



Forest Carbon Partnership Facility

**PA14 PC30
PROGRESS UPDATE
AND FY21 ANNUAL REPORT**

December 2021

Introduction

- The Annual Report is available online.**
- Under the Charter the PC is expected to report to the PA at each Annual Meeting on the decisions made by the PC and, where appropriate, other issues discussed by the PC (Section 11.1(p))**
- The FMT is presenting on behalf of the PC.**

Presentation Outline

01 Readiness Fund

05 Gender

9 Monitoring and Evaluation

02 Carbon Fund

06 Private Sector Engagement

10 Commitments and Disbursements

03 Sharing Knowledge and Raising Visibility

07 Technical Capacity-Building (+CATS & CORSIA)

11 Concluding Messages

04 Forest Dependent IPs and LCs

08 Sustainable Agriculture Banking Program (SABP)



1. READINESS FUND

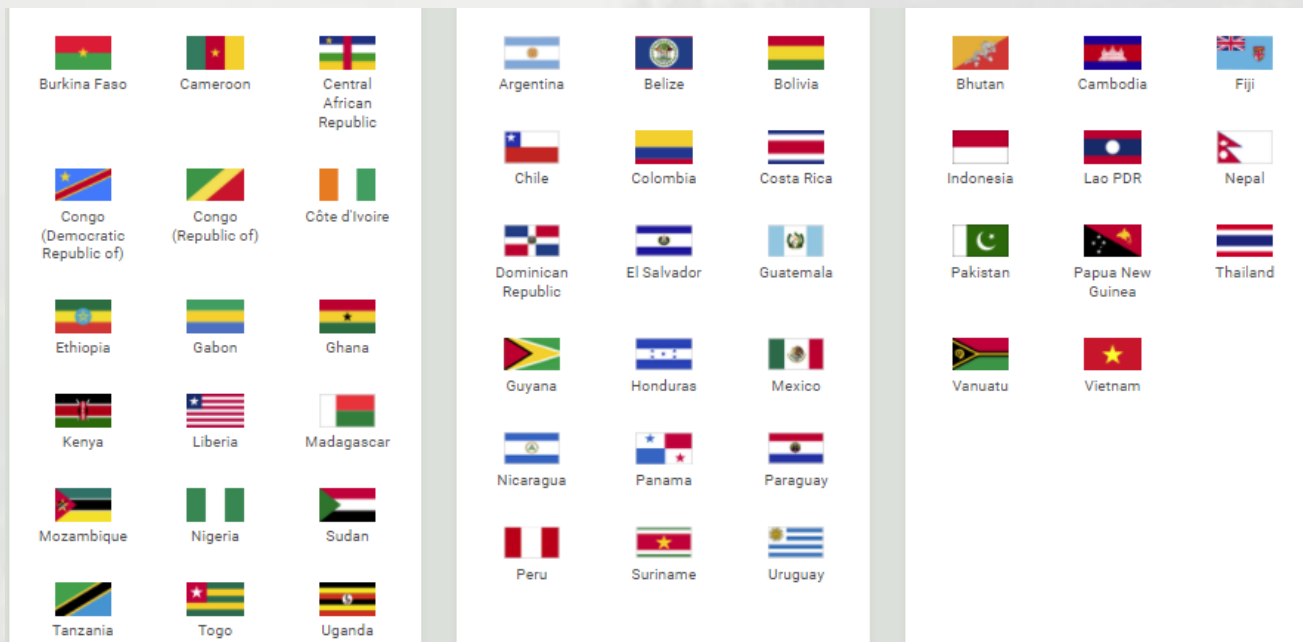
Readiness Fund Portfolio



**47 Countries in
the Readiness
Fund**

Readiness Grants Signed

- ❑ Total number of Preparation Grants signed = 45
- ❑ Number of Additional Grants signed in FY21 = 1
 - Burkina Faso
- ❑ Number of signed Additional Grants anticipated by close of Readiness Fund = 34



Milestones: Mid-Term Reports

- ❑ Number of Mid-Term Reports (MTRs) submitted in FY21 = 2
 - Thailand, Paraguay
- ❑ Total number of MTRs to date = 44
- ❑ Number of MTRs submitted in FY22 = 1
 - Kenya
- ❑ Number of MTRs anticipated by close of Readiness Fund = 44



What is a Mid-Term Report (MTR)?

An MTR provides an update on progress made in the implementation of the R-PP.

Milestones: Readiness Packages

- ❑ Number of R-Packages endorsed in FY21 = 2
 - Vanuatu, Guyana
- ❑ Total number of R-Packages to date = 26
- ❑ Number of R-Packages anticipated in FY22 = 7
 - Belize, Bhutan, Colombia, Nigeria, Pakistan, Togo, Uruguay
- ❑ Number of R-Packages anticipated by close of Readiness Fund = 34



What is an R-Package?

An R-Package describes the activities designed to support a REDD Country Participant's capacity to participate in future systems of positive incentives for REDD+, which include a reference scenario, a REDD+ Strategy and a monitoring system.

Building an Enabling Environment for REDD+

- ❑ FCPF Readiness Grants make important contributions to nationally-driven policy reform that supports the effective design and implementation of REDD+.
- ❑ The initiation and execution of these reforms are complex undertakings, requiring collective action across ministries and sectors and at national and subnational levels, which sometimes goes beyond the scope of FCPF funding.
- ❑ The following examples provide a snapshot of important, country-driven policy reforms introduced over the past year that both guide and inform REDD+ in the context of broader national processes.
- ❑ Many more examples are available in the FY21 Annual Report and Country Progress Reports.



Building an Enabling Environment for REDD+

- ❑ **Chile** advanced several elements of its National Strategy for Climate Change and Vegetation Resources (ENCCRV) in FY21, including consultation of the country's updated benefit sharing plan. Progress also included a communications strategy, an environmental education program, and a platform to integrate the MRV, co-benefits, safeguards and parcel monitoring systems. In addition, the country expanded its FREL to include additional regions for future REDD+ activities.
- ❑ In the **Lao People's Democratic Republic (Lao PDR)**, the Ministry of Agriculture and Forestry approved the country's national REDD+ strategy in FY21, marking an important milestone in meeting global REDD+ readiness requirements and eligibility for results-based payments.
- ❑ **Mozambique** approved a new forest policy and its implementation strategy and launched a comprehensive revision of the country's forest law. A preliminary revised forest law document has been developed and stakeholder engagement process started.

Consultation, Participation, and Outreach

- ❑ Since the FCPF's launch, broad stakeholder engagement has been at the heart of the facility's REDD+ support to countries. Civil society, Indigenous Peoples, and other forest-dependent communities, women's groups, and nongovernmental organizations have come to play a central role in REDD+ Readiness and implementation.
- ❑ The following are a few examples from the past year of consultation and outreach work happening in participant countries.



Consultation, Participation, and Outreach

- ❑ **Belize** completed ethno-mapping in four southern communities that will feed into the country's land tenure assessment process. To advance the country's REDD+ strategy, stakeholder consultation workshops throughout FY21 engaged with more than 400 Indigenous and community members to raise awareness and deepen their engagement with REDD+.
- ❑ **Costa Rica** completed several stakeholder training activities in FY21, including two virtual workshops with the Kábata Könana women for the creation of a Gender Equality in Productive Units award. The country also completed consultations with various groups, including the Indigenous Bribri-Cabécar de Talamanca Network, on the development of a Territorial Environmental and Forestry Plan.
- ❑ **Kenya** conducted a study in FY21 that explored ways of enhancing the participation of marginalized and forest-dependent communities in the development and implementation of REDD+ in Kenya. Kenya also conducted consultations with more than 1,200 community members from Mau Forest to discuss rights-based forest conservation and management.

