



Forest Carbon Partnership Facility

4. Update on development of other ER Programs

Eighth meeting of the Carbon Fund (CF8)

Paris

December 8-9, 2013

Where have ER Program ideas come from?

- 10 countries have presented ideas – from early ideas to well-developed ideas.
 - Chile, Costa Rica, DRC, Ethiopia, Ghana, Indonesia, Mexico, Nepal, Republic of Congo, Vietnam
- Participants are invited to work with eligible countries to propose ideas:
 - Potential for conflict of interest needs to be assessed at every relevant decision stage (selection of ER-PIN, selection of ER Program into the portfolio, negotiation and signing of the ERPA, etc.)
 - The Charter was revised to establish guidance on what constitutes conflict of interest and how it will be handled.
 - FMT has drafted a CF brochure for use by CFPs.

ER program ideas presented thus far

Country	Current proposed REDD+ approach	Land area targeted (not CF area)	Dates and Status of Presentation
<i>ER-PIN</i>			
Costa Rica	Expanding the existing national program of PES into additional lands and land use activities, with a focus on regeneration of degraded lands.	341,000 ha covering a set of parcels on private land and in indigenous territories	Oct '11, March, June, Oct. '12, March '13; LOI signed
DRC	<p>Reduced-impact logging, afforestation/ reforestation, agroforestry, bushfire control, natural regeneration, conservation concessions, community forest management, and energy efficiency.</p> <p>Partners involved: Government, IPs, CSOs, logging and cattle ranching industry, WWF, Ecosystem Restoration Associates - Wildlife Works Carbon (ERA-WWC)</p>	12.3 million ha in Mai Ndombe province near Kinshasa (74% forest cover)	Oct. '11, June '12, June '13; on track to re-submit ER-PIN

Early ER program ideas presented thus far

Country	Current proposed REDD+ approach	Land area targeted (not CF area)	Dates and Status of Presentation
<i>Early Ideas</i>			
Chile	Sustainable timber production, forest carbon stock enhancement, community forests on indigenous lands, forest conservation, reforestation, and focus on natural forest degradation.	16.3 million ha (2 mil. ha reforestation, 6 mil. ha forest carbon stock enhancement, 8.3mil. ha SFM)	June '13; developing ER-PIN
Ethiopia	Reduced deforestation; carbon stock enhancement through a sustainable landscape approach to the management of forest, cropland and pasture lands. Partners: Ministry of Agriculture, Oromia Forest and Wildlife Enterprise, Farm Africa/SOS Sahel, Ethiopian Forest Coffee Forum, BioCarbon Fund.	57 forest areas and surrounding cropland and pasture land in Oromia region (Southern Ethiopia), totaling ~3 million ha	March '13; may not submit formal ER-PIN
Ghana	Cocoa production areas in high forest zone in SW, or Shea landscape in savannah region in North. Vision for enhanced cocoa production through climate smart cocoa production techniques (improved varieties thereby reducing expansion of cocoa areas, in a mosaic landscape of trees, fallow lands, food crops and forest trees through public private partnership).	1.5 million ha	March '12; developing ER-PIN

Early ER program ideas presented thus far

Country	Current proposed REDD+ approach	Land area targeted (not CF area)	Dates and Status of Presentation
Indonesia	Provide rewards to actors at the decentralized levels (government, communities, private sector) for performance in line with REDD+ goals. At local level, the Program will promote activities in different types of forest land (Protection Forest, Forest Management Unit, logging concessions, communities). It will directly contribute to ongoing national-level policy reforms and institutional arrangements and build on ongoing initiatives on the ground.	The first phase of the Program will target 2 or three Districts, potentially in the East Kalimantan province.	Oct. '11, Jun '13; may develop ER-PIN
Mexico	Expanding existing PES national program to a landscape approach, sustainable management of natural forests, improvement of forest management through community capacity-building, improvement of coordination between forest activities and other activities (sustainable rural development, tourism, etc.), removal of barriers to investment in forest management, and contribute to the development of sustainable rural development and other economic options for communities.	“Early action” priority areas are located in the States of Jalisco, Chiapas, Yucatan, Campeche, and Quintana Roo.	Oct. '11, Jun '13; developing ER-PIN

