

**Forest Carbon Partnership Facility**  
**Twenty-Fourth Meeting of the FCPF Participants Committee (PC24)**  
**Tenth Meeting of the FCPF Participants Assembly (PA10)**  
**Luang Prabang, Lao PDR, September 25-27, 2017**  
**Co-Chairs' Summary**

Dear Participants and Observers,

We are pleased to report that the Forest Carbon Partnership Facility (FCPF) Participants Committee (PC) and Participants Assembly (PA) held their twenty-fourth (PC24) and tenth (PA10) meetings, respectively, on September 25-27, 2017 in Luang Prabang, Lao PDR.

More than 120 representatives of governments, forest-dependent indigenous peoples (IPs) and forest dwellers organizations, and international and non-governmental organizations attended. We wish to express our [gratitude to the Government of Lao PDR](#) for their hospitality and the warmth extended to the participants.

We also wish to acknowledge several esteemed guests who participated in the meetings: Honorable Lina Pohl, Minister of Environment and Natural Resources, El Salvador; Honorable Kebede Yimam, State Minister of Environment and Climate Change, Ethiopia; Honorable Andre Johnson, Minister of Environment and Forest Resources, Togo; Honorable Dr. Vongsavanh Theppachanh, Vice Governor of Luang Prabang; and Honorable Dr. Phouang Parisak Pravongviengkham, Vice Minister of Agriculture and Forestry, Lao PDR.

All meeting materials are available at <https://www.forestcarbonpartnership.org/PA10PC24> and photos at <https://www.flickr.com/photos/fcpf>. Below are the main conclusions of the meeting, which will also be available in French and Spanish.

**Twenty-Fourth Meeting of the FCPF Participants Committee (PC24)**

**Readiness Packages**

The PC adopted resolutions endorsing Readiness Packages from [Ethiopia](#), [Indonesia](#), [Liberia](#), [Madagascar](#), and [Nicaragua](#). Participants noted the high quality of the information provided in the R-Packages and the rigor of the self-assessments. Participants recognized good practices demonstrated on different aspects of readiness implementation in each of the five countries, while encouraging them to take issues raised during the meeting into account during further implementation of readiness.

**Ethiopia**

Participants congratulated [Ethiopia](#) on the great progress achieved to date under the Readiness Progress, including through the Oromia Forest Landscape Program. Meanwhile, Ethiopia called on development partners and private actors to convene public and private financing, technology, and capacity building to support Ethiopia's implementation of the government's REDD+ priorities. Participants encouraged Ethiopia to take the following issues into account as they move forward:

- Strengthen coordination of relevant stakeholders—including development partners, sectors and private sector (and their respective projects and programs)—at national, regional and local levels, focusing particularly on the following areas: (i) mainstreaming of the REDD+ Strategy into the five-year national development planning process once it is approved; (ii) intersectoral coordination at policy level, including strengthening the complementarity of the strategic approaches of the forest, agriculture, and other relevant sectors; (iii) investment planning and monitoring at national, regional and local levels; and (iv) harmonization and/or improvement of key policy elements of the enabling environment for sustainable private sector investment.
- Continue to strengthen the process of consultation and capacity building for local communities and civil society organizations and make the relevant documents publicly available on the REDD+ website and in a clearly organized manner.
- Strengthen civil society participation and gender empowerment in the REDD+ process.
- Continue the development of the national Safeguard Information System (SIS).

### **Indonesia**

The PC commended the considerable work [Indonesia](#) has done to advance national readiness and environmental and social safeguards as well as the important progress on developing its national Forest Reference Emissions Level. Participants encouraged Indonesia to take the following issues into account as they move forward:

- Improve multi-stakeholder coordination, including participation of indigenous peoples, local communities and women, and increase the collaboration with other sectors (in particular agriculture, infrastructure and spatial planning, mining) on REDD+, both at the national and sub-national level.
- Address the various policy, legal and institutional reforms necessary for REDD+ implementation (some of which are outside the control of the Ministry of the Environment and Forests), including those identified in the R-Package and TAP review. In addition, improve law enforcement and advance implementation of policies and reforms (adopted and processes underway), including in relation to licensing, financing and incentive mechanisms, and land tenure, building on existing analyses.
- Complete the operationalization of the REDD+ implementation framework, especially the benefit sharing mechanism, the Feedback Grievance and Redress Mechanism (FGRM), the provincial institutional coordination arrangements, and the Environmental and Social Management Framework.
- Take into account the findings of Indonesia’s Nationally Determined Contribution (NDC) analysis when implementing the national REDD+ strategy.

