



Forest Carbon Partnership Facility (FCPF)
Eighteenth Meeting of the Carbon Fund (CF18)
June 20 - June 22, 2018

June 20-22, 2018
World Bank Office
66, Avenue d'Iéna
75116 Paris, France
Tel: +33 1 40 69 30 00

AGENDA

Wednesday, June 20, 2018	
8:30-9:00am	Registration
1. Opening	
9:00-9:30am	Welcome, objectives and adoption of agenda <ul style="list-style-type: none"> • Chair: Nicolas Duval-Mace, Canada • Marc Sadler, Practice Manager, Climate Funds Management, World Bank
2. Emission Reductions Program Documents (ER-PDs)	
9:30-10:15am	a. Overview of Emission Reductions Program Documents (ER-PDs) to be presented <ul style="list-style-type: none"> • Overview of Lao PDR ER-PD (15 minutes) • Overview of Madagascar ER-PD (15 minutes)

	<ul style="list-style-type: none"> • Overview of Nepal ER-PD (15 minutes)
10:15-10:30am	b. Setting the stage for ER-PD Reviews (selection criteria, guiding principles and conflict of interest) <ul style="list-style-type: none"> • Chie Ingvaldstad, Facility Management Team (FMT)
10:30-10:45am	<i>Coffee break</i>
10:45-11:45am	c. Lao PDR ER-PD (Resolution will be sought in session 3a) <ul style="list-style-type: none"> • World Bank update (10 minutes) • TAP comments on ER-PD (10 minutes) • Country response to TAP, CFP and Observer comments received during the review process (20 minutes) • Clarifications and discussion on country response (20 minutes)
11:45am-12:45pm	d. Madagascar ER-PD (Resolution will be sought in session 3a) <ul style="list-style-type: none"> • World Bank update (10 minutes) • TAP comments on ER-PD (10 minutes) • Country response to TAP, CFP and Observer comments received during the review process (20 minutes) • Clarifications and discussion on country response (20 minutes)
12:45-1:45pm	<i>Lunch</i>
1:45-2:45pm	e. Nepal ER-PD (Resolution will be sought in session 3a) <ul style="list-style-type: none"> • World Bank update (10 minutes) • TAP comments on ER-PD (10 minutes) • Country response to TAP, CFP and Observer comments received during the review process (20 minutes) • Clarifications and discussion on country response (20 minutes)
2:45-3:00pm	<i>Coffee break</i>
3:00-4:00pm	<i>Facilitated discussion group on Madagascar's ER-PD</i>
4:00-5:00pm	<i>Facilitated discussion group on Lao PDR's ER-PD</i>
5:00-6:00pm	<i>Facilitated discussion group on Nepal's ER-PD</i>
End of day <i>(Time for private group discussions (CFPs, Observers, REDD Countries) if desired)</i>	

Thursday, June 21, 2018

3. Portfolio Management and Decisions on ER-PDs

9:00-10:00am	<p>a. Portfolio Management and Decisions on ER-PDs – Resolutions sought on ER-PDs</p> <ul style="list-style-type: none"> • Simon Whitehouse, Fund Manager, FMT
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4. Facility Issues

10:00-10:45am	<p>a. Update on progress made since CF17</p> <ul style="list-style-type: none"> • Ellysar Baroudy, Program Coordinator, FMT
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10:45-11:00am	<i>Coffee break</i>
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11:00-11:30am	<p>b. World Bank Organizational Structure and Roles and Responsibilities of the FMT and GPs</p> <ul style="list-style-type: none"> • Simon Whitehouse, Fund Manager, FMT
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11:30am-12:45pm	<p>c. Update on Carbon Fund Processing Guidelines</p> <ol style="list-style-type: none"> 1. Verifications <ul style="list-style-type: none"> • Marco Van der Linden, FMT 2. ERPA Negotiations <ul style="list-style-type: none"> • Simon Whitehouse, Fund Manager, FMT • Markus Pohlmann, Legal Department, World Bank
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12:45-1:45pm	<i>Lunch</i>
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1:45-2:45pm	<p>d. Update on Registries</p> <ul style="list-style-type: none"> • Julian Gonzalo, FMT
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2:45-3:45pm	<p>e. Update on Private Sector Engagement</p> <ul style="list-style-type: none"> • Jean-Dominique Bescond, FMT • Rex Raimond, Meridian Institute
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3:45-4:00pm	<i>Coffee break</i>
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4:00-6:00pm	<i>Facilitated discussion group on Lao PDR, Madagascar, and Nepal's ER-PD (if needed)</i>
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End of day
(Time for private group discussions (CFPs, Observers, REDD Countries) if desired)

