June 29, 2012 FINAL

Forest Carbon Partnership Facility (FCPF)
Participants Committee
Twelfth Meeting (PC12)

June 26-30, 2012

Hotel Estelar, Santa Marta, Colombia

(**http://hotelesestelar.com/en/hoteles/santa-marta/estelar-santamar-hotel-y-centro-de-convenciones**)

Tuesday, June 26

Pre-PC Workshops (Optional)	
07:00	*Breakfast*
08:30	**Workshop 1**: Sharing views on the Readiness Package
11:00	*Coffee break*
11:30	**Workshop 2**: Discussion of the recommendations of the PC Working Group on the methodology and pricing for the FCPF Carbon Fund
13:30	*Lunch break*
14:30	**Workshop 3**: Country Needs Assessment with presentation of report
17:30	*Coffee break*
17:45	Informal discussions in REDD Country Participants' regional groups (open to other Participants and Observers)

Wednesday, June 27

07:00	*Breakfast*
1. Opening	
09:00	1a. Welcome (Benoît Bosquet)
09:15	1b. Official opening (Andrea García-Guerrero, Climate Change Director, Ministry of Environment and Sustainable Development of Colombia)
09:45	1c. Review and approval of meeting agenda (Alejandra Torres and Patrick Wylie)
10:00	1d. Overview of contact groups and PC Resolutions (Sachiko Morita)
10:15	1e. FMT's progress report (Benoît Bosquet)
11:00	*Coffee break*
2. Readiness Package and Mid-Term Progress Report	
11:30	2a. Readiness Package: FMT proposal and feedback from regional videoconferences (Alexander Lotsch)
13:00	*Lunch break, contact groups on draft PC Resolutions*
14:00	2a. Readiness Package (continued)
15:00	2b. Process for mid-term progress report review and allocation of increased readiness grant support to REDD Country Participants (Stephanie Tam)
16:30	*Coffee Break*
3. Carbon Fund	
17:00	3a. Recommendations of the PC Working Group on the Methodological and Pricing Approach for the Carbon Fund (John Goedschalk, Duncan Marsh, Ken Andrasko)
19:00	*Contact groups on draft PC Resolutions*
20:30	*Reception hosted by the Government of Colombia*

Thursday, June 28

07:00	*Breakfast, contact groups on draft PC Resolutions*
4. Formal R-PP Assessment	
08:30	4a. Introduction and presentation of ad hoc TAPs for PC12 R-PPs (Ken Andrasko)
08:45	4b. TAP overview of R-PPs presented at PC12 (TAP)
09:00	4c. Nicaragua (Javier Gutierrez, TAP, PC, World Bank)
10:15	*Coffee Break*
2. Readiness Package and Mid-Term Progress Report (continued)	
10:45	2c. DRC mid-term progress report (Léon Kanu Mbizi, Henk Hoefsloot, André Aquino)
12:15	*Lunch break, contact groups on draft PC Resolutions*
5. Informal R-PP Presentations	
13:45	5a. El Salvador (Jorge Ernesto Quezada Díaz, TAP, PC, World Bank)
14:30	5b. Burkina Faso (Samuel Yéyé and Bertrand Tapsoba, TAP, PC)
6. FY13 Readiness Fund Budget	
15:15	6a. Presentation of proposed analytical work, knowledge management, and centrally sourced activities (Simon Whitehouse)
16:30	6b. Presentation of FY13 budget proposal (Simon Whitehouse and Erin Conner)
18:00	*Contact groups on draft PC Resolutions*