Early ER program ideas presented thus far

Country	Current proposed REDD+ approach	Land area targeted (not CF area)	Dates and Status of Presentation
Nepal	<p>Reducing forest degradation through community-based forest management. Program activities not yet defined but are informed by early piloting of e.g., benefit-sharing in community-managed forests and reference level design by WWF.</p> <p>Government-led committees on RL/MRV, SESA and strategy development steer ER-PIN development.</p>	Jurisdictional (12 districts in Terai Arc Landscape).	March '12; developing ER-PIN
Republic of Congo	<p>Improved forest management, avoided deforestation, carbon stock enhancement; reduced impact logging, conservation concessions, agroforestry, afforestation / reforestation</p> <p>Partners: CIB-OLAM, Carbon Conservation</p>	12,200,000 ha in Northern Congo (Sangha / Likouala Departments)	March '13; developing ER-PIN
Vietnam	All five REDD activities and land-based carbon accounting. Reform of state-owned enterprises (state forest companies), i.e., improved management practices plus afforestation/reforestation.	3.4-7 mil. ha (including 2 provinces in central coastal regions that were focus of UN-REDD phase 1 piloting activities in 2009-12 and supported by bi-lateral partners.)	June, Oct. '12, March '13; developing ER-PIN

Originations Milestones

- Ideas from 10 countries to date.
 - 1 ER-PIN (Costa Rica) allocated funds for further development and include program in the pipeline (Letter of Intent signed).
 - Early indication that 8 of remaining 9 countries may make formal ER-PIN submissions in the next 6 months.
 - Early indication that 1 additional country (Colombia) is considering developing an ER-PIN.
- Term Sheet adopted at PC14, laying groundwork for ERPAs. Draft General Conditions to be presented for adoption in March/April 2014.

Sample time tables from ER-PIN to ERPA

Milestones	Country A	Country B
ER-PIN reviewed and selected by CFPs	Mar 2014 (CF9)	Jun 2014 (CF10)
WB due diligence (Concept Stage)		
LOI negotiated and signed	Jun 2014	Sep 2014
Draft ER-PD reviewed by CFPs (and potentially by TAP) for early feedback	By Aug 2015	By Oct 2015
WB due diligence (Decision Stage and Appraisal)		
Country process to prepare R-Package. R-Package endorsed by PC.	Dec 2015 (PC20)	Jun 2016 (PC21)
ER-PD selected by CFPs	Mar 2016 (CF15)	Dec 2016 (CF17)
WB due diligence (Final Decision)		
ERPA negotiated and signed (<i>first ERPA may take longer</i>)	Jun 2016	Mar 2017
Implementation, Verification, Payments (years until end of FCPF)	~4.5 years	~3.5 years

Carbon Fund process	WB Due Diligence process	Readiness process
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Issues to consider in reviewing early ideas

- Timeframe for ERPAs is until 2020, so ER-PINs need to be submitted and selected within the next 6 months or so to have programs with 3.5-4.5 year timeframes.
- A Country may submit an ER-PD only after its R-Package has been endorsed by the PC. The Readiness and PC review/endorsement processes therefore have direct impact on the ER program process.
- Deadline for ER-PINs: 3 weeks before each CF meeting (i.e., late-February/early-March; then late-May/early-June)
 - Useful period for feedback
 - But need to also balance the level of detail required at ER-PIN stage vs. ER-PD stage, and the number of iterations requested.
- Next CF meetings will be March/April 2014 and June 2014. Likely need to continue with 3 meetings per year to facilitate ER Program development.



THANK YOU!

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