### **Liberia**

The PC appreciated the efforts made by [Liberia](#) in the REDD+ readiness process, specifically in readiness management arrangements, stakeholder engagement, and gender mainstreaming. Participants encouraged Liberia to take the following issues into account as they move forward:

- Further promote and strengthen the engagement of the private sector through appropriate incentives in key commodity supply chains and at the local level for incentivizing community enterprise development.
- Continue to maintain and enhance the multi sectoral coordination platforms created at the national, sub national and local levels for REDD+ readiness while ensuring sustainability by anchoring these platforms in national policy framework in relevant institutions.
- Complete the next steps for developing a functional National Forest Monitoring System (NFMS) and the SIS, REDD+ registry and FGRM, as planned.

- Integrate assessment of forest degradation as part of the approach to establishing a Forest Reference Emission Level (FREL).
- Develop an appropriate benefit sharing mechanism for REDD+, taking into consideration existing benefit sharing arrangements nationally and lessons learnt from such arrangements.
- Consider developing an Emission Reductions Program to demonstrate results based payments in the near future.

### **Madagascar**

The PC praised [Madagascar](#) on the excellent progress it has made since the submission of its MTR, and acknowledged the high quality of its R-Package and the advancements in its stakeholder engagement process. In addition, the PC recognized the efforts made by Madagascar to link its REDD+ process with its NDC and to create synergies across sectors. Participants encouraged Madagascar to take the following issues into account as they move forward:

- Continue stakeholder engagement by strengthening the feedback process and engaging women and communities, including at the “fokontany” level, particularly in the design of the benefit sharing mechanism.
- Finalize the national REDD+ registry and associated monitoring mechanisms.
- Finalize the design and ensure proper implementation of the FGRM.

### **Nicaragua**

The PC congratulated [Nicaragua](#) for its strong engagement with indigenous and Afro-descendent communities as well as its efforts to integrate gender and youth in REDD+ readiness. Participants encouraged Nicaragua to take the following issues into account as they move forward:

- Continue to develop a robust benefit sharing mechanism that will inform the benefit sharing plan for the sub-national emission reductions program.
- Continue deepening the analysis of the applicable legal framework and policies to identify opportunities to improve policies and management.

### **Available Funding and Criteria for Additional Funding Requests**

The FMT presented an [FMT Note on available funding and criteria for additional funding requests](#) in the context of managing the Readiness Fund and limited resources as the term of the Readiness Fund draws closer. Given that currently available funding in the Readiness Fund had been wholly allocated at PC23 in March 2017, the FMT proposed some solutions to deal with the latest requests for funding. The FMT also confirmed to the PC that there is sufficient funding to meet all previous allocations, including the \$5 million allocation to the IP/CSO capacity building program.

The PC reached consensus on the proposals included in the FMT Note, this included:

- Not to make any grant allocations with a September 2017 signing deadline null and void, until after 30 November 2017 update.
- Establish a group waitlist system for allocations, based on timing of submissions (first-come, first-served).

### **Readiness Preparation Proposal**

#### **Gabon**

The PC welcomed the submission of an [R-PP by Gabon](#) and acknowledged the extensive progress made by the country to date. The PC allocated funding of up to \$1.95 million to [Gabon](#), subject to availability of funding in the Readiness

Fund, to enable it to move ahead with the preparation for readiness. During its continued readiness process, Gabon is encouraged to consider the following issue:

- Implement the consultation plan, ensuring communication and consultation with relevant local and national stakeholders, including private sector, civil society and local communities, in the land use planning process, documenting results of such communication and consultation, and integrating them into the design and implementation of the national land use plan.

### **Mid-term Progress Reports and Requests for Additional Funding**

[El Salvador](#), [Nigeria](#), and [Togo](#) presented their mid-term progress reports (MTRs) on their national REDD+ readiness progress and requests for additional funding. The PC adopted resolutions allocating the additional funding, subject to availability of funding in the Readiness Fund, to further support the readiness process in [El Salvador](#), [Nigeria](#), and [Togo](#).

