

**FOREST CARBON PARTNERSHIP FACILITY (FCPF)
EIGHTEENTH CARBON FUND MEETING
June 20-22, 2018
Paris, France**

**Resolution CFM/18/2018/2
Selection of Emission Reductions Program Document of Madagascar into the
Portfolio of the Carbon Fund of the FCPF**

1. As per Resolution CFM/13/2015/5, the Carbon Fund (Carbon Fund) of the Forest Carbon Partnership Facility (FCPF) selected Madagascar's Emission Reductions Program Idea Note (ER-PIN) into the pipeline of the Carbon Fund and provided additional funding for Madagascar to develop an Emission Reductions Program Document (ER-PD) for its Emission Reductions Program (ER Program);
2. In September 2017, as per Resolution PC/24/2017/4, the Participants Committee of the FCPF endorsed Madagascar's Readiness Package;
3. Madagascar issued its draft ER-PD in September, 2017. The Technical Advisory Panel (TAP) reviewed the ER-PD against the ER-PD requirements in the Carbon Fund's Methodological Framework dated December 20, 2013, as amended, and issued its TAP Review document in October, 2017. The Carbon Fund Participants reviewed the draft ER-PD and the TAP Review document and submitted their consolidated comments to the FCPF Facility Management Team (FMT) in November, 2017. Based on the findings of the TAP Review and the comments of Carbon Fund Participants, Madagascar submitted to the FMT a final ER-PD in May, 2018. The TAP reviewed such final ER-PD and issued its final TAP Review document to the FMT in June, 2018; and
4. Madagascar has presented its final ER-PD during this meeting.

The Carbon Fund Participants,

1. Acknowledge the extensive efforts made by Madagascar, and the high quality of the ER-PD;
2. Decide to include Madagascar's ER-PD into the portfolio of both Tranche A and Tranche B of the Carbon Fund, provided that any commercial terms (such as advance payments, price etc.) included in the ER-PD are subject to subsequent negotiations of the Emission Reductions Payment Agreement (ERPA);
3. Authorize the International Bank for Reconstruction and Development (Bank), as trustee of Tranche A and Tranche B of the Carbon Fund (Trustee), to lead the ERPA negotiation with Madagascar for the ER Program, in accordance with the ERPA negotiation process and subject to completion of Bank due diligence and final Bank approval, provided that ERPA negotiations shall not start before Bank management has appraised the ER Program;
4. Unless decided otherwise by Carbon Fund Participants, commit to nominate, prior to the start of ERPA negotiations, for each Tranche of the Carbon Fund one (1) representative to act as Carbon Fund Representative of the respective Tranche of the Carbon Fund throughout the ERPA negotiation process and notify the FMT accordingly; and
5. Encourage Madagascar to further develop the additional issues identified by the Carbon Fund Participants in the Chair's Summary for this meeting, and inform the FMT about corresponding

developments, if any, to be shared with the Carbon Fund Participants and Observers, prior to ERPA signature.