

# Forest Carbon Partnership Facility (FCPF)

## Working Group on the Methodological and Pricing Approach for the Carbon Fund of the FCPF (WG)

### Agenda for first conference call, Wednesday, January 11, 2012

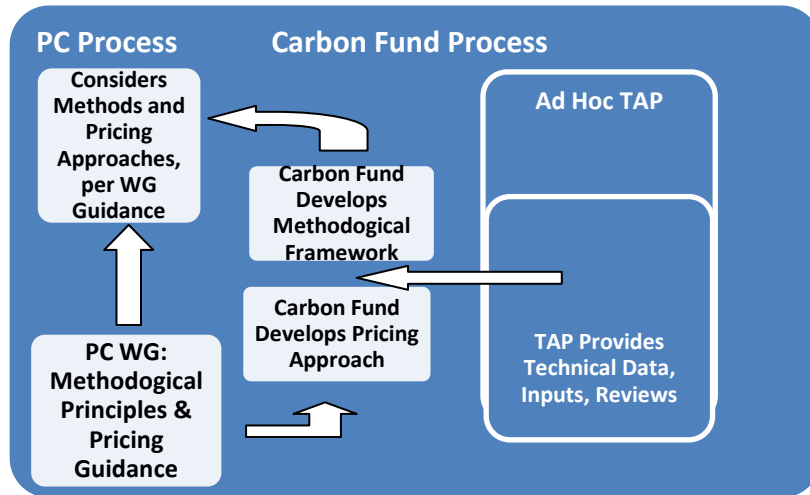
6:00 AM – 8:00 AM EST in Washington, DC, which means:

Mexico City	5:00 – 7:00 AM	Berlin/Oslo	12:00 noon – 2:00 PM
Paramaribo	8:00 AM – 10:00 AM	Kathmandu	4:45 PM – 6:45 PM
London	11:00 AM – 1:00 PM	Canberra	10:00 PM – 12 Midnight

**Using Washington times:**

- 6:00 – 6:15     **Introductions.** Review basis of the Working Group (WG)
- 6:15 – 6:30     **Review procedures for the WG.** Discuss need for 2 co-chairs (1 from financial contributors to the Readiness Fund or Carbon Fund, and 1 from REDD Country Participants), and facilitation.
- 6:30 – 6:50     **Discuss Scope of the WG work:** Per TOR approved by FCPF Participants Committee (PC), WG makes recommendations to the PC for consideration and adoption of broad, overarching guiding principles on the key methodological framework and policy guidance on a pricing approach at PC12, tentatively June, 2012, in Colombia. Work will be conducted by a single Working Group on both the methodological framework and the pricing guidance, via conference calls and/or emails, and one face-to-face meeting (provisionally March 26, 2012, in the margins of PC11 in Asuncion, Paraguay). The working language of the WG is English. (See graphic on proposed role of WG below.)
- 6:50 – 7:05     **Briefly discuss guiding principles for the methodological framework, and reach common understanding of deliverable.** This could include: (i) carbon accounting; (ii) programmatic characteristics, including inherent social and environmental benefits; and (iii) additional social and environmental benefits beyond carbon, to guide assessment and decision making. (World Bank safeguard policies are not part of this, as they have to be met by every Emission Reductions Program (ER Program).
- 7:05 – 7:20     **Briefly discuss policy guidance on pricing methodologies, and reach common understanding of deliverable.** This could include: (i) determining a fair value for ERs, given there are few precedents to draw from; (ii) determining a base price, perhaps with fixed and floating values; (iii) price adjustment based on quality of the ER Program attributes.
- 7:20 – 7:40     **Interaction with other bodies in the FCPF:** WG, Carbon Fund participants, Technical Advisory panel experts (if needed)
- 7:40 – 8:00     **Proposed process and schedule** (below), and set next call.

Figure 1: Proposed Relationship of PC Working Group to Carbon Fund Work



**Proposed WG process and schedule:**

<b>Date</b>	<b>Type of interaction</b>	<b>Subject</b>
<b>January 11, 2012</b>	Conference call	Review ToRs and agree on key issues for discussion and schedule of activities
<b>February 9, 2012</b>	Conference call	<b>Methodological framework:</b> Discuss objectives and desired outcome regarding carbon accounting methods in the Carbon Fund <b>Pricing:</b> Discuss guidance on valuation methods for determining ER price
<b>February 29, 2012</b>	Conference call	<b>Methodological framework:</b> Discuss objectives and desired outcome for ER Programs in the Carbon Fund when considering programmatic characteristics, including inherent social and environmental benefits; and additional social and environmental benefits beyond carbon. <b>Pricing:</b> Discuss guidance on consideration of differences in quality between Programs and the consequences for valuation of ERs
<b>March 26, 2012</b>	Face-to-face meeting in Paraguay between the Carbon Fund meeting (tentatively March 24-25) and PC 11 (March 28-30). Dial-in for WG members unable to attend.	Discuss outstanding issues from the conference calls and plan for future sessions
<b>April 18, 2012 (tbc)</b>	Conference call	tbd
<b>May 16, 2012 (tbc)</b>	Conference call	tbd
<b>June 26-28, 2012</b>	PC 12, adoption of the policy guidance on pricing methodologies for Emission Reductions Payment Agreements and the guiding principles on the key methodological framework	

Resources:

1. Key issues and proposed schedule December 20, 2011
2. WG TOR