



Forest Carbon Partnership Facility

Carbon Fund: Proposed changes to ER-PIN template

Third Meeting of the Carbon Fund (CF3)

Asunción, Paraguay

March 24 and 26, 2012

Role of Emissions Reduction Program Idea Note (ER-PIN)

- ER-PIN describes a country's proposed ideas for an ER-Program (ERP).
- ER-PIN should offer sufficient information to CF Participants to decide whether or not to commit some funding to enable development of a Program.
- ER-PIN is the first step to enter the pipeline for the Carbon Fund, but will not be the basis for entering in the actual portfolio or the signing of an ERPA

Key Questions To Be Addressed

- Key questions to be addressed in the ER-PIN:
 - Is the proposed Program recognized by the national government?
 - Do the proposed activities offer potential to tackle drivers of deforestation and forest degradation or barriers to prevent enhancement of forest carbon stocks?
 - Are the proposed activities , methodological and safeguards approaches, and financial proposals realistic?
 - Are sub-national proposals linked to the national system that is emerging from the Readiness process?
- ER-PIN should enable ad hoc TAP, Carbon Fund Participants and Observers to provide comments on the proposed ER-Program.

ER-PIN – Progress to date

- First draft of ER-PIN template was discussed during the technical discussion that took place on September 1-2, 2011.
- Timing of the ER-PIN submission was discussed at CF2 in Berlin (October 2011), where:
 - *‘a preference was expressed whereby ER-PINs may be received from REDD Country Participants that have signed their Readiness Preparation Grant Agreement, but this ER-PIN submission will not be linked to the signing of a Letter of Intent’.*
- Several countries are currently using the template to structure their draft ER-PIN ideas
 - Costa Rica, DRC, and several others in early stages of work

Proposed Revisions in Version 2 of the ER-PIN Template: 1

- Changes to layout to make it easier for ER Programs to provide maps, tables, etc.
- Changes in the language to match changes in Version 6 of the R-PP template (e.g., for reference levels, monitoring).
- Changes to the guidance provided to:
 - Ensure relevant information is provided for both national and sub-national Programs
 - Clarify the type and extent of information being sought

Proposed Revisions: 2

Examples of revised sections (paraphrased):

- 5.4 Activities to address risks of reversal of greenhouse gas benefits (i.e., non-permanence)
 - Describe major risks of reversals (from e.g., fire, agriculture expansion into forest, changes in commodity prices, etc.).
 - Describe any activities to minimize or mitigate such risks of reversals, and
 - How these activities are consistent with the emerging national REDD+ strategy to address risks of reversal.
- 5.5 Description of the potential risks of both domestic and international displacement of emissions (leakage)
 - Describe potential risks of both domestic and international displacement of emissions from the proposed ER Program activities.
 - Describe how proposed activities will minimize the risk of domestic displacement, consistent with the (emerging) national REDD+ strategy.

Proposed Revisions: 3

- 6.4 National registry
 - Describe relationship of proposed ER Program to national REDD+ activity management arrangements, and
 - If proposed ER Program will be part of any system to track REDD+ or other emissions reduction activities (e.g., a REDD+ registry).
- 8.3 Dispute resolution mechanisms
 - Describe mechanism(s) that are or will be put in place to resolve any disputes regarding the proposed ER Program
- 10. Benefit sharing mechanism
 - Describe benefit-sharing mechanisms envisioned to be used for this proposed ER Program
 - Describe progress thus far in preparation of the benefit sharing mechanism, and who has been participating in this process.

Proposed Revisions: 4

- 11.4 Expected ERs. What is the estimated volume of Ers (tonnes of CO₂e) that would be generated by the ERP:
 - Up to December 31, 2020 (currently the end date of FCPF program)
 - For 10 years
 - Lifetime of the proposed ER Program, if longer than 10 years.
- 12. Forest Monitoring System
 - 12.3 Describe how the approach to develop the REL/FRL and monitoring and reporting are consistent with UNFCCC guidance available
 - 12.4 Describe any role of communities in design or implementation of proposed ER Program monitoring system.
 - 12.5 Describe how monitoring system would include information on multiple benefits like biodiversity conservation or enhanced rural livelihoods, governance indicators, etc.

Proposed Revisions: 5

- 14. Financing plan (in US\$ million)
 - Describe financial arrangement of the proposed ER program:
 - Potential sources of funding
 - Whether the ER program builds on existing delivery programs

Uses of funds: Expected ER Program costs	<i>U1. Preparation costs</i>	
	<i>U2. Implementation costs (please specify)</i>	
	<i>U3. Other costs (please explain)</i>	
	<i>U4. Total Program costs = U1 +U 2 +U 3</i>	
Sources of funds: Funding to be sought or already identified. Specify if funds have already been identified.	<i>S1. Investments (please name sources)</i>	
	<i>S2. Grants (please name sources)</i>	
	<i>S3. Loans (please name sources)</i>	
	<i>S4. Not identified = U4 - S1 - S2 - S3</i>	



THANK YOU!

www.forestcarbonpartnership.org