Friday, June 29

07:00	*Breakfast, contact groups on draft PC Resolutions*
7. Knowledge Sharing Panels	
08:00	7a. Community forestry and REDD+ (André Aquino)
09:30	*Coffee break*
09:45	7b. National registries for REDD+ (Anja Bursche)
11:15	7c. Contracting for forest carbon (Franka Braun)
12:45	*Lunch break, contact groups on draft PC Resolutions*
8. Other Business	
14:00	8a. Update on Multiple Delivery Partner Arrangement (Benoît Bosquet, Sachiko Morita, Tim Clairs, Hanna Uusimaa, Alberto Sandoval)
14:30	8b. Update on regional Indigenous Peoples' dialogues (Soikan Meitiaki, Grace Balawag, Edwin Vasquez)
15:00	8c. Reorganization of FCPF capacity building programs (Benoît Bosquet, Soikan Meitiaki, Josh Lichtenstein)
15:30	8d. FCPF communications update (Erin Conner)
16:00	8e. Next meetings (Erin Conner)
16:15	*Coffee break*
9. Closing	
16:30	9a. Adoption of PC Resolutions (Co-chairs)
17:30	9b. Co-chairs' conclusions (Co-chairs)
18:00	9c. Formal closing (Ms. Adriana Soto, Vice Minister of Environment and Sustainable Development of Colombia, and Mr. Ede Ijjasz-Vasquez, Director for Sustainable Development, Latin America and the Caribbean Region, World Bank)
18:30	*End of meeting*

Saturday, June 30

07:00	*Breakfast*
Field Visit (Optional)	
08:00	Departure for Tayrona National Park
18:00	Return to Santa Marta

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Tuesday, June 26

Pre-PC Workshops

To respond to the requests for improving communications in the FCPF and enhance the capacity of REDD Country Participants to engage in PC discussions, workshops will be organized prior to the PC12 meeting and give an opportunity to Participants and Observers to discuss three main topics: (1) the Readiness Package; (2) the recommendations of the PC Working Group on the methodology and pricing for the FCPF Carbon Fund; and (3) the Country Needs Assessment undertaken jointly with the UN-REDD Programme.

The format for these workshops will be informal. Each one will include an introduction to the topic at hand, followed by ample time for discussion. Simultaneous interpretation in English, French and Spanish will be provided. FMT staff will be available as resource persons.

Following these three workshops, REDD Country Participants will have the opportunity to gather in their regional or sub-regional groups (i.e., Anglophone Africa, Francophone Africa, Asia, Meso-America and South America) to continue the discussions in an informal setting. Other Participants are welcome to join the discussions. No interpretation will be provided as it is assumed that these discussions would be conducted in the prevailing language of each regional or sub-regional group.

Session 1c (Review and approval of meeting agenda)

The PC12 Co-chairs (Alejandra Torres of Colombia on behalf of the REDD Country Participants and Patrick Wylie of Canada on behalf of the financial contributors) will introduce and request approval for the agenda, focusing on the key topics and objectives and expected PC actions.

Session 1d (Overview of contact groups and PC Resolutions)

The FMT will briefly introduce the topics that require deliberation in the PC contact groups and adoption of a PC Resolution at PC12. See table below.

Session Number & Topic	Resolution	Group Facilitator from FMT/WB	Meeting Room	Time of First Meeting
2a. Readiness Package	✓	Alexander Lotsch	Sala 2 (upstairs)	Wednesday lunch time
2b. Process for mid-term progress report review and allocation of increased readiness grant support	✓	Stephanie Tam	Ciudad Perdida	Thursday lunch time
3a. Methodological Framework and Pricing Guidance for CF	✓	Ken Andrasko	Ciudad Perdida	Wednesday evening
4c. Nicaragua R-PP assessment	✓	Peter Saile	Sierra Nevada	Thursday lunch time
6b. FY13 budget approval	✓	Simon Whitehouse	Sala 2 (upstairs)	Thursday evening

Session 1e (FMT's progress report)

The FMT will provide an update on recent FCPF developments and prospects.

Background documentation: A presentation will be available on the PC12 webpage. The updated Dashboard and Country Progress Sheets will also be available on the FCPF website.

Expected PC action: The PC would provide feedback and guidance to the FMT with a view to informing the process of designing a monitoring and evaluation system for the FCPF.

Session 2a (Readiness Package: FMT proposal and feedback from regional videoconferences

The generation of a Readiness Package (R-Package) is a major milestone in the REDD+ Readiness preparation process. In this session the FMT will summarize the role of the R-Package in the Readiness preparation process and key associated aspects that FCPF Participants and Observers have discussed and mostly agreed on. The focus of the session is on important additional considerations related to (i) purpose, (ii) scope, (iii) assessment process, and (iv) PC endorsement of the R-Package, and feedback from on a series of video-conferences with REDD countries held between May 29 and June 1, as well the informal work on the R-Package prior to PC12 held on June 26 (see annotation on Pre-PC workshops above).

