

**Forest Carbon Partnership Facility  
Twenty-Fourth Meeting of the Carbon Fund (CF24)  
Virtual | February 15-16, 2022  
Chair's Summary**

Dear Carbon Fund Participants and Observers,

I would like to thank the Carbon Fund Participants (CFPs) and Observers – from REDD Country Participants, Indigenous Peoples' organizations, civil society, UNFCCC, International Organizations and the private sector – who took part in the twenty-fourth Forest Carbon Partnership Facility (FCPF) Carbon Fund meeting (CF24) held virtually from February 15 to 16, 2022.

Please find below the main conclusions from the meeting. All relevant background materials, presentations, resolutions and this summary are available on the FCPF Website at <https://www.forestcarbonpartnership.org/meetings>.

**Progress Update**

The FMT provided an [update on progress](#) made since the last meeting in June 2021. CFPs welcomed the comprehensive update that covered *inter alia* progress against portfolio, social inclusion, gender, private sector engagement, Monitoring, Reporting and Verification (MRV), knowledge management & communications, and carbon fund commitments. The FMT highlighted their priorities for Fiscal Year 2023, including helping programs meet their conditions of effectiveness and proceeding through validations and verifications followed by payments.

**Portfolio Management Update**

The FMT presented an [overview](#) of programs in the FCPF portfolio and the financial status of the Carbon Fund and expected ERPA commitments – including an update on signed ERPAs, progress related to the fulfillment of the conditions of effectiveness, ERPA payments that have been disbursed to date and expected payments during calendar year 2022, as well as an update on ongoing and upcoming verifications. The FMT also presented an overview of potential Call Options that could be exercised by the Carbon Fund based on submitted ER Monitoring Reports which have reported ERs in excess of the ERPA Contract Volumes.

There was a discussion regarding a potential revision of the universal price of \$5 per ton for Contract Volumes in the FCPF ERPAs. It was agreed that the FMT would engage in informal discussions -- initially with CFPs-- on the implications, feasibility and pros and cons of a possible price change.

**Overview of Private Sector Engagement Activities**

The FMT presented an [overview](#) of several activities on private sector engagement including the work on Cocoa, Cashew Nut, Vanilla, Forest Smart Mining, Livestock and Ecotourism. The session also presented the World Bank's [current work](#) on livestock sector readiness to access climate finance.

### **CORSIA Update**

The FMT presented an update on CORSIA, more specifically the steps that have so far been taken and what still needs to be done by the FMT to meet the remaining conditions for the FCPF Carbon Fund to become a CORSIA-eligible program. The presentation provided an overview of the next steps.

CFPs were generally supportive of the FMT continuing to make every effort to meet the CORSIA conditions for eligibility and become a CORSIA-eligible program, ideally by the time of the next ICAO Council meeting in October 2022.

### **Proposal on Knowledge Sharing for REDD Countries Post-2022**

The FMT presented a [proposal](#) for continuing to support FCPF knowledge sharing activities through the Carbon Fund budget, after the termination of the Readiness Fund on December 31, 2022. The Carbon Fund Participants were generally supportive of the proposal.

### **Proposal on REDD Country Observers Post-2022**

The FMT presented a [proposal](#) to continue inviting three self-elected former REDD Country Participants to all future Carbon Fund meetings after the closure of the Readiness Fund on December 31, 2022. The Carbon Fund Participants approved the proposal. Carbon Fund Participants agreed that the discussion of, and agreement on this proposal at this meeting, serves as consultation and no objection referred to in Sec. 8.03 of the Carbon Fund Rules of Procedure for all calendar years from 2023 to 2025.

### **Readiness Fund Balance**

The FMT presented the options for the Participants to allocate their pro-rata share of the remaining balance of the Readiness Fund when it is financially closed (June 2023). CFPs who are also the Donor Participants to the Readiness Fund were invited to indicate after the meeting to the FMT, what their plans would be with regard to their pro-rata share of the remaining balance of the Readiness Fund.

### **Next Meeting**

The next [Carbon Fund meeting](#) (CF25) will be held in September 2022 and the Carbon Fund Participants were generally supportive of an in-person meeting. The location and format of the meeting will be determined in consideration of the COVID-19 situation at the time. The FMT will provide further information as soon as possible.

## **In Closing**

CF24 was another major step forward for the Carbon Fund: The signing of 15 ERPAs, the first payment for emission reductions to Mozambique, 6 programs meeting all their Conditions of Effectiveness, and 6 submitted ER Monitoring Reports, indicates this excellent progress will continue into the foreseeable future. The ERPAs have unlocked up to \$721 million in performance-based payments from verified emission reductions through large-scale jurisdictional landscape programs, which will provide important lessons and experiences for 'proving the concept' of jurisdictional REDD+ and catalyzing the realization of REDD+ at scale.

We look forward to seeing continued progress under the Carbon Fund, where the focus will continue assisting countries in meeting the ERPA Conditions of Effectiveness, supporting implementation of programs, and moving into verification and payment for emission reductions.

If you have any questions or concerns, please feel free to contact the FCPF FMT at [fcfsecretariat@worldbank.org](mailto:fcfsecretariat@worldbank.org).

Sincerely,

Beatriz Machado Granziera

The Nature Conservancy

CF24 Chair