National REDD+ Strategies

- ❑ National REDD+ strategies are a key output of the REDD+ Readiness phase. They outline policies and programs that define the following:
 - the direct and indirect drivers of deforestation
 - relevant baseline indicators and forest monitoring systems
 - reference emission levels
 - social and environmental safeguards
- ❑ REDD+ strategies serve as a catalyst, helping countries analyze and reform wider forestry, land-tenure, and sustainable development policies.
- ❑ The following are examples of some of the advancements made by Countries over the past year in the design of their national REDD+ strategies.



National REDD+ Strategies

- ❑ **Fiji** continued its work to finalize the country's national REDD+ strategy, including the development of a safeguards information system and national forest inventory. The country also advanced a review of its 2010 REDD+ policy, which will support Fiji's REDD+ strategy.
- ❑ **Pakistan** conducted a study in FY21 on the development of participatory forest management plans and subnational REDD+ action plans as part of its national REDD+ strategy implementation. These participatory plans are expected to prioritize province-specific drivers of deforestation and forest degradation in the context of local socioeconomic settings and propose actions to address them.
- ❑ **Vanuatu's** draft national REDD+ strategy has been prepared based on consultations with various national agencies and communities on different islands. The strategy is expected to be finalized and presented at a national workshop involving diverse stakeholders and launched by the government in December 2021.

FRELS, NFMS, and SIS

- ❑ Setting **Forest Reference Emission Levels** (FRELS) is one of the first steps countries need to take to benefit from REDD+. They provide a baseline against which ERs can be measured, and subsequent results-based payments be made.
- ❑ Another key building block of Readiness is setting up a robust and transparent **National Forest Monitoring System** (NFMS). The FCPF supports countries in the design of NFMS that build on existing systems and use a combination of remote sensing and ground-based forest carbon inventory approaches.
- ❑ Countries must also develop a **Safeguards Information System** (SIS) for providing publicly available information on how safeguards are being addressed and respected in readiness and implementation.



FRELS, NFMS, and SIS

- ❑ **El Salvador, Gabon, Ghana, Peru, Suriname** and **Thailand** submitted FRELs (or FRLs) to the UNFCCC for technical assessment. Many others made considerable progress and expect to finalize them soon.
- ❑ **Belize** continued work on its already operational NFMS with the establishment of 23 destructive sample plots in grasslands in FY21. The country aims to finalize its methodology for destructive agricultural sample plots in FY22, adding to the broader landscape network in Belize with the aim of intensifying agricultural production.
- ❑ **Pakistan** launched its NFMS in FY21 with high-level support from the country's adviser to the prime minister on climate change. To further strengthen forest monitoring capacities, the subnational forestry departments have been equipped with modern forest inventory and GIS equipment. Pakistan is also putting in place remote sensing drones to collect high-quality geospatial data for real-time forest monitoring of forest restoration activities.

Non-Carbon Benefits

- ❑ A wide range of positive outcomes may result from REDD+ activities that go beyond those associated with avoided carbon emissions and carbon sequestration, ranging from biodiversity conservation to livelihood improvements.
- ❑ Over the course of last year, many FCPF country participants advanced their efforts to capture the non-carbon benefits arising from their REDD+ activities. Some examples follow.



Non-Carbon Benefits

- ❑ **Costa Rica** carried out an analysis in FY21 to evaluate the convergence of multiple noncarbon benefits potentially generated by the policy actions included in the country's national REDD+ strategy. The primary non-carbon benefits identified in the analysis included natural scenic beauty for tourism purposes, biodiversity conservation, support to communities vulnerable to water stress, socioeconomic improvement potential, soil erosion control, and potential for governance improvement.
- ❑ **Guatemala** is developing incentives around REDD+ non-carbon benefits through several activities, including promoting access of women's groups and organizations to green financing; establishing a diversification program (native species or ecotypes) as an adaptive and climate-risk management strategy; strengthening local agri-food chains with an integrated approach; and implementing native seed and grain banks.
- ❑ **Vanuatu's** study on REDD+ strategy options identified several activities to enhance the livelihoods of local communities, including the management of protected areas and non-timber forest products by community members, as well as integrating agroforestry systems with agriculture and horticulture activities.



2. CARBON FUND

Carbon Fund Portfolio



15 countries
in the Carbon
Fund

Milestones: Emission Reductions Payment Agreements

- ❑ ERPAs signed in FY21 = 10
 - Costa Rica, Cote d'Ivoire, Dominican Republic, Fiji, Indonesia, Lao PDR, Madagascar, Nepal, RoC, Vietnam
- ❑ ERPAs signed in FY22 = 1
 - Guatemala
- ❑ Total number of ERPAs signed to date = 15
 - Chile, Costa Rica, Cote d'Ivoire, DRC, Dominican Republic, Fiji, Ghana, Guatemala, Indonesia, Lao PDR, Madagascar, Mozambique, Nepal, RoC, Vietnam
- ❑ Total ER Contract Value of the 15 ERPA signed Countries: **\$721.3 million**

What is an ERPA?

An ERPA is an agreement signed between Country Participants and the World Bank (acting as trustee of the FCPF Carbon Fund) for the sale, transfer of, and payment for emission reductions (ERs) generated from the ER Program.

Conditions of Effectiveness

- ❑ Number of countries that have met ERPA Conditions of effectiveness in FY21 = 1
 - Chile

- ❑ Number of countries that have met ERPA Conditions of effectiveness in FY22 = 3
 - Fiji, Indonesia, Lao PDR

- ❑ Total number of countries that have met ERPA Conditions of effectiveness to date = 6
 - Chile, Fiji, Ghana, Indonesia, Lao PDR, Mozambique



What are Conditions of Effectiveness?

Conditions of Effectiveness are requirements which must be fulfilled by a program entity as part of its obligations under the ERPA before it can sell, transfer, and receive payment for emission reductions.

1st ER Monitoring Report

- ❑ Number of countries that have their 1st ER Monitoring Report available = 4
 - Costa Rica, Ghana, Mozambique, Vietnam
- ❑ Number of countries that have their 1st ER Monitoring Report submitted = 2
 - Chile, Fiji



What is an ER Monitoring Report?

The ER Monitoring Report is a report submitted by the Program Entity/Carbon Fund country to report on ERs generated in a given Reporting Period; the occurrence of any Reversal event/s and the mitigation measures taken to address them; any inability to transfer Title to ERs or any Title Contest by any party and the measures taken to address such contest/s; the implementation of the Benefit Sharing Plan, Safeguards plans, reporting on any Non-Carbon Benefits generated, including any other data as required to be reported per the ER Monitoring Plan.

Benefit Sharing Plans

- ❑ Number of country participants with published Final Benefit Sharing Plans (BSPs) in FY21 = 2
 - Chile, Fiji
 - Number of country participants with published Final Benefit Sharing Plans (BSPs) in FY22 = 3
 - Cote d'Ivoire, Indonesia, Lao PDR
- ❑ Total number of country participants with published Final Benefit Sharing Plans (BSPs) to date = 7
 - Chile, Cote d'Ivoire, Fiji, Ghana, Indonesia, Lao PDR, Mozambique



What is a Benefit Sharing Plan (BSP)?

A BSP is a document that summarizes benefit sharing arrangements for an ER Program, including beneficiaries, benefits, and benefit sharing mechanism(s) for the distribution of results-based payments for verified emission reductions.

Validation/Verification and Payment

- ❑ Number of countries that have their **1st Validation/Verification Report available = 1**
 - Mozambique

- ❑ Number of countries that have received **ERPA Payment = 1**
 - Mozambique



What is Validation and Verification?

