



Forest Carbon Partnership Facility

Proposed Amendments to the FCPF Charter **REVISED**

Participants Assembly
Washington, DC - October 26, 2009





Outline

- A. Amendment Procedure under the Charter**
- B. Proposed Amendments and Follow-Up Action**



A. Amendment Procedure under the Charter

Amendment Procedure Under Charter (1)

- Section 21.1 (a): Amendments other than those listed below require unanimous consent

- Exceptions:

- I. Section 21.1(b) (i): Amendment without prior consent by Participants:

Omissions, errors, ambiguous/defective/inconsistent provisions

- *Participants shall be notified within 15 days after effective date of such amendment*

Amendment Procedure under Charter (2)

- II. Section 21.1(b) (ii): Amendment without prior consent by Participants but need to consult with the Participants Committee:

Amendment does not adversely affect the rights of any Participant

- *Participants shall be notified within 15 days after effective date of such amendment*

- III. Section 21.1 (c) (i): Amendment to Article 1 (definitions), Article 11 (Participants Committee) and Annex (Criteria for REDD country selection) :

Unanimous consent by all PC members

- IV. Section 21.1 (c) (ii): Amendment to Article 12 (Carbon Fund Participants Committee)

Unanimous consent by all Carbon Fund Participants



B. Proposed Amendments and Follow-up Action

Background

- FMT circulated the draft amendments on September 27, 2009 and requested comments
 - One Participant (Uganda) provided written comments
- The Proposed amendments include three categories:
 - Amendment suggested in Resolution PC/3/2009/1 (R-PP related)
 - Definition of REDD
 - Editorial related changes

R-PP related Amendment: Background (1)

- **PC Resolution PC/3/2009/1**
 - The name “Readiness Plan” does not accurately characterize the nature of the document submitted by REDD Country Participants
 - PC recognized that development of R-PP is a continuous learning process for all the Participants
 - The process creates an opportunity for an extensive dialogue in the spirit of partnership between PC and REDD Country Participants, with the objective of facilitating the country’s progress toward readiness

R-PP related Amendment: Background (2)

Resolution PC3/2009/1

PC endorses that:

1. The term “Readiness Plan” should be renamed as “Readiness Preparation Proposal”;
2. The role of the PC with regard to the R-PP should focus on:
 - (i) Reviewing and assessing the R-PP on the basis of the criteria still to be finalized, taking into account the review by the TAP and the preliminary findings from the World Bank’s due diligence;
 - (ii) Providing guidance on issues to be addressed in the relevant components of the R-PP;
 - (iii) Determining whether the R-PP submitted by the REDD Country Participant provides a sufficient basis to proceed with funding; and
 - (iv) Monitoring the implementation of R-PPs by REDD Country Participants through progress reports, as specified in the Charter.

R-PP related Amendment: Background (3)

- PC Resolution PC/3/2009/1
 - On the basis of the proposed changes, PC requested the FMT to amend the Charter and circulate the draft thirty (30) days prior to the Participants Assembly

Proposed Amendment: R-PP (1)

- R-PP related, mandated by Resolution PC/3/2009/1
 - Replacing the term “Readiness Plan” with “Readiness Preparation Proposal” throughout the Charter
 - Revising Section 6.3 (a), Section 11.1(b) and (d), of the Charter

Original Section 6.3 (a) reads:

“A REDD Country Participant shall, on the basis of the Readiness Plan Idea Note, develop a Readiness Plan and submit it to the Facility Management Team for review and approval by the Participants Committee.”

Proposed revision:

“A REDD Country Participant shall, on the basis of the Readiness Preparation Idea Note, develop a Readiness Preparation Proposal and submit it to the Facility Management Team for review by the Participants Committee, which shall make a decision on grant allocation for the Readiness Preparation Proposal in accordance with the criteria and procedures developed by the Participants Committee.”

Proposed Amendment: R-PP (2)

- Consequential changes in other provisions in the Charter
Section 11.1 (b): the role of the PC

Original text:

The Participants Committee shall be responsible for: ... (b) Taking into account the findings and recommendations of the Ad Hoc Technical Advisory Panel that may be established for this purpose in accordance with Article 13, **approving the Readiness Plan** submitted by a REDD Country Participant

Proposed revision:

Change the text in red to: “reviewing the Readiness Preparation Proposal and providing guidance to the relevant components of the Readiness Preparation Proposal ”

Proposed Amendment: R-PP (3)

- Consequential changes in other provisions in the Charter
Section 11.1 (d): the role of the PC

Original text:

The Participants Committee shall be responsible for: ... (d) Approving, in accordance with the Criteria for Budget Allocation for Preparing and Implementing a Readiness Plan, the budget allocation proposed by the Facility Management Team for a REDD Country Participant to develop and implement a Readiness Plan

Proposed revision:

Change to: (d) Making a decision on the grant allocation for preparing the Readiness Package by a REDD Country Participant;

Action for R-PP related Amendments

- According to Section 21.1(a), the proposed R-PP related amendments to the term R-Plan and Section 6.3 (a) require unanimous consent of all Participants and Section 11 (b) and (d) require unanimous consent of all PC members

However,

- A number of Participants are not present at this meeting
- Proposed way to move forward:
 - The Participants Assembly is invited to adopt the proposed amendments to the term R-Plan and Section 6.3 (a). However, the effectiveness of amendments will be subject to the following:
 - Those Participants that are not present at this meeting will be given 14 days for objection.
 - In the absence of any objection, the proposed amendments will become effective.

Action for R-PP related Amendments

- Proposed way to move forward:

Section 11 (b) and (d)

- The FMT will circulate the proposed amendment to Section 11 (b) and (d) for PC adoption for consideration and adoption by the PC (PC5). However, the amendment will become effective only after the amendment to Section 6.3(a) has become effective.

Proposed Amendment: REDD Definition

- **Section 1.1. 62 REDD Definition (proposed by FMT):**

Original text:

“REDD” means reducing emissions from deforestation and forest degradation

Revised text:

“REDD” means reducing emissions from deforestation and forest degradation and the associated role of forest conservation, sustainable management of forests and enhancement of forest carbon stocks.”

Reason:

To be consistent with the Bali Action Plan

Action: REDD Definition

- According to Section 21.1(c) (i), the proposed amendment to definition on REDD requires unanimous consent of all the members of the Participants Committee
- Proposed way to move forward: The FMT will circulate a draft PC resolution on the amendment at the PC meeting (that follows this Assembly) for consideration and adoption by the PC

Proposed Amendment: Editorial Related

- FMT proposed a number of editorial amendments to correct errors and inconsistency

Reflected in the track-change version sent by the FMT on September 27, 2009

- Those amendments have become effective.