Principles for determining the representation of financial contributors on the FCPF Participants' Committee

Objective

Donor and Carbon Fund Participants (financial contributors) have 14 positions on the FCPF Participants' Committee (PC). As the number of financial contributors now exceeds 14, the following principles have been developed by the financial contributors to provide guidance and support for selection to the PC. The principles are designed to encourage and support the selection, by consensus, of financial contributors to the PC.

The principles are listed in order of importance and should be read in conjunction with each other.

Principles

1. Eligibility: to be eligible to be a member for the PC, candidates shall **meet the definition of a Donor or Carbon Fund Participant**, as specified by the FCPF Charter:

"Donor Participant" means a public or private entity whose participation in the Readiness Fund has been approved by the World Bank, and has entered into a Donor Participation Agreement to participate in the Readiness Fund, and made a minimum contribution of $US5 million (Definitions and Section 7.1 of the FCPF Charter).

"Carbon Fund Participant" means a public or private entity whose participation in the Carbon Fund has been approved by the World Bank, that has entered into a Carbon Fund Participation Agreement to participate in the Carbon Fund and has been accepted by the Trustee of the Carbon Fund, and has made a minimum contribution of $US5 million (Definitions and Section 8.1).

2. Balance of Readiness Fund and Carbon Fund representation: 14 financial contributors shall be collectively selected from Donor Participants and Carbon Fund Participants, among which the Donor Participants and Carbon Fund Participants shall collectively determine the number of members allocated to either group for each term, taking into account the objective of having equal representation of both groups in the PC (Section 11.2, a (ii)).

3. Size of Contribution: the size of committed contributions (that is, the total value of a donor's signed Participation Agreement(s)) should be taken into account. Future pledges could also be considered.

4. Active participation and technical expertise: the ability and willingness to actively participate in the FCPF (including reviews of R-PPs or ERPA's and the development of technical guidance requested by the Participants' Committee) should be taken into account. This will assist in more evenly distributing the workload between PC members.

5. Diversity of representation: consideration will also be given to achieving an appropriate balance of representation between government, non-government organisations, the private sector and participation of different regions to bring a diversity of experiences and perspectives to the work of the PC.

6. Rotation: where possible, Participants not selected in a particular year should be considered for selection for the PC for the following year if this can be balanced appropriately with the other principles. While rotation can allow for the active participation of all interested Participants, the

views of Participants not selected in a particular year should be represented where possible by those on the PC.

<u>Representation of Participants not on Participants Committee:</u>

In line with the principles of consensus decision making, Participants not selected for the PC should be confident their views will be considered and represented in the PC. To achieve this, all Participants are encouraged to make arrangements to share and, where possible, coordinate their views. In addition, Participants not members of the PC are encouraged to attend and contribute to PC meetings.

<u>Explanatory note:</u>

The Principles are designed to assist Participants select donor members of the PC. They provide guidance, but do not seek to establish selection processes, procedures, or constituencies. They are designed to help achieve Participant representation on the PC which recognises the role of major donors, encourages active participation, and represents the diversity of experiences that different Participants are able to bring to the work of the PC.