Friday, June 22, 2018	
9:00-9:30am	Feedback from facilitated discussion groups and any private discussions
4. Facility issues (continued)	
9:30-10:15am	f. Update on CORSIA <ul style="list-style-type: none"> • Simon Whitehouse, Fund Manager, FMT
5. Other issues	
10:15-11:15am	a. Multi-Country Forests Bonds Program: Leveraging the FCPF ER Programs <ul style="list-style-type: none"> • Kiyoshi Okumura, IFC • Steven Baillie, IFC
11:15-11:30am	<i>Coffee break</i>
11:30-12:15pm	b. Green Climate Fund's private sector facility and the REDD+ Results-Based Payments <ul style="list-style-type: none"> • Juan Chang, Green Climate Fund • Andreas Lunding, Green Climate Fund
6. Closing	
12:15-12:30pm	a. Next meetings <ul style="list-style-type: none"> • Chie Ingvoldstad, FMT
12:30-1:00pm	b. Adoption of Resolutions <ul style="list-style-type: none"> • Markus Pohlmann, Legal Department, World Bank
1:00-1:15pm	c. Conclusions <ul style="list-style-type: none"> • Chair: Nicolas Duval-Mace, Canada
1:15-3:00pm	<i>Lunch/Reception</i>
<i>End of day</i>	

ANNOTATIONS

All background documents are available on the CF18 page of the FCPF website at: [this link](#)

Session 2a. Overview of Emission Reductions Program Documents (ER-PDs) to be presented at CF18

Background: Lao PDR, Madagascar, and Nepal have each submitted an ER-PD for consideration by CFPs and potential selection into the Carbon Fund portfolio.

Background documentation: The ER-PDs and Technical Advisory Panel (TAP) reviews of the ER-PDs are available on the individual country pages and the CF18 page.

Expected CFP action: No CFP action is expected during this session. The selection of which ER-PDs will be invited into the Carbon Fund portfolio will take place in Session 3 (Portfolio Management and Decisions on ER-PDs). See annotations for Session 3.

Session 2b. Setting the stage for ER-PD Reviews (selection criteria and guiding principles)

Background: There are two decision points related to selection of ER programs into the Carbon Fund:

- i. Selection into the **pipeline** of the Carbon Fund based on an Emission Reductions Program Idea Note (ER-PIN). At CF4 in June 2012, CFPs agreed on seven criteria for review and selection of ER-PINs into the pipeline:
 1. Country progress towards Readiness
 2. Political commitment
 3. Consistency with the Methodological Framework
 4. Scale
 5. Technical soundness
 6. Non-carbon benefits
 7. Diversity and learning value

- ii. Decision to proceed to the Carbon Fund based on an Emission Reductions Program Document (ER-PD). As per the Process Guidelines for the Carbon Fund:

“Based on the information available to date, which may include the FCPF Participants Committee’s endorsement of the country’s Readiness Package, the final ER Program Document, the TAP assessment of the final ER Program Document, the World Bank’s due diligence, and technical, financial and legal information (e.g., business model, progress made in assigning a national authority with the responsibility to approve ER Programs by issuing final Letters of Approval (LoAs), etc.), the CFPs of the respective Tranche(s) decide whether to proceed to negotiating an ERPA for the proposed ER Program.”

At CF18, CFPs will be reviewing **three ER-PDs** (decision point ii above). The FMT will provide background information on the process for reviewing these ER-PDs, as an introduction to the presentations of the ER-PDs themselves (sessions 2c-e).

Background documentation: The draft presentation will be available on the CF18 page of the website. The Process Guidelines for the Carbon Fund are available at

https://www.forestcarbonpartnership.org/sites/fcp/files/2016/May/CF14%20a%20FMT%20Note%20CF%202016-2%20CF%20Process%20guidelines_20160520.pdf

Expected CFP action: No action is expected during this session. The selection of which ER-PDs will proceed to the Carbon Fund portfolio will take place in Session 3 (Portfolio Management and Decisions on ER-PDs). See annotations for Session 3 below.

Sessions 2c-e. ER-PDs

Background: Lao PDR, Madagascar, and Nepal have each submitted an ER-PD for consideration by CFPs and potential selection into the Carbon Fund portfolio.

Background documentation: The ER-PDs and Technical Advisory Panel (TAP) reviews of the ER-PDs are available on the individual country pages and the CF18 page.

Expected CFP action: No action is expected during these sessions. The selection of which ER-PDs will proceed to the Carbon Fund portfolio will take place in Session 3 (Portfolio Management and Decisions on ER-PDs). See annotations for Session 3.

