

**FOREST CARBON PARTNERSHIP FACILITY (FCPF)
THIRD CARBON FUND MEETING
March 24 and 26, 2012
Asuncion, Paraguay**

Resolution CFM/3/2012/1¹

**Development of Emission Reductions Program Idea Note (ER-PIN) to
the Inclusion of ER-PINs in the Carbon Fund Pipeline**

WHEREAS:

1. The ‘Issues Note on the Operating Arrangement under the Carbon Finance Mechanism’ lays out a process for the creation of emission reductions, and the Facility Management Team (FMT) has prepared FMT Note CF-2012-1, laying out the process from the development of Emission Reductions Program Idea Note (ER-PIN) to the signing of the Emission Reductions Payment Agreement (ERPA); and
2. FMT has presented a draft budget proposal for the emission reductions program preparation costs.

The Carbon Fund Participants,

1. Decide to allocate a total of up to US Dollar two hundred thousand (US\$200,000) for business development, to assist REDD Country Participants in developing their respective ER-PIN to be considered by the Carbon Fund;
2. Request the FMT to develop draft criteria to be used to guide the Carbon Fund Participants’ decision to include ER-PINs in the Carbon Fund pipeline for consideration and adoption by the Carbon Fund Participants at the Fourth Carbon Fund meeting, or subsequently on a no objection basis, following the provision by the PC of the guiding principles on the key methodological framework;
3. Invite the REDD Country Participants that have entered into a Readiness Preparation Grant Agreement to present their respective ER-PINs to the Carbon Fund for consideration by the Carbon Fund Participants within pre-determined time periods prior to a Carbon Fund meeting (“Windows”). The dates of the first Window will be scheduled following the provision by the PC of the guiding principles on the key methodological framework on REDD, and of guidance on the Readiness Package components; and
4. Request the FMT to revise and update the FMT Note CF-2012-1, taking into consideration the discussions by the Carbon Fund Participants at this Carbon Fund meeting.

¹ Subject to no-objection by Carbon Fund Participants in the next fourteen (14) days.