#### **El Salvador**

The PC adopted a resolution, allocating up to an additional \$2.5 million, subject to availability of funding, to El Salvador. The PC commended El Salvador's strong progress on achieving the objectives of the FCPF Readiness Grant and encouraged the country to continue with its readiness preparation, taking into account the following issues:

- Clarify the role and participation of indigenous peoples in the readiness process.
- Analyze the drivers of forest degradation and potential REDD+ strategic options to address such drivers.

#### **Nigeria**

The PC adopted a resolution, allocating up to an additional \$4.94 million, subject to availability of funding, to Nigeria. The PC recognized Nigeria for advancing the readiness work despite delays in the first year of implementation. They also appreciated the country's efforts in linking readiness to the national agenda, such as through Nigerian sovereign green bonds. Nigeria is encouraged to take into consideration the following issues as it advances its readiness work:

- Enhance efforts for coordination, technical work and capacity building at federal and state levels necessary for expanding readiness to three additional states within the country.
- Continue outreach and consultations at federal and state levels to ensure that political commitment and momentum for REDD+ are maintained.

#### **Togo**

The PC adopted a resolution, allocating up to an additional \$2.93 million, subject to availability of funding, to Togo. The PC appreciated the significant progress made by Togo in the REDD+ readiness process in a relatively short amount of time. During continued readiness preparation, Togo is encouraged to consider the following issues:

- Finalize the National REDD+ Strategy in a participatory and inclusive manner, engaging all relevant stakeholders including vulnerable populations, indigenous peoples, and local communities, as appropriate, and taking into account the results of ongoing analytical studies.
- Ensure that the institutional arrangements created for REDD+ are internalized into the relevant government structures in an effective and sustainable manner.

## **Revised Delivery Partner Arrangement for Kenya and CAR**

The PC adopted a resolution, confirming the World Bank as the new Delivery Partner for the Central African Republic (CAR) and UNDP as the new Delivery Partner for Kenya.

## **Registries**

The FMT provided an [update on FCPF registry development](#) going forward, sharing feedback provided by Carbon Fund Participants at the sixteenth Carbon Fund meeting (CF16). As part of this exercise, the FMT introduced guidance developed by the Partnership for Market Readiness (PMR) and the FCPF on registries.

Participants made several suggestions in response to the presentation:

- They supported the FMT recommendation to pursue a simple, low cost, and flexible approach given the uncertainty on what will be required from registries in terms of functionality and compatibility under the Paris Agreement.
- Concerning the proposed survey of REDD+ countries on their preferences of having a centralized generic versus a national transaction registry, participants requested the survey be extended to a broader group of stakeholders, such as private sector actors that have experience in operating registries.
- Participants asked for the FMT to share ongoing work in developing a prototype of a national transaction registry in the DRC.

## **Revision of Monitoring and Evaluation (M&E) Framework**

In 2016, the second program evaluation of the FCPF recommended revising the FCPF's M&E Framework. In response to that recommendation, the M&E Framework is currently being reviewed, with a view to adopting a revised framework in late 2017. The consultant presented an [initial proposal](#) for revisions to the FCPF's M&E Framework indicators as a starting point for consultations with relevant stakeholders.

The presentation provided the following information:

- An outline of the principles guiding the indicator revision process.
- Indicator-by-indicator overview including the rationale for the proposed indicator, potential measurement approaches, implications (pros and cons), reporting responsibilities, and alignment with other REDD+ mechanisms.
- Summary comparison of original (2013) indicators and proposed indicator revisions.

The PC appreciated the highly participatory nature of the consultation process so far and authorized the Oversight Committee to review and endorse the revised M&E Framework and relevant documentation.

## **Next Meetings**

The twenty-fifth PC (PC25) meeting is [tentatively scheduled](#) for March, 2018 and will most likely be held in Washington DC. The FMT will confirm dates and advise on further details as soon as possible.

Deadlines for REDD+ Country submissions of MTRs, requests for additional funding, and Readiness Packages are available on the [FCPF homepage](#).