Session 3a. Portfolio Management and Decisions on ER-PDs – Resolutions sought on ER-PDs

Background: See Sessions 2a-e above regarding ER-PDs being presented for selection into the portfolio at this meeting. This session will present an overview of the programs in the FCPF portfolio and pipeline and the financial status of the Carbon Fund, as a basis for discussions on whether to invite the ER-PDs into the portfolio.

This session will also address strategic portfolio management, including estimates of delivery under both the Monte Carlo method and the new ER delivery risk assessment model introduced at CF15.

Background documentation: See Sessions 2c-e above; a presentation will be available on the CF18 page.

Expected CFP Action: For Lao PDR, Madagascar, and Nepal’s ER-PDs, decide whether to proceed to negotiating an ERPA for the proposed ER Program.

A facilitated discussion group will be formed on each ER-PD presented, in order to further discuss issues in the respective ER-PD and agree on the text of the resolution to be adopted for each ER-PD where relevant. Facilitated discussion groups will be organized as per the facilitated discussion group table at the end of the annotated agenda.

Session 4a. Update on progress made since CF17

Background: The FMT will present progress made since CF17 in January 2018.

Background documentation: Presentation

Expected action: CFPs are invited to take note of the progress made since CF17.

Expected action: CFPs are invited to provide guidance, or take other agreed action where considered appropriate, on the issues identified in the presentation.

Session 4b. World Bank Organizational Structure and Roles and Responsibilities of the FMT and GPs

Background: At CF17 in January 2018, CFPs requested that the FMT prepare a schematic on the distinct roles and responsibilities within the World Bank as relevant to the Carbon Fund. The FMT will present the relevant World Bank organizational structures and roles and responsibilities of the FMT and Global Practice units.

Background documentation: Presentation

Expected action: CFPs are invited to take note of the FMT's explanation.

Session 4c. Update on Carbon Fund Process Guidelines

Background: The FMT will provide updates on the following: (a) proposed steps for monitoring, reporting and verification; and (b) update on ERPA negotiation process.

Background documentation: Presentation

Expected action: CFPs are invited to provide feedback on the updates, which will be reflected in the revised process guidelines for the Carbon Fund.

Session 4d. Update on Registries

Background: The FMT is conducting two consultancies on ERs Transaction Registries; (i) *Study on the architecture of a Centralized Registry System: key functions, operational processes and rules. Analysis of alternatives (operational, technical and cost)*, and (ii) *Analysis on risks and legal issues related to the operations of the Centralized Registry System* to elaborate a technical and a financial proposal to develop and implement a centralized transaction registry for country registries supporting the implementation of FCPF CF and BioCF ISFL ER Programs. The FMT will present the scope of the planned studies along with the initial results of the first analyses.

Background documentation: Presentation

Expected action: CFPs are invited to take note of the update on registry work and provide feedback.

Session 4e. Update on Private Sector Engagement

Background: The FMT will provide an update on the private sector engagement proposals endorsed by CFPs at CF16, particularly on (i) collaborative opportunities with relevant networks; (ii) support in increased role of private sector FCPF Observers; (iii) topical deep dives and knowledge products to inform private sector strategies; and (iv) program-specific private sector engagement support. Meridian Institute will also present the findings of their study on Private Sector Observers.

Background documentation: Presentation

Expected action: CFPs are invited to take note of the update on private sector engagement and provide feedback.

Session 4f. Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) under the UN International Civil Aviation Organization (ICAO)

Background: The FMT will present an update on the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) under the UN International Civil Aviation Organization (ICAO).

Background documentation: Presentation

Expected action: CFPs are invited to take note of the update on CORSIA under the UN ICAO.

Session 5a. Multi-Country Forests Bonds Program: Leveraging the FCPF ER Programs

Background: IFC will present a proposal of the Multi-Country Forests Bonds Program to engage private sector investment in support of UNFCCC REDD+ efforts.

Background documentation: Presentation

Expected action: CFPs are invited to take note of the presentation and provide feedback.

Session 5b. Green Climate Fund's private sector facility and the REDD+ Results-Based Payments

Background: The Green Climate Fund will present its private sector facility and the REDD+ results-based payments.

Background documentation: Presentation

Expected action: CFPs are invited to take note of the presentation and provide feedback.

Facilitated discussion groups

Topic	FMT Co-facilitators	Jun 20 3:00pm	Jun 20 4:00pm	Jun 20 5:00pm	Jun 21 4:00pm
1. Lao PDR ER-PD (Room B)	Simon Whitehouse				<i>If needed</i>
2. Madagascar ER-PD (Room A)	Ellysar Baroudy				<i>If needed</i>
3. Nepal ER-PD (Room C)	Simon Whitehouse				<i>If needed</i>