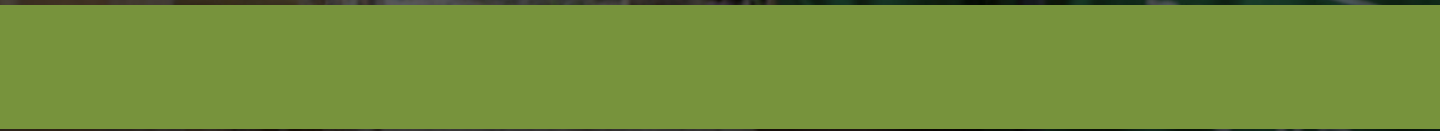
Validation is a procedure to assess the integrity of the reference level. Verification is a periodic assessment of the amount of ERs generated by an ER program since the last Verification Report or, in the case of the first Verification, since the Crediting Period Start Date.

What is ERPA Payment?

ERPA payment is a payment for verified emission reductions that have been monitored and reported in the Emission Reductions Monitoring Report for a given Reporting Period under the ERPA.₂₅




3. SHARING KNOWLEDGE AND RAISING VISIBILITY



Communications and Knowledge Sharing

- Over the past year, the FCPF supported REDD+ Readiness and ER Programs with **strategic and proactive communications and knowledge management, technical publications, workshops, and knowledge exchanges.**

OUTREACH

	4 Quarterly newsletters		1,300 Newsletter subscribers
	19 Stories/blogs		4,263 FCPF Facebook page followers
	13 Knowledge seminars		120K World Bank Group Climate Twitter Followers
	17 Knowledge products		



MULTIMEDIA



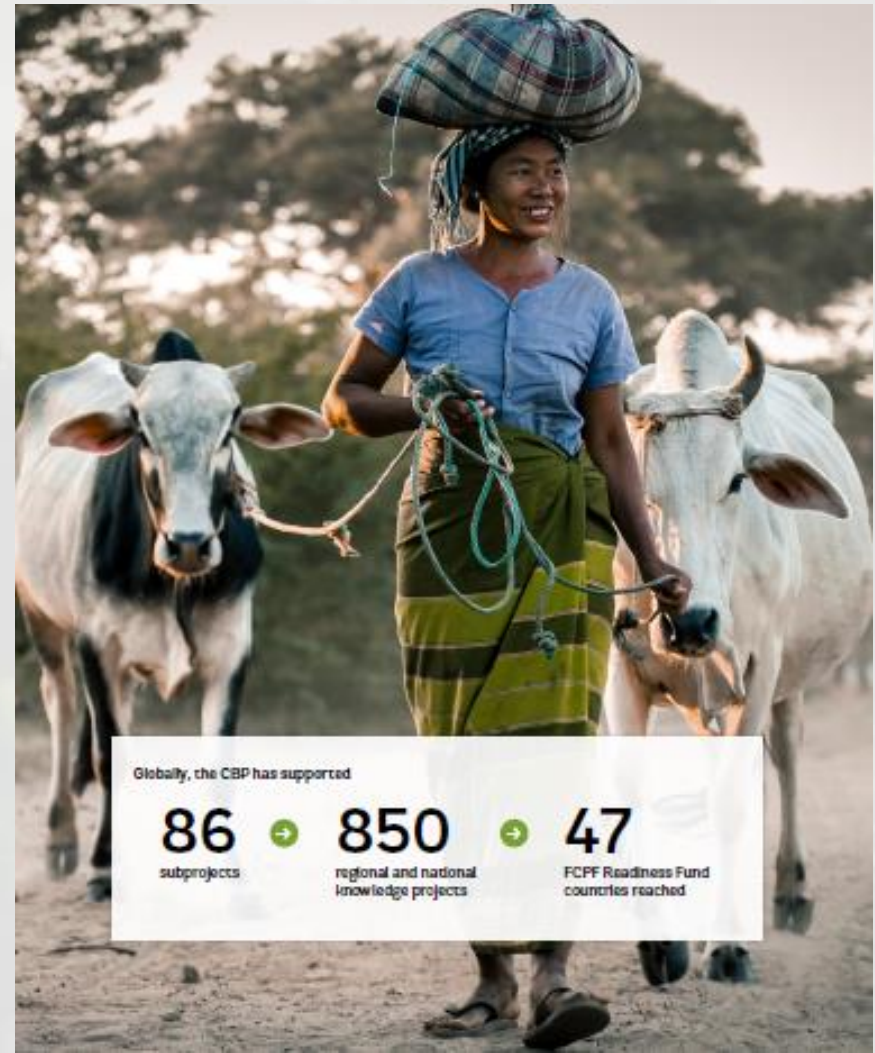
Mozambique received \$6.4 million for preserving forests and using land more sustainably in the first payment of its kind from the World Bank's Forest Carbon Partnership Facility.

What You Need to Know About Emission Reductions Payment Agreements (ERPAs)



FCPF Annual Report for FY21

FCPF Annual Report for FY21 now available: [click to view online](#)



Communications Highlights

ECOSYSTEM MARKETPLACE – Shades of REDD+: Filling an Urgent Need – New Guidance for ‘Nested REDD+’ Published

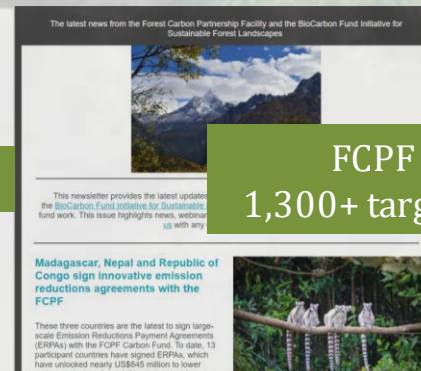
Published 21:50 on October 19, 2021 / Last updated at 21:51 on October 19, 2021 / [Africa](#), [Americas](#), [Asia Pacific](#), [Conversations](#), [EMEA](#), [International](#), [New Market Mechanisms](#), [Other APAC](#), [REDD](#), [South & Central US](#), [Views](#), [Voluntary Market](#) / [No Comments](#)

By Charlotte Streck, Donna Lee, Javier Cano, Mercedes Fernandez, and Pablo Llombas

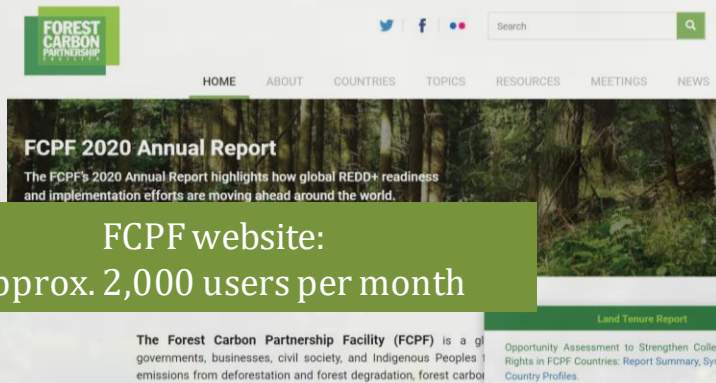
Over the last months, several companies have announced an aggregate of more than 100 million tonnes of carbon – in particular trading houses or major emitters – in voluntary carbon market projects that champion nature-based solutions. At the same time, the LEAF coalition is encouraging the development of jurisdictional REDD+. For such initiatives to peacefully coexist, there is an urgent need for countries to build “nested” REDD+ systems.

