

**FOREST CARBON PARTNERSHIP FACILITY (FCPF)  
ORGANIZATIONAL CARBON FUND MEETING  
May 31 – June 1, 2011  
Barcelona, Spain**

**Resolution CFM/1/2011/1**

**Approval of the FY12 Annual Budget for the Carbon Fund &  
Apportioning the Common Costs**

**Whereas:**

1. In accordance with Section 19.1(a) of the Charter Establishing the FCPF (“Charter”), the Carbon Fund of the FCPF shall have its own budget,
2. In accordance with Section 14.1(n) of the Charter, the Facility Management Team (FMT) is responsible to propose an Annual Budget of the Carbon Fund,
3. Section 12.2(a) of the Charter provides that the Carbon Fund Meeting shall make decisions related to the Carbon Fund, which includes the approval of the Annual Budget of the Carbon Fund, and
4. In accordance with Section 19.1(a)(ii), all costs and expenses incurred in the administration of the Carbon Fund jointly (Common Costs) shall be borne by the Carbon Fund Participants in each Tranche of the Carbon Fund based on the pro rata share of the capitalization of each of the Tranches as of March 31 each year, unless the Carbon Fund Participants decide otherwise,

**The Carbon Fund Meeting (CFM) hereby approves,**

1. The Annual Budget of the Carbon Fund for FY12 (July 1, 2011 through June 30, 2012) attached to this Resolution.
2. Without prejudice to Section 14.1(n) of the Charter, that the FMT shall prepare a long term business plan for the Carbon Fund for the October 2011 Carbon Fund Meeting.
3. In accordance with Section 19.1(a)(ii) of the Charter, that all costs and expenses incurred in the administration of the Carbon Fund jointly (Common Costs) shall be borne by the Carbon Fund Participants in each Tranche of the Carbon Fund based *initially* on the pro rata share of the commitments made to each of the Tranches of the Carbon Fund as of March 31, 2011. Upon the First Closing of the Carbon Fund, expected by June 30, 2012, the pro rata shares will be adjusted to include all commitments signed by the First Closing. There will be no adjustment to pro rata costs for the date upon which each Carbon Fund Participant entered into its commitments before the First Closing. After the First Closing, a catch-up fee would be required for new commitments. The FMT is requested to undertake analysis and propose the level of the catch-up fee.
4. That funding from the Shared Costs should be provided to support the participation of the REDD Country Participant observer(s) and Indigenous Peoples’ observer(s) in open Carbon Fund meetings, in accordance with the Rules of Procedure (to be adopted).

Decided on June 1, 2011

# FCPF Carbon Fund FY12 Approved Budget

<b>Budget Lines</b>	<b>Amount (US\$)</b>
Carbon Fund Administration	535,000
<i>of which: Marketing to private sector</i>	<i>45,000</i>
Basic meeting logistics (2 in-person meetings)	50,000
ERPA Costs (early selection, development of 2 ER Programs)	60,000
<b>Total FY12 (excluding Shared Costs)</b>	<b>645,000</b>
Shared Costs (estimates, subject to PC decision at PC9)	~1,200,000 – 1,450,000