



Forest Carbon Partnership Facility

From ER-PIN to ERPA Sequencing and Linkages to R-Package

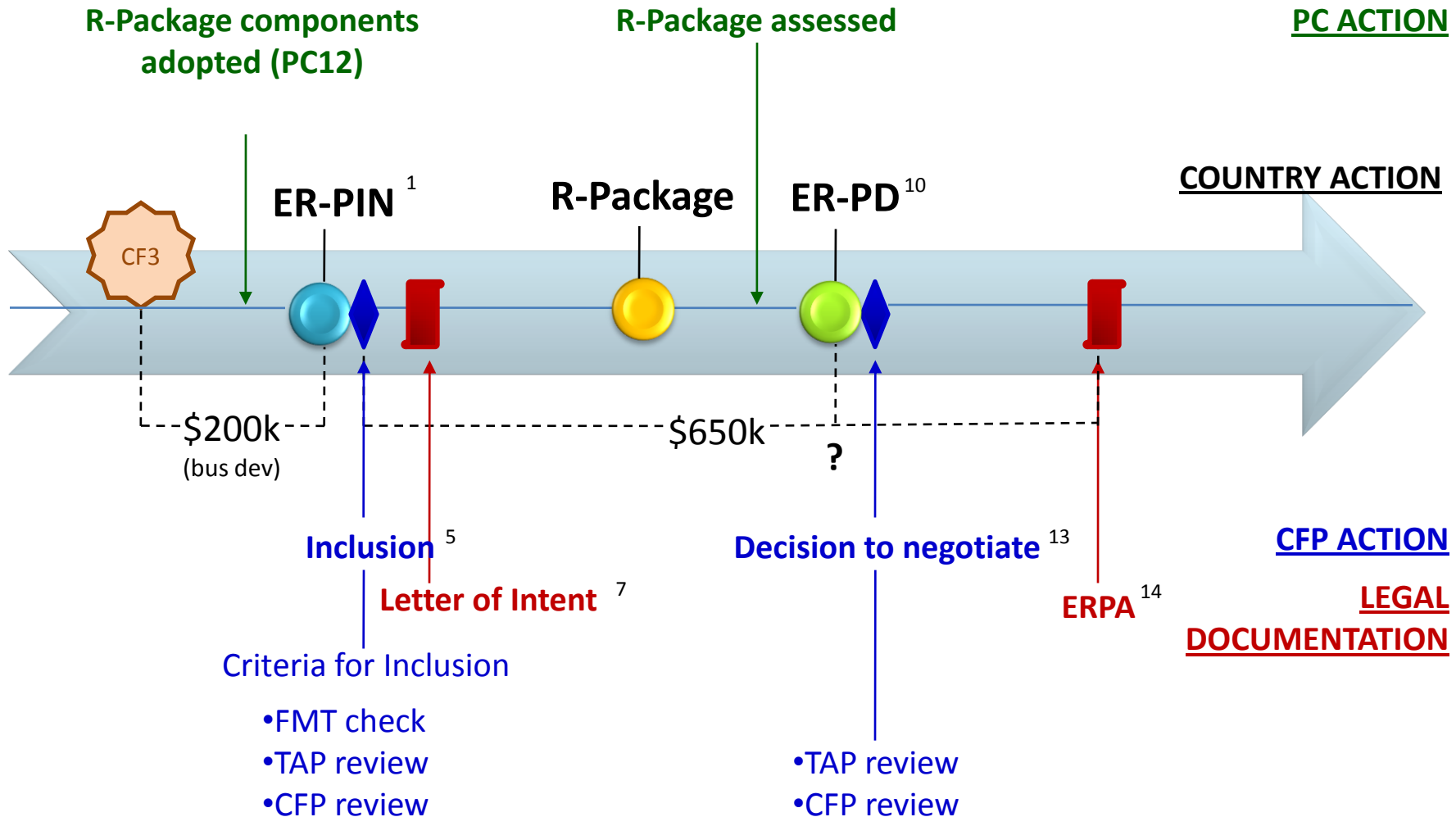
Third Meeting of the Carbon Fund (CF3)