19 October 2021 | The successful implementation of efforts to reduce deforestation and forest degradation (REDD+) depends on a close collaboration of governments, communities, and private entities. Governments have to take the lead in improving legal frameworks and investing in forest governance. Low levels of law enforcement, weak

Positive media coverage



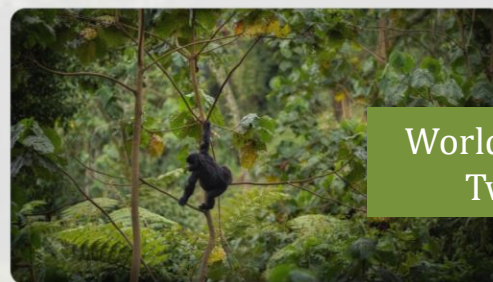
FCPF Newsletter:
1,300+ targeted subscribers



FCPF website:
Approx. 2,000 users per month

World Bank Climate @WBG_Climate · May 3

News: **World Bank and Republic of Congo sign agreement to reduce carbon emissions and preserve #forests.** Learn more: wrlb.bg/57wy50EDJxS



WBG Environment @WBG_Environment · May 13

Dominican Republic signs Agreement with the @WorldBank to curb carbon emissions and reduce #deforestation: wrlb.bg/hxt350LU07



World Bank Climate & Environment
Twitter: 178,000+ followers

June 2021



RESULTS STORY

The Win-Win of Forest Protection: enhanc...

MULTIMEDIA

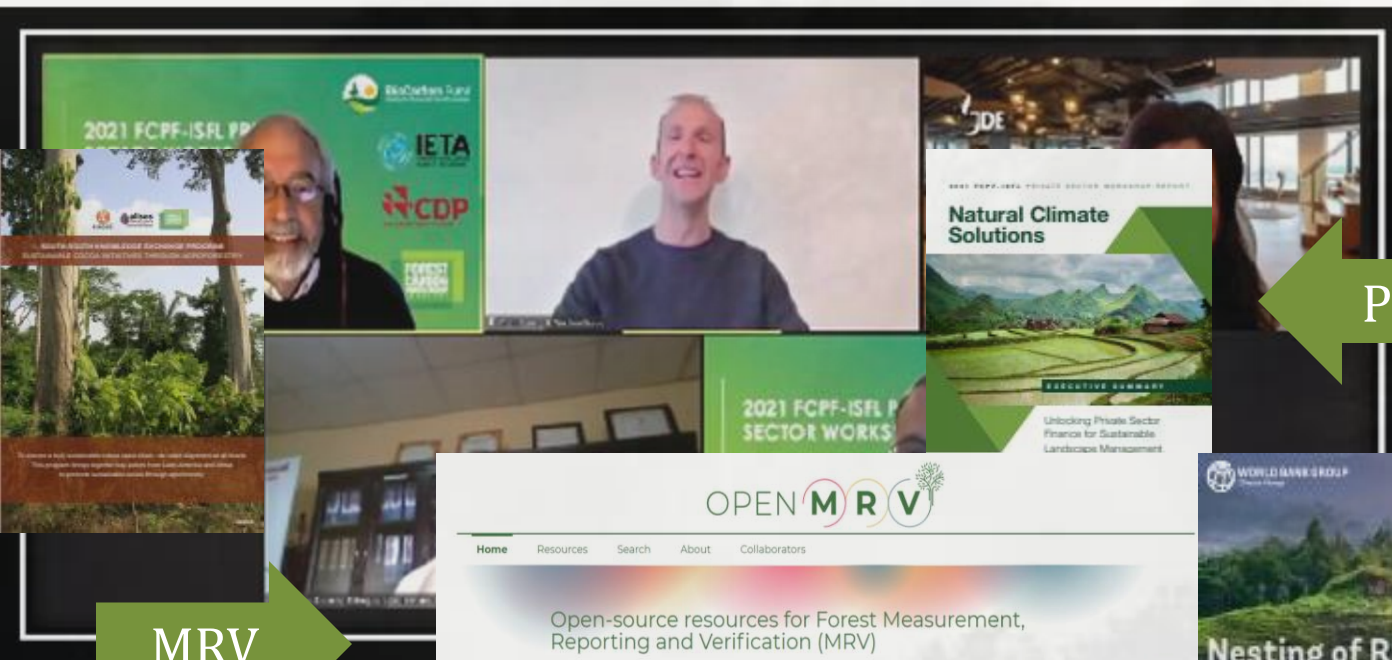


Mozambique received \$6.4 million for preserving forests and using land more sustainably in the first payment of its kind from the World Bank's Forest Carbon Partnership Facility.

World Bank website: 121,000+ users

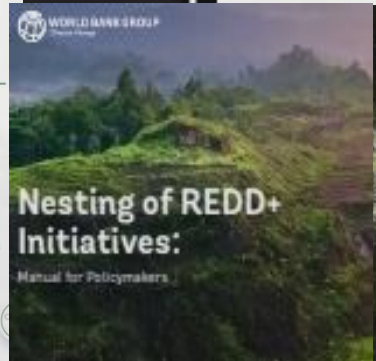
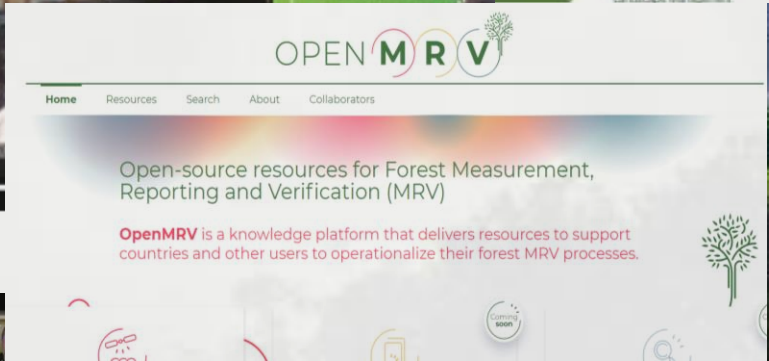
CLIMATE
EXPLAINER
SERIES

Exploring climate finance approaches and jurisdictional case study

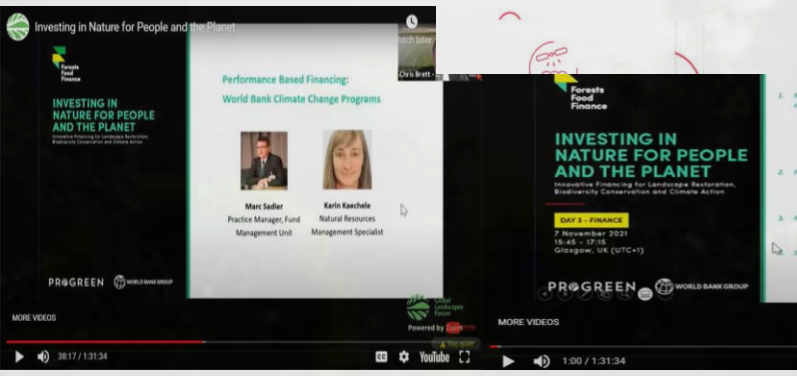


PRIVATE SECTOR

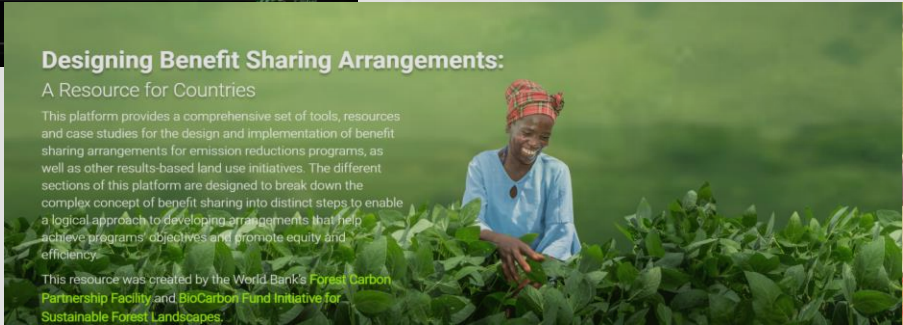
MRV



SUSTAINABLE FINANCING



SOCIAL INCLUSION



Designing Benefit Sharing Arrangements: A Resource for Countries

This platform provides a comprehensive set of tools, resources and case studies for the design and implementation of benefit sharing arrangements for emission reductions programs, as well as other results-based land use initiatives. The different sections of this platform are designed to break down the complex concept of benefit sharing into distinct steps to enable a logical approach to developing arrangements that help achieve programs' objectives and promote equity and efficiency.