## **Tenth Meeting of the FCPF Participants Assembly (PA10)**

### **Progress Report from the FMT and the PC**

The FMT presented a [progress update](#) on Fiscal Year 2017 (July 1, 2016-June 30, 2017) and key achievements, which are captured in more detail in the FCPF Annual Report FY17. This update also served the purpose of the PC's report to the PA of work done over the past year.

Participants appreciated the overall progress made. Some reflections on key achievements until PA10 include:

- \$285.7 million in Readiness Preparation Grant funding has been allocated, of which \$222.8 million has been made available for REDD+ readiness through signed grants.
- 43 countries have signed Readiness Preparation Grants (versus 39 by end of FY16). This number includes Paraguay whose Readiness Preparation Grants were signed during the week of the PC/PA Meetings.
- Grant disbursements from the Readiness Fund continued to accelerate, and amount to \$110.5 million at the end of FY16 (compared with \$67.7 million at the end of FY16).
- A total of 29 countries have reached mid-term of REDD+ readiness (versus 14 by end of FY16). This includes the three countries—El Salvador, Nigeria, and Togo—who presented MTRs at PC24.
- Six additional countries presented their Readiness Package by the end of FY17, followed by five more at PC24. This brings the total number of Readiness Packages endorsed by the PC to 14 (versus 3 at the end of FY16).
- Four additional Letters of Intent (Cameroon, Fiji, Guatemala, and Lao PDR) were signed, with one additional LOI imminent (Indonesia), bringing the total to 19.
- Four more ERPDs were selected into Carbon Fund portfolio, bringing the total to six: Chile, Ghana, Democratic Republic of Congo, Costa Rica (provisionally), Mexico (provisionally), and Republic of Congo (provisionally).
- ERPA negotiations for Democratic Republic of Congo, Chile and Ghana are expected to commence in FY18 subject to World Bank's due diligence. A first ERPA signature is expected in the first half of FY18.
- As Phase 3 of the Capacity Building Program for Forest Dependent Peoples and Southern CSOs gears up, all six projects from Phase 2 are now operative and disbursing.
- In response to the second evaluation of the FCPF, the FMT has produced detailed action plans and papers to address the recommendations including, among others, the following:
  - A new strategy for increasing private sector engagement and a dedicated budget.
  - A knowledge-sharing and communications strategy that covers the period 2017–20.
  - A gender mainstreaming strategy that includes a work plan and associated budget, with initial support going to Ghana, Mexico, Nepal, and Vietnam.
  - A draft action plan for improving the modalities of the Capacity Building Program of Indigenous Peoples and Southern Civil Society Organizations.

Participants appreciated the impressive progress made by FCPF in FY17 and the ongoing transition from readiness toward results-based payments. They also look forward to celebrating the upcoming ten-year anniversary of the Facility in 2018. The FMT warmly welcomed the suggestion from REDD+ Country Participants that the countries more periodically share good examples of readiness progress with the FMT.

## **Remarks by Observers and Delivery Partners**

Observers and Delivery Partners provided remarks, including the following:

- IDB provided an update on progress made in Guatemala, Guyana, and Peru.
- UNDP provided an update on progress made in Cambodia, Honduras, Panama, Papua New Guinea, Paraguay and Suriname.
- UN-REDD Program provided an update on progress made at the program level, as well as readiness achievements supported at the country level.
- [Indigenous Peoples' representative](#) shared an appreciation of FCPF achievements in supporting capacity-building efforts and more effective and meaningful participation of IPs and local communities, while calling for greater focus on forest and land tenure concerns, more opportunities for women to contribute to REDD+ processes, and the availability of data disaggregated by ethnicity and gender.
- Southern CSOs representative expressed appreciation for progress achieved so far by FCPF and stressed the need for continued efforts and commitments to address climate change through action in the forest sector.
- Northern CSOs representative commended the FMT and REDD+ countries for accelerating program implementation and moving beyond higher-level policy discussions to more action on the ground.
- [International Organizations Observer](#) shared its reflections on the crucial role of REDD+ in implementing ambitious NDCs and meeting the objectives of the Paris Agreement and the importance of lessons learned by the FCPF informing the global REDD agenda.
- The Private Sector Observer reinforced the importance of leveraging the private sector to support the success of REDD+, especially in helping close the large financing gaps.