Background documents: FMT Note 2012-6 "The Role of the Readiness Package in the FCPF and the Readiness Preparation Process" will be available on the PC12 webpage.

Expected PC12 action: The PC would adopt a Resolution on the purpose, scope and assessment process for the R-Package; and mandates FMT to assist REDD Country Participants in developing an assessment framework to guide REDD+ Readiness country self-assessment and PC review.

Session 2b (Process for mid-term progress report review and allocation of increased readiness grant support to REDD Country Participants)

As per the FCPF Charter and Resolution PC/7/2010/3, during implementation of a Readiness Preparation Grant Agreement, a REDD Country Participant must submit a mid-term progress report to the PC, and the FMT may develop a format for the reporting. In addition, at PC10 in October 2011, the PC adopted Resolution PC/10/2011/1.rev, which enables the PC to provide additional funding of up to US$5 million to an eligible REDD Country Participant that meet certain criteria, including having had their mid-term progress report considered by the PC.

Background documentation: FMT Note 2012-7 "Process for submitting and reviewing mid-term progress reports and requests for additional funding by participating REDD+ countries" will be available on the PC12 webpage. This note proposes a format for mid-term progress reporting and a process for submitting and reviewing mid-term progress reports and requests for additional funding of up to US$5 million, submitted by REDD Country Participants.

Expected PC action: The PC may wish to: (1) agree on a process at PC12; or (2) consider adjusting the proposed process for agreement at PC13.

Session 2c (DRC mid-term progress report)

The Democratic Republic of Congo has been actively engaged in the REDD+ Readiness process since January 2009. The country will make an informal presentation of the progress achieved to date towards REDD+ Readiness. This section will be structured around three presentations: (i) the Government of DRC will present an informal progress report according to the FMT-proposed model; (ii) an independent consultant hired by the Government of DRC will present the findings of a recent mid-term evaluation mission; and (iii) the World Bank, in its capacity as Delivery Partner, will present its assessment of the progress achieved so far. It is expected that these discussions will inform the ongoing discussions on process for PC reviews of mid-term progress reports.

Background documentation: An integrated progress report prepared by the DRC Government will be available on the PC12 webpage.

Expected PC action: The PC would consider the DRC's report and World Bank assessment and determine if they fulfill expectations. Based on the DRC's progress report and the proposed procedures for reviewing mid-term progress and requesting additional funding (as discussed in session 2b), the PC would decide whether and when a PC resolution on the allocation of additional funding to the DRC may be adopted.

Session 3a (Recommendations of the PC Working Group on the Methodological and Pricing Approach for the Carbon Fund)

The PC requested the FMT to establish a working group on the methodological and pricing approach for

the Carbon Fund of the FCPF (Working Group). The PC invited designated REDD Country Participants, Donor Country Participants, Carbon Fund Participants and Observers to comprise the Working Group (in accordance with Resolution PC/10/2011/5). The purpose of the Working Group was to make recommendations to the PC for consideration and adoption of policy guidance on a pricing approach and a methodological framework at PC12. In this session, the Working Group will present its recommendations as well as any feedback from teleconference calls held between June 11 and 14 and the June 26 pre-PC workshop on the same topic.

Background documentation: FMT Note 2012-8 "Recommendations of the PC Working Group on Methodological and Pricing approach" will be available on the PC12 webpage.

Expected PC actions: The PC would adopt a Resolution containing guiding principles on the key methodological framework and policy guidance on a pricing approach using the Recommendations from the Working Group.

Session 4a (Presentation of ad hoc Technical Advisory Panels for PC12 R-PPs)

The FMT will present an overview of the TAP members that reviewed the R-PPs. The assessment of R-PPs submitted for consideration at PC12 were conducted by (3) teams of TAP members who reviewed three R-PPs; and (3) groups of PC members who reviewed R-PPs.