This resource was created by the World Bank's Forest Carbon Partnership Facility and BioCarbon Fund Initiative for Sustainable Forest Landscapes.



Country Forest Notes

- ❑ In FY21, the **FCPF** and **PROFOR** continued to collaborate on the development of programmatic **Country Forest Notes** that analyze the threats to forests in individual countries or regions and identify opportunities for sustainable socioeconomic growth in the forest sector.
- ❑ To date, notes are complete or ongoing for the following countries:
 - Africa: **Burkina Faso** (being finalized); **Côte d'Ivoire** (being finalized)
 - Asia-Pacific: **Bhutan** ([complete](#)); **Lao PDR** ([complete](#)); **Vietnam** ([complete](#))
 - Latin America and the Caribbean: **Chile** ([complete](#)); **Dominican Republic** ([complete](#)); **El Salvador** ([complete](#)); **Paraguay** ([ongoing](#))
- ❑ In addition, PROFOR funded Country Forest Notes for [Nepal](#) (2018), [Mozambique](#) (2018), [Liberia](#) (2018), [Colombia](#) (2017), DRC, Ethiopia , [Mexico](#) (2018), Indonesia, [Zambia](#) (2019), Dominica, [Myanmar](#) (2020), [Ukraine](#) (2020), [Benin](#) (2020).





4. FOREST-DEPENDENT INDIGENOUS PEOPLES AND LOCAL COMMUNITIES

Capacity Building Program

- ❑ The FCPF Capacity Building Program for Forest-Dependent Peoples and Southern Civil Society Organizations works with Indigenous Peoples, other forest-dependent communities, and southern civil society organizations to increase their understanding of REDD+ and their engagement in REDD+ Readiness and implementation.
- ❑ The CBP focuses on national capacity building and awareness raising, including among women and youth, as well as regional exchange and sharing of lessons learned. Launched in 2008 and extended until December 2022, the CBP now totals just under \$15 million.



Phases One and Two



Phase 1

- ❑ Almost \$2 million in funding has supported 27 projects across three regions.
- ❑ IP organizations and CSOs were selected and contracted to carry out specific capacity building activities.
- ❑ Completed in April 2016, with a “Results” Report launched in July 2017.



Phase 2

- ❑ With approximately \$3 million in funding, Phase 2 supported six regional organizations, one for indigenous peoples and one for civil society organizations across the three regions.
- ❑ Activities were implemented under the World Bank’s Small Recipient-Executed Grants Funding Guidelines.



Phase Three and Consolidation Phase

Phase 3

- ❑ An additional \$5 million was allocated in March 2017.
- ❑ In Phase 3, priority was given to FCPF Carbon Fund countries in both the scale up of existing support and the initiation of new activities.

Consolidation Phase

- ❑ The FCPF **extended the CBP until end of December 2022**, with an additional allocation of \$5 million to the program. The final phase of the CBP will continue the small grants programs to CSOs to engage in EnABLE and other direct financing schemes. It will also be focusing on consolidating knowledge, results, and good practices on REDD+.



Consolidation phase in Africa



Regional Program: Total amount of funding is \$1.56 million will be channeled to three regional organizations

- ❑ Component 1: Building a strong, resilient and legitimate representation system for IPLC on Climate Change and to increase the impact of the IP Organizations and CSO by strengthening the governance and strengthening the networks.
- ❑ Component 2: Strengthening technical capacities and direct engagement in REDD+ activities through trainings, knowledge sharing on forest management, afforestation, climate-smart agriculture, agroforestry.
- ❑ Component 3: Building the operational capacities of the CSO and IP organizations.

Country Programs: total amount of funding is US\$900K

- ❑ Providing support to CSOs and IPs Organizations in six CF countries to participate in climate actions.

Consolidation phase in Asia-Pacific

Regional Organizations: Tebtebba and ANSAB

- ❑ Total amount of funding: \$0.92 million.
- ❑ REDD+ capacity building and awareness, prioritizing the Carbon Fund countries (Fiji, Nepal, and Vietnam).
- ❑ Dissemination of educational and knowledge products.
- ❑ Training on fiduciary management, COVID-19 information sharing, and post-pandemic IPLC engagement strategies.



Consolidation phase in Latin America & the Caribbean



US\$700,000

Don Fund

at CSOs.



Social Inclusion Programs



- ❑ A study on the challenges and opportunities in securing **collective land tenure** in FCPF countries was conducted by the Rights and Resources Initiative and Global Land Alliance. The results were presented in November 2021. The study provides both country-specific profiles for all CF countries as well as overarching challenges and opportunities to enhancing land tenure security for Indigenous communities.
- ❑ **Get REDDy - an outreach activity** for and by IPLCs was launched to provide them with accessible, understandable, and practical peer-to-peer information and knowledge about REDD+. Radio, podcast, and video episodes are scheduled to be available in February 2022.

Enhancing Access to Benefits while Avoiding Emissions (EnABLE)

- ❑ The new Multi Donor Trust Fund (MDTF) EnABLE (Enhancing Access to Benefits while Lowering Emissions) was launched as an associated TF to CERF
- ❑ EnABLE focuses on inclusion of IPLCs and disadvantaged and marginalized groups, such as women, youth and persons with disabilities, in ER Programs under the Climate Emissions Reduction Facility (CERF)
- ❑ EnABLE main principles:
- ❑ Programming focuses on country-specific ERPs and benefit sharing plans (BSPs) to enhance target beneficiaries' participation in their preparation, implementation, and their access to carbon and non-carbon benefits.
 - Activities are intended to be mostly initiated, prepared, and implemented by the target beneficiaries or civil society organizations (CSOs).
 - Based on collective action of all ERP stakeholders in partnerships of ERP and BSP stakeholders.



Enhancing Access to Benefits while Avoiding Emissions (EnABLE)

- ❑ Current funding stands at EUR20 million, provided by Germany (BMZ), focused on support to FCPF ER Programs
- ❑ EnABLE will run from 2020-2030
- ❑ EnABLE has started preparation of 15 country programs
- ❑ EnABLE is a main vehicle to strengthen inclusion in all pillars of CERF - the Umbrella Trust Fund



A woman in a blue short-sleeved shirt and a green and yellow striped sarong is walking through a rural landscape. She is carrying a large, round, woven basket on her head. She is smiling and looking to her right. She is holding the reins of two white oxen, one in front of her and one behind her. The background is a soft-focus view of trees and foliage, suggesting a rural or agricultural setting. The lighting is warm, indicating it might be late afternoon or early morning.

5. GENDER

Mainstreaming Gender in REDD+: Completed Work (International Level)

- ❑ Hosted **two regional workshops** on gender issues in Asia-Pacific and Africa, bringing together women's groups in ER program areas to define the key elements and critical issues facing women's participation in REDD+ mechanisms and the actions needed to address these issues.
- ❑ Launched a **gender analysis project**, which brings a behavioral science lens to the challenges of integrating women into management of forest resources, and in REDD+ related projects.
- ❑ Developed **gender responsive strategies and plans** and targeted interventions and analytics to support mainstreaming in ERPAs and BSP implementation in five countries.
- ❑ Provided **support to governments and local stakeholders** to improve their knowledge and build their capacity through knowledge-sharing events;
- ❑ Developed and piloted a course to **introduce results-based gender considerations** in FCPF investment plans. Pilot was undertaken by WOCAN in Madagascar and Côte d'Ivoire;
- ❑ Conducted a **good practices of gender in forestry** review, using examples from the Dedicated Grant Mechanism program;

Mainstreaming Gender in REDD+: Ongoing Work

- ❑ Conducting a study on **Gender and land tenure security** by Resource Equity in Carbon Fund countries to strengthen gender equity in ER programs.
- ❑ Conducting a **gender mainstreaming** review in BSPs and ER programs;
- ❑ Studying the **impact of REDD+ on women's economic activities and livelihoods** in Carbon Fund countries while developing pilots to support gender-sensitive value chains in ER programs.
- ❑ Designing the **FCPF Gender Strategy and Action Plan 2020–2025** (focusing on identifying the level of required support and exploring new funding modalities)





6. PRIVATE SECTOR ENGAGEMENT

Private Sector Engagement

- ❑ Long-term, private sector investments are critical for addressing current funding gaps in climate finance for forests and landscapes. The FCPF looks for **innovative entry points** for the private sector to help **scale up the potential of REDD+**.
- ❑ The FCPF's **cross-sectoral work** in FY21 included advancing work on a programmatic approach to assess gaps and develop strategies for overcoming barriers that hinder private sector engagement in selected jurisdictions.