## **Election of New Participants Committee**

The Participants Assembly adopted a [resolution](#) electing the Participants Committee, Bureau and three REDD Country Participants to serve as observers of the Carbon Fund meetings, to serve until the next meeting of the Participants Assembly (expected to be held in September/October 2018).

- The following REDD Country Participants are elected as Members of the PC: Bhutan, Cameroon, Chile, Dominican Republic, El Salvador, Guyana, Liberia, Madagascar, Nicaragua, Pakistan, Tanzania, Thailand, Togo, and Uruguay.
- The following Financial Contributors are elected as the Members of the PC: Canada, European Commission, Germany, Italy, Japan, Norway, The Nature Conservancy, United Kingdom, and United States of America.
- The following PC Members shall serve as the Bureau of the PC: Chile, Dominican Republic, Germany, Madagascar, The Nature Conservancy, Pakistan, Tanzania, and United States of America.
- The following three REDD Country Participants have been selected by the REDD Country members on the PC Bureau to attend the Carbon Fund Meetings as Observers: Cameroon, Costa Rica, and Indonesia.

## **Joint FCPF- FIP Knowledge Day**

The FCPF and the Forest Investment Program (FIP) jointly hosted a knowledge-sharing day, consisting of 12 ninety-minute knowledge sessions (four per time slot) and a “knowledge café” featuring over 20 fast-paced 45-minute-long discussions (in two rounds).

### **Knowledge Sessions**

#### **Coordinating financing for large-scale climate engagement**

Countries are increasingly moving toward a more integrated and strategic approach to their forest and climate engagement, yet often rely on diverse sources of funding, which address discrete but overlapping objectives. In this session, country and World Bank representatives examined the ways countries can align these financing modalities to better respond to national priorities, streamline their instruments, and support overall NDC implementation.

#### **SME financing for sustainable forest management**

The importance of combining resources from public, private and other multi-stakeholder entities to work together in scaling up sustainable forest management through Small and Medium Enterprises (SMEs) is well known. Getting the enabling conditions right to mobilize resources from other actors is challenging. Better understanding of effective financing strategies in this complex area is key to fulfilling the contributions of forests to sustainable development and attaining the Paris agreement. The CIF’s new Evaluation and Learning Partnership on Financing Forest Related Enterprises considers the challenges that many face in finding effective business models and partners for forest investments. The team from IIED and LTS introduced early findings from the Partnership’s work, followed by perspectives from a panel including MDBs, private sector investors, forest companies on examples of successes and challenges in mobilizing financial resources for sustainable forest management.

#### **Successes and challenges in combating illegal logging and deforestation**

Illegal logging is a global issue, affecting most forested countries. Estimating the scale of its impact is challenging due its illicit nature. However, in-depth investigations into forestry practices from around the world, as well as research into the timber trade, all indicate that it is a substantial problem. Countries discussed their experiences tackling this problem at the national level, and how this requires collaborative work on good forest governance, law enforcement, trade controls, secure resource rights, and sustainable resource development, etc. The panel also discussed how to integrate voluntary efforts of the private sector, particularly from companies committed to zero deforestation in their supply chains, with public climate policies (particularly the alignment of agricultural expansion and forest conservation activities).

#### **Inclusive and sustainable forest management**

This session introduced the key gender challenges in the forest sector, and identified the main gender gaps as evidenced by research across different regions. Participants learned what kinds of actions and project activities could help address gender constraints and opportunities and came away with practical, tangible ideas to apply in their own forest projects and efforts.

#### **REDD+ strategy development**

Countries have pursued different approaches to developing and implementing REDD+ Strategies, with these strategies often operating in the context of larger national climate and sustainable development policy frameworks. In this session, countries shared their experiences drafting these strategies, with input from multiple stakeholders across various

sectors, and their successes and challenges in coordinating and implementing strategy options, particularly from an institutional perspective.

### **Engaging private sector in forest landscape programs**

Many companies, both multinational and domestic, have made commitments or expressed interest in achieving sustainable, zero net deforestation commodity production. Engaging the private sector in forest landscape programs offers a huge opportunity to scale-up program impact; however, only few country governments have been successful in exploring and advancing such partnerships with the private sector. In this session, several countries shared lessons on integrating the private sector into their programs: Ghana, in the case of eliminating deforestation from the cocoa supply chain, and Mozambique, on emerging partnerships with small and medium private sector companies around productive forest management.