Asuncion, Paraguay

March 24 and 26, 2012

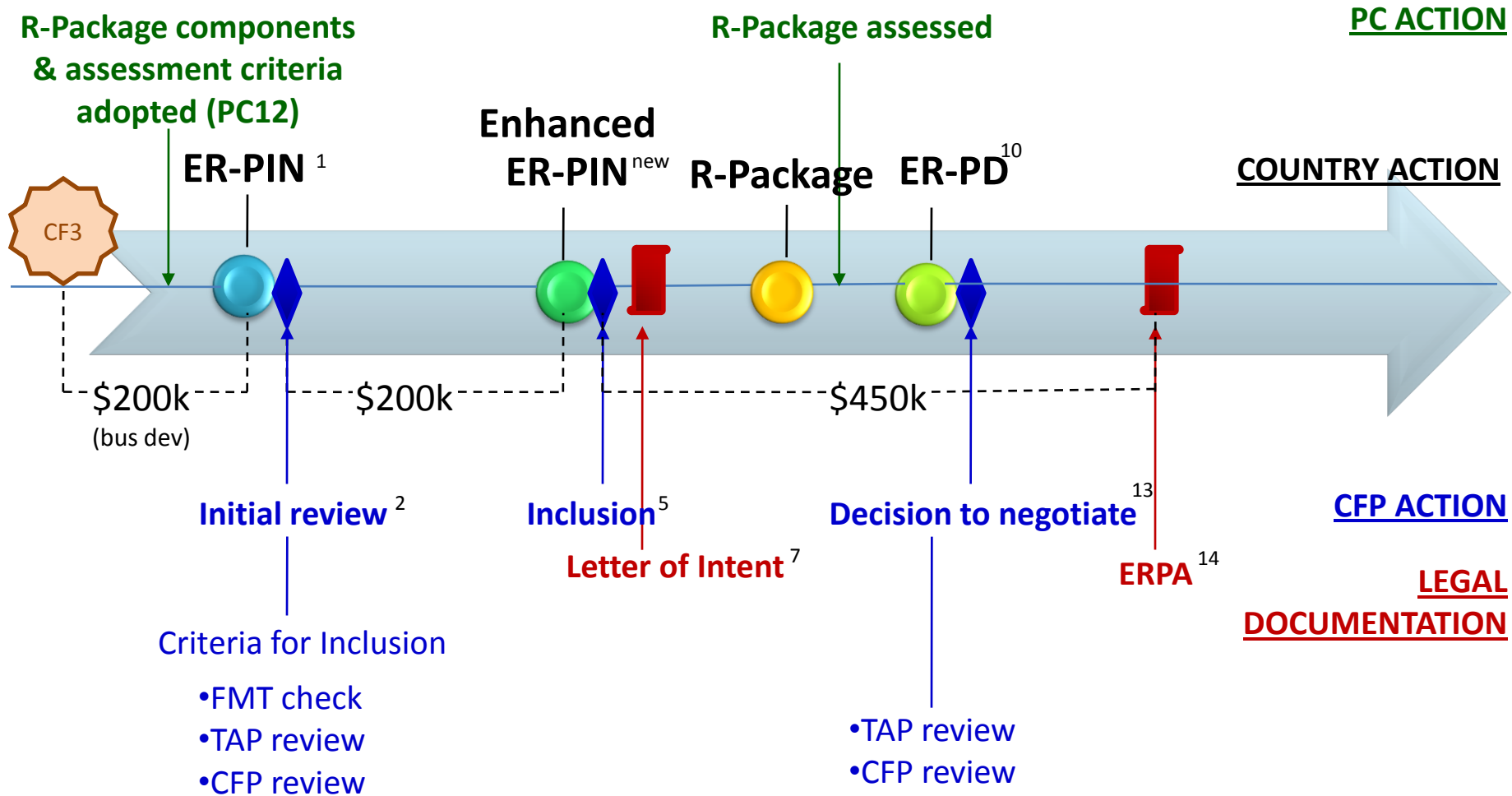
From ER-PIN to ERPA

(Scenario 1: One-step ER-PIN Review)



From ER-PIN to ERPA

(Scenario 2: Two-step ER-PIN Review)



Possible Modalities for ER-PIN Review & Inclusion (1)

Possible criteria for inclusion (TBD)

Issues Note

- aaa
- bbb

Methodological Framework

- ccc
- ddd

Readiness Package?

- eee
- fff

Possible Modalities for ER-PIN Review & Inclusion (2)

- \$200k allocated to FMT for ‘business development’
 - Assist countries in developing their ER-PINs (‘help desk’)
 - Similar to assistance provided to Costa Rica so far
 - Based on country interest
 - WB-executed funds
 - One-off allocation
- 3 ‘windows’ of ER-PIN presentation per year
 - Prior to each CF meeting
 - Timing TBD

Possible Modalities for ER-PIN Review & Inclusion (3)

- ER-PIN batch review

- CF Participants review the batch of ER-PINs collected by deadline
- Select up to 2 (0, 1 or 2) ER-PINs at each CF meeting
- Scenario 1 or 2 for inclusion adopted on a case-by-case basis, depending on ER-PIN quality

- Further processing

- Scenario 1: ER-PINs of superior quality are allocated full \$650k to prepare ERPA
- Scenario 2: ER-PINs selected are allocated \$200k for ER-PIN enhancement
- ER-PINs not selected: Can be improved and resubmitted in a future window

Possible Modalities for ER-PIN Review & Inclusion (4)

- Inclusion in pipeline
 - Scenario 1: After initial ER-PIN review (1 step)
 - Scenario 2: After reviewing enhanced ER-PIN (2 steps)
- Decision to negotiate
 - After ER Program Document has been reviewed
- Inclusion in portfolio
 - Once ERPA is signed

Possible Modalities for ER-PIN Review & Inclusion (5)

- Letter of Intent
 - Provides exclusivity to CF (on specific volume?)
 - Lol per se does not trigger allocation of funding (allocation is triggered by initial review and/or inclusion)
- Question: Does scenario 1 (and to a lesser extent 2) put too much money at risk (\$650k or \$450k)?
 - Possible solution: Split the \$650k (or \$450k) into 2 installments
 - Between inclusion and decision to negotiate?
 - Between decision to negotiate and ERPA signature?
 - Respective amounts TBD

Resolutions / Decisions Today

- Allocation of \$200k for business development
- Criteria for inclusion:
 - Adoption today based on mix of Issues Note + Methodological Framework + R-Package?
 - *Or, more realistically,* Request to the FMT to draft criteria for adoption by the CF Participants on a no-objection basis?
- Task FMT with designing solution(s) to the 'money-at-risk' question
- Invite ER-PIN presentations in pre-defined windows after PC12 (June 2012)?
 - First window: Before CF5 (October 2012), TBD

Linkages between Readiness Fund and Carbon Fund Processes