Private Sector Engagement



- ❑ In the **cocoa sector**, the FCPF engaged with more than 35 key stakeholders (core group members) of the cocoa value chain from Cote d'Ivoire, Ghana, Dominican Republic, Colombia, Brazil, and Peru, and reached more than 400 people from 36 countries through the second phase of its Cocoa & Forest Knowledge Exchange Program.



The FCPF produced 6 films showcasing good practices and agroforestry in Colombia, Cdi and Dominican Republic, and continues to develop a cocoa agroforestry guide and a cost-benefit AF cocoa simulator.



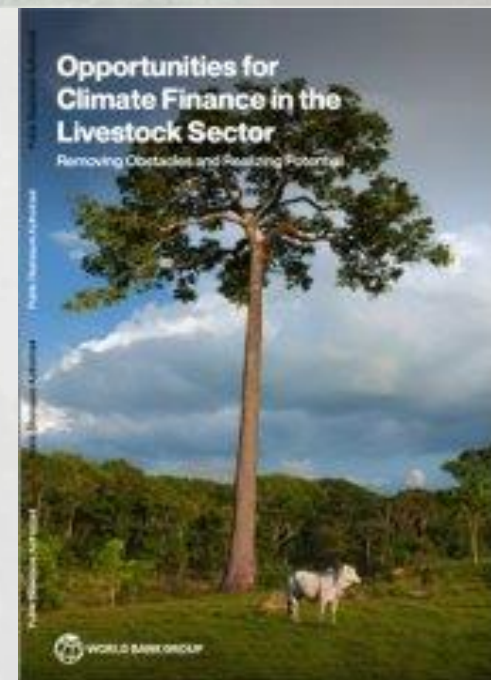
- ❑ In the **cashew sector in Mozambique**, the FCPF develop a desk study and business case on agroforestry systems to attract private investments while improving resilience and revenues for smallholders.

Private Sector Engagement

- ❑ In the **livestock sector**, the FCPF formed a Community of Practice which had the participation of around 200 stakeholders working on beef and dairy sectors in over four continents.

The FCPF finalized two blueprints and one MRV conceptual framework, for uptake, testing and implementation by climate finance institutions to accelerate transformation of livestock production in Africa and Latin America.

- ❑ In the **vanilla sector**, the FCPF developed a sustainable vanilla practice manual to support sustainable vanilla production in Madagascar's Sava Region and continues to work closely with private and public stakeholders for its implementation.



Private Sector Engagement



- ❑ In the **mining sector**, the FCPF conducted an analysis assessing Nature-based Solutions to promote forest-smart mining in large-scale operations.

In parallel, it developed guidelines and PCIs to integrate forest considerations in existing artisanal and small-scale mining standards and certification systems.

- ❑ In the **ecotourism and timber sector**, the FCPF launched this subtask in the Lower Mekong Region. It has conducted a needs analysis of key stakeholders of the ecotourism sector and commenced a report on Timber Supply gap.

- ❑ The **FCPF** continues to work and engage with different public and private key stakeholders and platforms for the development of its activities, promoting sustainable practices with an integrative approach.

Private Sector Engagement

- ❑ The **FCPF**, in partnership with ISFL, **held a virtual private sector global workshop**, co-organized with FCPF PSOs, IETA and CDP, last March 2021. This global event brought together over 50 speakers and 900 participants from 50 countries and served as a follow-up to the 2019 FCPF-IETA workshop.

The PS workshop initiated sectoral and geographical focused workshops and dialogues that will serve as platforms for the adoption of climate-smart and sustainable practices. A workshop report was launched in July 2021.



Private Sector Commitments in Forest Positive Supply Chains
Moderator: Dexter Galvin, Global Director of Corporates and Supply Chains, CDP

Bertrand Swiderski, Sustainability Director, Carrefour
Nicolas Gordon, Chief Sustainability Officer, CPMC
Dave Muenz, Executive Officer, Senior VP, ESG, Kao Corporation

Private Sector Engagement: Upcoming work

- ❑ **Cocoa sector:** AF cocoa guide validation workshop to be organized in CdI in Feb 2022. Final guide and cost-benefit simulator on cocoa AF models to be publicly available in April 2022.
- ❑ **Cashew:** Disseminate the recommendations collected among key stakeholders to unlock further investment in sustainable practices in Mozambique's cashew value chain, using the available credit lines under current WB projects, among others.
- ❑ **Livestock:** Promote recommendations for uptake, testing and implementation of appropriate interventions using climate finance.
- ❑ **Vanilla:** Sustainable vanilla guide dissemination workshops to be held in Madagascar Feb 2022. Adapted communication tools to be validated by March 2022.



Private Sector Engagement: Upcoming work

- ❑ **Forest-Smart Mining:** include ASM guidelines in sustainable mining production and to promote FSM business model conclusions for future decision-making process in policy and program approaches.
- ❑ **Ecotourism and Timber:** development of a regional demand analysis for Ecotourism in the Lower Mekong region and finalize the report on Timber supply gap.
- ❑ **Private Sector Global Workshop:** to be organized in the first half of 2022 to inform and influence the private sector on specific supply chains and related public sector strategies in order to reduce deforestation and carbon emissions.






7. TECHNICAL CAPACITY BUILDING (+CATS & CORSIA)

MRV – MRV Support Program



- ❑ The WB's Land Use Climate **MRV Support Program**, funded with \$6 million, has had significant deliveries
- ❑ **17 REDD Countries** received **technical assistance** which has been instrumental to enable reporting to Carbon Fund, e.g.
 - Mozambique: development of a forest cover change mapping system
 - Vietnam: Development of Standard Operating Procedures (SOPs)
 - Costa Rica: Improvement to forest degradation model and to the reporting tool
 - Ghana: FAO support for the revision of RL and reporting
- ❑ Activities will continue through 2022, but additional urgent needs have been identified and require additional support