### **Experiences on tenure in forest programs**

Forest tenure is a broad concept that includes ownership, tenancy and other arrangements for the use of forests. It is a combination of legally or customarily defined forest ownership and of rights and arrangements to manage and use forest resources. Forest tenure determines who can use what resources, for how long and under what conditions, and is of importance for the protection of indigenous and community rights. Panelists in this session shared their experiences implementing tenure reforms and projects, considering the broader national context that includes governance and regulatory frameworks.

### **Strategic alignment and policy engagement: what works to make it more inclusive?**

This session featured global and national representatives sharing experience on policy-programming interfaces in gender and forests, and ways in which institutions and policy approaches could be supported over time to increase attention to gender integration.

### **Learning clinic on FCPF ER-Program development**

The FCPF is piloting results-based payments for emission reductions at the landscape level, with 19 countries having been selected into the pipeline of the Carbon Fund and having signed Letters of Intent to negotiate an agreement for a carbon finance transaction—an Emission Reductions Payment Agreement (ERPA). Before ERPA negotiations can commence, countries must present detailed program proposals which are assessed by a technical advisory panel for compliance with the Carbon Fund’s Methodological Framework. In this session, countries that are further along in their progression through these steps shared experiences on the process. In addition, Carbon Fund Participants also shared their perspectives.

### **Communicating on REDD+**

This session focused on how to most effectively communicate about REDD+ in a variety of contexts, such as developing strong and concise messages that convey the strengths of your program/organization to key audiences, understanding how reporters work in preparing and reporting news, skillfully addressing difficult questions, and effectively conveying information across media platforms.

### **Strengthening climate action through stakeholder involvement**

The incorporation of indigenous peoples and local communities into SFM and REDD+ activities is crucial to achieve both climate and development goals. The FCPF and the FIP Dedicated Grant Mechanism offer two approaches to build capacity and empower indigenous peoples and local communities for sustainable forest management. A panel of

government and civil society involved in designing and implementing these programs discussed how their designs offer opportunities and challenges; how one brings together indigenous peoples, multilateral development banks, CSOs and donor and recipient governments; and, what are the key lessons from implementing these initiatives in a complex and ever-changing environment.

### **Enhancing equity in community-based forestry**

This session offered the sharing of lessons from several observer organizations and CSOs active in-country in gender in community forest initiatives. The role of indigenous peoples' organizations in supporting women's participation in forestry was examined as an example of enhancing voice and multi-stakeholder processes for sustainable forest management.

### **In closing**

In closing, we would like to express our gratitude to all the Participants and Observers at PC24 and PA10 for their collaborative spirit and unflagging energy and enthusiasm. The significant amount of ground covered over the course of this meeting—five R-Packages, three MTRs, and one R-PP—is testament to the increasing maturity of the Facility. Countries are well on the journey from readiness to REDD+ implementation, with a growing number transitioning to actions and investments that reduce deforestation and forest degradation at scale. This momentum is also reflected in the expanding portfolio of the Carbon Fund, which saw the addition of four countries (some provisionally) this past fiscal year.

We are particularly encouraged by the FCPF's response to the second independent evaluation, whose findings and recommendations have guided the Facility in assessing its relevance, effectiveness, and efficiency, and in maintaining its responsiveness to countries' strategic priorities and climate change ambitions. This is evident in the FCPF's increased focus on strategic areas such as private sector engagement, knowledge and communications activities, capacity building for IPs and CSOs, and gender integration. We would also like to take this opportunity to remind REDD+ countries that they will need to actively manage disbursements as the 2020 close of the Readiness Fund is approaching.

We look forward to the year ahead, where the prospect of a signed Emission Reductions Payment Agreement is anticipated in the coming months. This progress will yield important lessons and experiences for "proving the concept" of REDD+ and catalyzing the realization of REDD+ at scale. We wish you all a successful and productive FY18.

Please do not hesitate to contact the FMT at [fcpfsecretariat@worldbank.org](mailto:fcpfsecretariat@worldbank.org) if you have questions.

Sincerely,

Bounpone Sengthong and Savanh Chanthakoummane, Lao PDR, on behalf of REDD Country Participants,

and

Lena Bretas, Germany, on behalf of Financial Contributor Participants