Background documentation: The R-PPs from Nicaragua, El Salvador and Burkina Faso and the corresponding TAP summary reviews are available on the PC12 webpage. The R-PP Assessment 01-10-2011 outlining the R-PP review process is available in the "Templates and Guidance" section of the FCPF website at http://www.forestcarbonpartnership.org/fcp/. Version 6 of the R-PP template is also available on the FCPF website.

Expected PC action: The PC will have the opportunity to discuss and ask for clarifications about the process of selecting current TAP members for submitted R-PPs, and about the process of their assessment. PC will use this overview and background information to inform the process for a resolution to be taken after the formal presentation of the R-PP from Nicaragua, and to acknowledge assessment of the El Salvador and Burkina Faso R-PP's.

To date, the TAP and PC review processes have been kept completely independent of each other. Draft TAP comments have not been shared with PC members reviewing R-PPs until the TAP comments are finalized in the weeks prior to a PC meeting. However, PC members may find it useful to see the draft TAP comments early on, to feed into their own reviews. The PC is requested to provide guidance on whether draft TAP comments should be shared systematically with PC reviewers.

Session 4b (TAP's overview of R-PPs presented at PC12)

The TAP lead reviewers will give a single overview presentation of their assessments of the R-PP submitted for formal consideration at PC12 (Nicaragua), as well as the two informal submissions (El Salvador and Burkina Faso). Any additional country-specific comments will be provided by the TAP in the individual R-PP sessions.

Background documentation: The TAP synthesis reviews of each R-PP will be available on the PC12

webpage.

Expected PC action: None.

Session 4c (Nicaragua R-PP for formal assessment)

Nicaragua has submitted its R-PP for formal assessment by the PC. The country representatives will present the R-PPs, followed by brief comments by the TAP, the PC reviewers, and the World Bank as Delivery Partner. The PC will then discuss the R-PP.

Background documentation: The R-PP, TAP synthesis review, and preliminary PC synthesis review will be available on the PC12 webpage.

Expected PC action: The assessments of the R-PP could conclude in a Resolution by the PC as to whether the R-PP provides a sufficient basis for funding to move ahead with preparation for readiness and to request the World Bank acting as Delivery Partner to complete due diligence with a view to entering into a grant agreement.

Sessions 5a and 5b (El Salvador and Burkina Faso R-PPs for informal presentations)

El Salvador and Burkina Faso (the latter not an FCPF REDD Country Participant but a FIP pilot country who was invited by the PC to follow the FCPF process) have submitted their R-PPs, which will be discussed informally.

Background documentation: The R-PPs, TAP synthesis reviews (for both El Salvador and Burkina Faso), and preliminary PC synthesis review (in the case of El Salvador only) will be available on the PC12 webpage.

Expected PC action: The PC would provide feedback and guidance to El Salvador on ways to improve its R-PP with a view to a future resubmission. No action is expected for Burkina Faso.

Session 6a (Presentation of proposed analytical work and knowledge management activities for FY13)

PC10 engaged in a strategic level discussion on the future direction of the FCPF, in particular the Readiness Fund, and suggested follow-up actions in Resolution PC/10/2011/1.rev. One of the follow-up actions was for the FMT to present a detailed proposal and budget estimate for analytical work, knowledge management, and centrally sourced activities, including South-South exchange and linkages between REDD+ and FLEGT, based on a quick assessment of the REDD countries readiness needs by PC12. The FMT will present the proposal for analytical and knowledge management activities and the overall status of the projected use of funds in the Readiness Fund including activities provisionally approved at previous PC meetings.

Background documentation: FMT Note 2012-9 "Strategic Direction of the FCPF: Activities to be supported through Readiness Fund" will be available on the PC12 webpage.

Expected PC action: The PC is expected to provide feedback and guidance on the prioritization of activities to be supported by the Readiness Fund in FY13 and beyond in the context of the FY13 budget discussion and approval (see session 6b below).

Session 6b (Presentation of FY13 budget proposal)

The FMT will present its FY13 budget proposal to the PC for approval. FY13 begins on July 1, 2012, and a review of estimated expenditures through FY12 will also be provided, with the final FY12 accounts to be provided as part of the FY12 Annual Report before PA5/PC13.