MRV – MRV Support Program

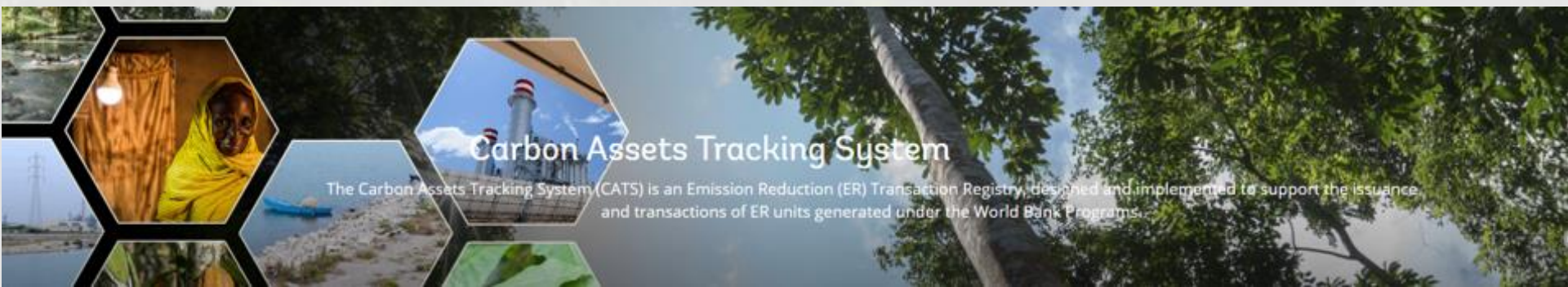
- ❑ More than **20 global and cross-country actions** were implemented to support country's MRV systems. Some of the products generated:
 - Sample Based Area Estimation → [SOP templates](#) and [presentation for policy makers](#) published
 - OPEN  → [Published](#), currently supporting GFOI in improvements
 - Lessons Learned from MRV → [Published](#) and presented during GFOI meeting.
 - Guidance on Monte Carlo analysis → [Published](#), dissemination planned for coming months
 - REDD+ Nesting manual → [Manual launched](#), Sessions on nesting for non-practitioners planned for the FCPF Knowledge day (8-13 December).
 - Analysis of potential and options for conserving stable forests → to be published and disseminated in coming weeks
 - Remote Sensing-based Estimation of Forest Carbon Stocks and Dynamics → [Full report](#) and [policy brief](#) published

MRV – FCPF CF Requirements and verification

- ❑ The FCPF Guidance note on accounting of legacy emissions and removals and the Guidance note on estimating uncertainty of ERs using Monte Carlo simulation were published providing greater guidance to REDD Countries in order to meet the FCPF requirements
- ❑ In March 2021, the FCPF convened a webinar as a refresher of the validation/verification process and to socialize the new approved guidance notes
- ❑ The Validation and Verification Guidelines have been fully implemented and have enabled the first-ever accredited verification of Jurisdictional REDD+ credits
- ❑ In September 2021, the FCPF convened a webinar on Lessons Learned: Verification of Mozambique's Emissions Reduction Program which served to Mozambique's MRV team to share its experience with the first verification
- ❑ Due to the few Validation and Verification Bodies (VVBs) providing services (AENOR, ASTER, SCS) under the ANAB accreditation, the FMT has worked with ONAC (Colombian accreditation body) to provide accreditation services under the FCPF, which will increase the number of potential VVBs

CATS Registry

- ❑ The World Bank ER transaction registry, referred to as the **Carbon Assets Tracking System (CATS)**, is fully operational (stabilization phase) since June 2020.
- ❑ The training plan and the onboarding process of external users and entities (including the WB LexisNexis sanction screening process), is being implemented for those countries whose monitoring reports complete their validation and verification processes.
- ❑ CATS supported the first ER transactions under the FCPF CF ERPAs (Mozambique Zambezia ILMP), with a transfer of 1.28 million tons of carbon emissions reductions to the FCPF CF. The payment to Mozambique of \$6.4 million for reducing emissions since 2019 was announced on October 15th, 2021.



CORSIA Conditional Approval of FCPF

- ❑ The **Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)** under the **International Civil Aviation Organization (ICAO)** expects to offset more than 2 billion tons in CO₂e over the entirety of the scheme (2021-2035)
- ❑ In FY20, the **FCPF was conditionally approved** as an Eligible Emissions Unit Program under CORSIA, subject to the following conditions being met:
 - Inclusion of **validation procedures**;
 - Procedures for monitoring and compensating for **reversals** at the end of the ERPA.
- ❑ To address these conditions, the FMT updated the validation and verification guidelines; updated process guidelines, buffer guidelines and the glossary of terms, and presented clarifications on post-ERPA reversal management. The FMT continues to develop improvements to the post-ERPA reversal management plans to meet CORSIA requirements.



ICAO

A photograph showing two farmers working in a field. The field is filled with rows of corn plants, some of which are dried and harvested, and others that are still green. The sky is blue with large, white, fluffy clouds. The farmers are wearing simple clothing and hats, and they appear to be engaged in manual labor, possibly weeding or tending to the plants. The overall scene depicts a rural agricultural setting.

8. SUSTAINABLE AGRICULTURE BANKING PROGRAM (SABP)

Sustainable Agriculture Banking Program (SABP)

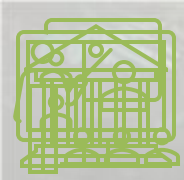
- ❑ Due to COVID, we delivered the SABP course online through a series of interactive webinars, self-paced learning modules, and group work sessions with the help of the World Bank's Open Learning Campus (OLC)
- ❑ The course, carried out over two months, included:
 - State-of-the-art technical training by leading experts
 - Product development training run by value chain financing practitioners
 - Case studies from around the world
 - Moderated online discussions on the current trends in value chain financing
 - Leadership and management training
 - Mentorship for participants to prepare and present a new value chain financing structure at the completion of the course

SABP Agenda

Week	Sessions
1	Introduction to Value Chain Financing, Introduction to Behavioral Change, VCF Theory in Practice
2	Driving Change, Introduction to Product Structures, Product Structures in Practice
3a*	Communicating with Impact, Introduction to Client Assessment and Credit Policy, Client Assessment for Sustainable Lending, Socio-environmental Checklists, Diligence Checklists, Sustainability Checklists – Cattle Case Study
3b**	Psychology of Influence, Principles of Sustainable Agricultural VCF
4a	Collaborating Successfully, Introduction to Loan Monitoring, Administration, and NPL Management, Loan Monitoring, Administration, and NPL Management in Practice
4b	Product Structures and Examples, Panel Discussion with Experts
5	Keynote and Final Presentations

*a indicates that the training will be targeted toward banking staff

**b indicates that the training will be targeted toward senior bankers



SABP: Key Metrics

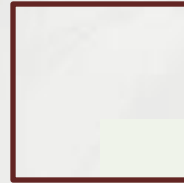
Participating banks



- Banco Mais/Mozambique*
- Equity Bank/DRC*
- OmniBSIC/Ghana*
- Orabank/CdI
- AccessBanque/Madagascar
- Orabank Côte d'Ivoire and Chad
- Cooperative Bank of Oromia/Ethiopia*
- Zanaco/Zambia*

* presented a VCF structure

Number of participants



- 23 Foundations course
- 14 Senior Managers

Instruction time



- 5 weeks of online material:
 - Self-paced modules
 - Videos
 - Quizzes
 - Homework
 - Discussion Groups
- Live instruction:
 - 24 hours (Credit Officer Course)
 - 8 hours (Senior Manager Course)

SABP: Key Outputs and Feedback

❑ SABP Kick-off article in the FCPF/ISFL Quarterly newsletter (October 2020)

❑ Feedback already received from Participants:

We appreciate you and the entire World Bank team for such a detailed and an insightful programme. We will adapt the knowledge acquired and apply same to our work at OmniBSIC.

- George Yaw Asae, OmniBSIC

With the program, it was possible to develop skills for better decision-making in various scenarios of credit analysis for the agricultural sector and help the various actors in the value chain of the agricultural sector. Regarding the program it was very well organized and well conducted, the sessions were very interactive and willingness to help all participants was notorious.

My suggestion for the next programs is to invite us more often.

- Bruno Canana, BancoMais

We also thank you for the good organization of this course which has been very beneficial for our institution and our professional career in agricultural finance.

We are already working to put into practice all the basis acquired during this course.

- Yves Sengo Dieka, Equity

SABP: Next steps

- ❑ Wrap-up website article on FCPF & ISFL, Climate and ENB channels
- ❑ Development of fully self-guided course on the OLC
- ❑ Follow up with the 5 banks that presented value chain financing structures [including deep dive photo essay if possible] (Spring 2022)
- ❑ Investigation into further dissemination opportunities including possible webinar on sustainable agriculture and agricultural financing



A person wearing a blue long-sleeved shirt, a green cap, and dark shorts is crouching in a field of tall palm fronds. They appear to be working with the fronds, possibly harvesting or processing them. The background shows a dense stand of these plants under bright, natural light. The overall scene suggests a rural or agricultural setting.

