 - Explanatory Notes to the FCPF Readiness Fund Budget

1. **FY09 Approved Budget** - Amounts approved at the first PC Meeting in October 2008, as reflected in Resolution PC 2008-3; Budget is based on World Bank fiscal year which began July 1, 2008 and ends June 30, 2009.
2. **FY09 Commitments/Estimate** - Based on actual expenditures reflected in World Bank systems as of April 2008, with estimates for progress and expenditures during the last two months of FY09. A final reporting on FY08 expenditures will be provided in the FCPF Annual Report at the Annual Meeting in October 2009.
3. **FY10 Budget** - for fiscal year beginning July 1, 2009 through June 30, 2010; as per the Charter, this budget proposal is presented for PC discussion and approval at the June 2009 PC meeting in Montreux, Switzerland.
4. **Grants to REDD Participant Countries** - grants provided to countries to help finance country-driven REDD readiness activities. Projections reflect the revised expectations of when grants are fully approved by the PC and within the World Bank, for disbursement to REDD Participant Countries.
5. **Other Services to REDD Participant Countries** - In addition to grants, the services and technical assistance provided to the REDD Participant Countries either directly by World Bank country based teams (e.g., Country Implementation Support) or through centralized FCPF resources (e.g., REDD Methodology Support) as further described below. These services were also outlined in the FY09 budget presentation to the PC in October 2008.
6. **Country Implementation Support**
 - a. Grant supervision and country level review, related to environmental and social due diligence and other key fiduciary policies of the World Bank
 - b. Implementation support, including technical assistance, from World Bank country teams
7. **Country Advisory Services**
 - a. FCPF team coordination of, and feedback on R-PINs, R-Plans (R-PPs) and other elements of REDD readiness packages
 - b. General guidance on FCPF social and environmental due diligence
 - c. Preparation of generic terms of reference
 - d. Sharing cross-country experiences and emerging global guidance on REDD with individual REDD Country Participants

8. REDD Methodology Support

- a. The work of independent Technical Advisory Panels (TAPs) in support of FCPF Participants, advancing global topics such as valuation of emission reductions and reference scenarios
- b. Formal TAP review of R-PINs, R-Plans (R-PPs) and elements of country readiness packages
- c. TAP travel and participation in FCPF meetings
- d. Ensuring adequate liaison with global forestry programs, UN REDD and the international teams developing REDD methodologies
- e. Indigenous Peoples capacity building program
- f. Approved contingencies

9. The FCPF Secretariat

- a. Overall program management and activities related to maintaining partnerships among the many stakeholders of the FCPF
- b. Organization of Annual Meeting and three PC Meetings per year
- c. Travel and expenses of REDD Participant Countries in meetings
- d. Supporting the participation of the Indigenous Peoples' Observer
- e. FCPF website and communications

10. Readiness Fund Administration

Functions related to the World Bank role as Readiness Fund Trustee, including:

- a. Preparing budgets, business plans and financial projections
- b. Preparation of the FCPF Annual Report for October Annual Meeting
- c. Accounting, financial audits, contributions management and legal services to the Readiness Trust Fund
- d. Mid-term evaluation of Readiness Fund progress