Background documentation: A presentation on the proposed FY13 budget will be available on the PC12 webpage, which complements FMT Note 2012-9 referred to in session 6a above.

Expected PC action: The PC would adopt a Resolution approving the base FY13 budget plus decisions on specific additional activities as discussed in more depth in the context of the Country Needs Assessment under agenda item 6a.

Session 7a (Knowledge Sharing Panel: Community Forestry and REDD+)

Advancing community forestry, i.e., devolving forest management rights (and obligations) to local communities, has demonstrated its effectiveness in reducing deforestation and forest degradation. However, long-term support to forest-dependent communities and incentive mechanisms to compensate them for foregone revenues from conservation are required, which REDD+ has the potential of providing. Hence, community forestry and REDD+ can be mutually reinforcing and contribute to sustainable development and the delivery of co-benefits.

This knowledge sharing panel will address the role that community forestry can play as an effective policy option in a national REDD+ strategy, discuss the main challenges to making community forestry a reality, and reflect on how REDD+ could advance community management of forests.

Panelists will address the topic from a range of perspectives, as follows:

- André Aquino (World Bank): General linkages between community forestry and REDD+, including sharing lessons from "REDD+ and Community Forestry: Lessons from an Exchange of Brazilian Experiences with Africa" (see http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTSDNET/0,,contentMDK:22830889~menuPK:64885113~pagePK:7278667~piPK:64911824~theSitePK:5929282,00.html);

- Juan Reategui Silva (COICA): Examples of how Indigenous Peoples' traditional forest management has helped reduce deforestation;

- Ricardo Ramírez (Mexico): How community forestry has evolved in Mexico and its role in the country's emerging REDD+ strategy;

- Gervais Itsoua Madzous (Republic of Congo): Civil society engagement in the design of community forest policy for the Republic of Congo.

Presentations will be followed by a PC discussion.

Moderator: André Aquino

Session 7b (Knowledge Sharing Panel: National registries for REDD+)

The development of national registries to track emission reductions from REDD+ is emerging as a key part of the institutional framework for REDD+ at the national level. Registries can contribute to increasing transparency around REDD+ projects and activities, ensuring environmental integrity, monitoring and reporting of co-benefits, and preventing legal disputes over rights to emissions reductions. Countries moving forward with a project or nested approach to REDD+ have shown particular interest in the registries, giving private transactions taking place in their territories. CSO groups have also shown interest in how registries may increase transparency around REDD+. This panel will bring together different stakeholders to present policy and technical aspects of national registries for REDD+. It will include the following speakers, followed by discussions in the PC.

Panelists:

- Anja Bursche (KfW, Germany): What are the purposes of registries for REDD+?

- Bruno Guay (Democratic Republic of Congo): The DRC experience in developing regulations for REDD+ projects and a national registry;

- Jane Lloyd (Markit): Registries as part of the pathway to REDD+ infrastructure development in countries;

- Maria del Pilar Valencia (Instituto Latinoamericano para una Sociedad y un Derecho Alternativos): Presentation of a legal analysis on the validity, from a rights-based perspective, of several contracts in the voluntary carbon market having been signed by companies with indigenous and Afro-descendants in Colombia.

Moderator: Anja Bursche (KfW, Germany)

Presentations will be followed by a PC discussion.

Session 7c (Knowledge Sharing Panel: Contracting for forest carbon)

Carbon markets, regulated and voluntary, have dealt with forest carbon transactions for years now. Various forest carbon projects were developed as part of the Clean Development Mechanism of the Kyoto Protocol, and the voluntary market. Bilateral agreements between sovereign nations or sub-national entities have also promoted forest carbon transactions. These have generated important lessons in terms of contract design, main principles and definitions and rights and responsibilities in a forest carbon transaction. As FCPF Participants discuss how to structure the FCPF Carbon Fund operations, it is relevant to take stock of these lessons to date from World Bank and other initiatives, in particular the BioCarbon Fund. Colombia, the PC12 host country, has itself accumulated considerable experience in forest carbon projects.