9. MONITORING AND EVALUATION

Monitoring and Evaluation: Completed Work



- ❑ **Completed performance measurement** for FY21.
- ❑ **Formal version of the Completed RF Activity Report Questionnaire** created and placed on the website.
- ❑ **Evaluation plan, milestones, and targets are updated** in the Monitoring and Evaluation Framework to reflect the impact of the Readiness Fund extension to December 2022.
- ❑ **Completion** of the "[Case Studies for Baseline Data Collection](#)" exercise of selected case study countries are **Côte d'Ivoire, El Salvador, Ghana, Indonesia, and Peru.**
 - Key lessons discussed during PC/PA
 - Summary report circulated with documents for this PC/PA meeting on the FCPF website.

Case Studies for Baseline Data Collection Exercise

- ❑ Objective was to generate data on a diverse group of FCPF countries to feed into the development of a baseline for future evaluations and learning activities.
- ❑ Five case studies (Côte d'Ivoire, El Salvador, Ghana, Indonesia, and Peru)
- ❑ A baseline data collection exercise that was undertaken in 2020 with the purpose of Data was collected pertaining to the OECD DAC Evaluation criteria of relevance, coherence, effectiveness, efficiency, sustainability, and impacts
- ❑ A combination of primary (interviews, field visits) and secondary (document review) information.



Key lessons from the Exercise

Lessons related to data availability and ability to evaluate said data:

- ❑ It is still **too early in the process** to document several indicators of the FCPF M&E framework, especially those pertaining to capacity built (capacity to use, maintain, and/or enhance tools and mechanisms developed with support from the Readiness Fund), and those on the progress, outcomes, and impacts of the Carbon Fund.
- ❑ **Self-reporting mechanisms**, while valuable sources of information, have **led to inconsistencies** in documenting several indicators
- ❑ Stakeholders **do not always have clarity** on which REDD+ activities were supported by the FCPF, which **complicates the attribution of results and achievements to the FCPF**
- ❑ It is **difficult to document indicators pertaining to the influence of the FCPF and its learning and knowledge products on national processes and private sector engagement**

Recommendations from the Exercise

Recommendations for future FCPF learning and M&E activities:

- ❑ This exercise will help to lay the groundwork for evaluating influence. The following key questions should be considered:
 - Identify who, what, and in what ways FCPF Carbon Fund Emission Reductions Programs intend to influence
 - Identify the main learning and knowledge products that will be used to assess influence
 - Develop an analytical framework to identify and document influence pathways
- ❑ Review participating countries' readiness to assess non-carbon benefits
- ❑ Reconsider the focus of planned evaluations to ensure that the timing is conducive to documenting related indicators
- ❑ Consider revising the ER Monitoring Report template to improve reporting on indicators and enhance learning opportunities

Monitoring and Evaluation: Next Steps

❑ Next evaluation:

Final Evaluation of the RF and Progress of CF with a focus on influence and non-carbon benefits

- The Secretariat will write the TORs before the next PC/PA.
- At the next PC/PA (November 2022), we will reconstitute the EOC who will immediately review the TORs and finalize.
- January 2023 – the Secretariat will contract the firm to undertake the evaluation

* For more information, please see the MEF (Pg. 36) as well as previous TORs for evaluations (FCPF website) and presentation from PC26/PA11 Day 2 (FCPF website).





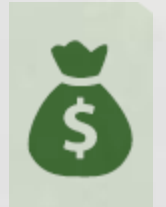
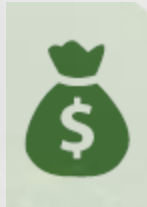
10. COMMITMENTS AND DISBURSEMENTS

Commitments and Disbursements for Readiness Fund

Commitments and Disbursements as of October 31, 2021	Total	WB (36 countries +25 Additional Funding Grants)	UNDP (Cambodia, Honduras, Kenya, Panama, Paraguay, PNG, Suriname)	IDB (Guatemala, Guyana, Peru)
Grant Allocations by the PC	\$314.3 m	\$251.6 m	\$41.3 m	\$21.4 m
Change since PA13 PC29	\$0 m	\$0 m	\$0 m	\$0 m
Commitments per Signed Legal Agreements	\$314.3 m	\$251.6 m	\$41.3 m	\$21.4 m
Change since PA13 PC29	\$3.1 m	\$3.1 m	\$0 m	\$0 m
Disbursements	\$278 m	\$219.7 m	\$40.2 m	\$18.1 m
Change since PA13 PC29	\$24.9 m	\$18.8 m	\$4.4 m	\$1.7 m

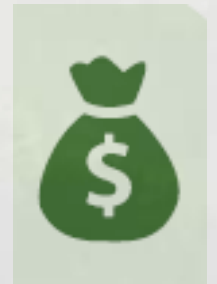
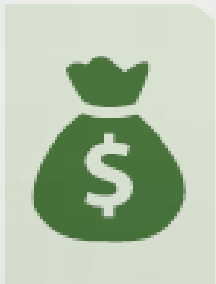
Bank-Executed Additional Financing for Readiness Fund

Bank-Executed Additional Activities	Committed as of October 31, 2021	Total Allocations
MRV	\$6 m	\$6 m
Private Sector Engagement	\$3 m	\$3 m
IP/CSO	\$1.3 m	\$1.3 m
Country Forest Notes	\$1.1 m	\$3 m (reduced to \$1.5 m)
TOTAL	\$11.4 m	\$13.3 m



Carbon Fund Commitments

Country	ERPA Contract Value
Chile	\$26 m
Costa Rica	\$60 m
Cote D'Ivoire	\$50 m
Dominican Republic	\$25 m
DR Congo	\$55 m
Fiji	\$12.5 m
Ghana	\$50 m
Guatemala	\$52.5 m
Indonesia	\$110 m
Lao PDR	\$42 m
Madagascar	\$50 m
Mozambique	\$50 m
Nepal	\$45 m
Republic of Congo	\$41.8 m
Vietnam	\$51.5 m
Total	\$721.3 m





11. CONCLUDING MESSAGES

Concluding Messages

Carbon Fund

- ❑ **All fifteen ERPAs have been signed!**
- ❑ **The first payment** has been made to **Mozambique** in the amount of **\$6.4 million** for **reducing 1.28 million tons** of carbon emissions since 2019;
- ❑ **6 ERPAs** (out of 15) have met all their **COEs**; **Seven** final BSP's published, **Four** ER monitoring reports available, **Two** have been submitted;
- ❑ What does this mean: We are steadily moving towards more **FCPF ER payments**;



Concluding Messages

Readiness Fund

- ❑ The current term of the Readiness Fund **ends December 2022**. Countries must therefore **ensure that grants are disbursed** by that date;
- ❑ **FMT will push hard**—including through our BETF work on MRV, Private Sector, Social Inclusion, Knowledge Management, etc— **to maximize disbursements and to generate as much impact as possible from the RETF grants** in this final year of the Readiness Fund;
- ❑ As of Oct 31, 2021, **the unallocated funding stands at \$26.3 million**. This might increase since —despite all efforts— some grants will not fully disburse by December 2022. **Investment income generated from the Carbon Fund** balance will also continue to generate additional funds;
- ❑ **FMT issued and coordinated many reports and technical notes** to provide lessons learned and technical insights that aim **to help move the REDD+ agenda forward**;
- ❑ Looking ahead: envisioning that **the new World Bank Umbrella Trust Fund -- the CERF can build on and expand FCPF's achievements** in the future;



THANK YOU

forestcarbonpartnership.org