

**FOREST CARBON PARTNERSHIP FACILITY (FCPF)**

**EIGHTH PARTICIPANTS COMMITTEE MEETING**

**March 23-25, 2011**

**Dalat, Vietnam**

**Resolution PC/8/2011/4**

**Ethiopia's Readiness Preparation Proposal**

**Whereas:**

1. Ethiopia submitted a Readiness Preparation Proposal (R-PP) to the Facility Management Team (FMT) in January, 2011, which was reviewed by a Technical Advisory Panel (TAP), a working group consisting of Participants Committee (PC) members established for this purpose, and the World Bank;
2. The PC reviewed the R-PP in accordance with Section 11.1 (b) of the Charter Establishing the FCPF (Charter) at its eighth meeting; and
3. The PC acknowledged the extensive efforts made by Ethiopia, and the high quality of the R-PP.

**The Participants Committee**

1. Decides to allocate funding to Ethiopia to enable it to move ahead with the preparation for readiness.
2. For this purpose, requests:
  - i. Ethiopia to submit a revised R-PP (Revised R-PP) to the FMT, reflecting the key issues in the summary report prepared by the FMT included in the annex to this resolution;
  - ii. the FMT to check on the Revised R-PP for completeness, make it available on the FCPF website and notify the PC of its availability;
  - iii. the World Bank, as the Trustee of the Readiness Fund (Trustee), to complete its due diligence, in particular with regard to the World Bank's Operational Policies and Procedures, working closely with Ethiopia, in order to provide a grant of up to US\$ 3.4 million, in accordance with Resolution PC/3/2009/4;
  - iv. Ethiopia to consider the issues identified in the TAP's R-PP assessment as well as those raised by the FCPF PC at this meeting during readiness preparation; and

- v. Ethiopia to report to the PC on progress made in accordance with Section 6.3 (b) of the Charter and to carry out its responsibilities in accordance with the Grant Agreement.

## **Annex**

### **Summary Report Prepared by the FMT**

The PC praised Ethiopia for the substantial improvements that have been made to its R-PP since it presented an informal draft R-PP at the seventh meeting of the PC in Washington, DC in November 2010, and for producing a high quality R-PP.

#### **Key Issues**

The following are the key issues that the Ethiopia needs to address before entering into a Readiness Preparation Grant Agreement with the Trustee of the Readiness Fund:

1. Provide more detail on how Ethiopia plans to deal with weak law enforcement and illegality in the forestry sector.
2. Review and revise the timeframe for proposed readiness activities and budget, taking into account current and potential sources of funding.
3. Explain Ethiopia's vision for creating a dedicated forestry institution, and clarify the role of the Federal Environmental Protection Authority and other institutions, such the Ministry of Agriculture, for implementing the REDD-plus program in the interim period.