Panelists (TBD):

- Markus Pohlmann (World Bank): Introduction to forest carbon contracts, experience from the BioCarbon Fund and specificities of the FCPF;

- Thomas Black (Centro Andino para la Economía en el Medio Ambiente): Colombia's experiences with forest carbon to date;

- Sandra Ruíz (Corporación Autónoma Regional de los Valles del Sinú y San Jorge): Lessons learned from the BioCarbon Fund Colombia Caribbean Savannah Project; and

- Franka Braun (World Bank): Lessons learned from other BioCarbon Fund projects.

Moderator: Franka Braun (World Bank Carbon Finance Unit)

Presentations will be followed by a PC discussion.

Session 8a (Update on Multiple Delivery Partner Arrangement)

Representatives of the FMT, FAO, IDB and UNDP will provide an update to the PC on developments in the pilot Multiple Delivery Partner arrangement, including Transfer Agreements with IDB and UNDP, and the FAO's consultation with Indigenous Peoples.

Background documentation: None

Expected PC action: None

Session 8b (Update on regional Indigenous Peoples' dialogues)

Forest-dependent Indigenous Peoples and Forest Dwellers, as they are referred to in the FCPF Charter, are crucial partners for REDD+. PC10 approved financing three regional and one global Indigenous Peoples dialogues on the FCPF. The Pan Africa Dialogue of Indigenous Peoples took place in Arusha, Tanzania in April 2012. The Meso- and South-American and Caribbean Dialogue is to be held in Peru in August 2012, the Asia Dialogue is scheduled for September 2012 in Chiang Mai, Thailand, and the global dialogue is scheduled for Indonesia in November 2012. Indigenous Peoples' observers will updated the PC on dialogues held to date and plans for upcoming dialogues.

Background documentation: An FCPF website page has been dedicated to dialogues with Indigenous Peoples (see http://www.forestcarbonpartnership.org/fcp/node/513). All the materials pertaining to these events, including presentations, action plans and reports, can be accessed from there.
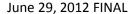
Expected PC action: None

Session 8c (Reorganization of FCPF capacity building programs)

As suggested in FMT Note 2012-5 presented at PC11, the capacity building program for Forest-dependent Indigenous Peoples and Forest Dwellers switching to a small grants system is being reorganized and will use the World Bank's small grants procedures in the future. The same will apply to the newly created capacity building program for southern CSOs. Representatives of the FMT, Indigenous Peoples and CSOs will present the blueprint for the new systems.

Background documentation: Proposals supported under the capacity building program for Forest-dependent Indigenous Peoples and Forest Dwellers to date can be viewed at http://www.forestcarbonpartnership.org/fcp/node/248.

Expected PC action: None

Session 8d (FCPF communications update)

The FMT will report on recent enhancements in FCPF communications, including recruitment of staff focusing on knowledge management and communications, release of brochures on the FCPF, outreach, and the new FCPF website.

Background documentation: The new brochures that are available will be available on the PC12 webpage.

Expected PC action: None

Session 8e (Next meetings)

The FMT will present the proposed dates and venues for upcoming FCPF meetings.

Background documentation: The current calendar of meetings is available at http://www.forestcarbonpartnership.org/fcp/sites/forestcarbonpartnership.org/files/Documents/PDF/Dec2011/Next_Meetings_12-30-11.pdf.

Expected PC action: The PC would approve the dates for the upcoming meetings.

June 30: Optional field trip

On Saturday, June 30 the Ministry of Environment and Sustainable Development and the National Park Service will host a full-day field trip to Tayrona National Park. Along the way participants will observe hands-on experiences with community forest management, buffer zone management and will have the opportunity to discuss concepts of reducing deforestation and forest degradation with Park staff and inhabitants.

All participants wishing to take part in this trip need to register separately in writing to Mr. Martin Perez at MPerez@minambiente.gov.co with cc to Mr. Ranjith Menon at rranjith@worldbank.org.

Seats are limited and will be distributed on a first come first serve basis.

All persons entering the Park will have to provide evidence of yellow fever vaccination.

Participants in this optional trip will need sturdy walking shoes, a rain coat, sun screen and sun glasses.