# FOREST CARBON PARTNERSHIP FACILITY (FCPF) FOURTH CARBON FUND MEETING

June 24-25, 2012 Santa Marta, Colombia

#### Resolution CFM/4/2012/3

## Approval of the FY13 Annual Budget for the Carbon Fund & Apportioning the Common Costs

#### Whereas:

- 1. In accordance with Section 19.1(a) of the Charter Establishing the FCPF ("Charter"), the Carbon Fund of the FCPF shall have its own budget,
- 2. In accordance with Section 14.1(n) of the Charter, the Facility Management Team (FMT) is responsible to propose an Annual Budget of the Carbon Fund and the Shared Costs,
- 3. Section 12.2(a) of the Charter provides that the Carbon Fund Meeting shall make decisions related to the Carbon Fund, which includes the approval of the Annual Budget of the Carbon Fund, and
- 4. In accordance with Section 19.1(a)(ii), all costs and expenses incurred in the administration of the Carbon Fund jointly (Common Costs) shall be borne by the Carbon Fund Participants in each Tranche of the Carbon Fund based on the pro rata share of the capitalization of each of the Tranches as of March 31 each year, unless the Carbon Fund Participants decide otherwise.

#### The Carbon Fund Meeting (CFM) hereby approves,

- 1. The Annual Budget of the Carbon Fund for FY13 (July 1, 2012 through June 30, 2013) attached to this Resolution. The exact amount of the budget approved is subject to the approval of the Shared Costs by the Participants Committee at the twelfth meeting of the Participants Committee (PC12).
- 2. In accordance with Section 19.1(a)(ii) of the Charter, that all costs and expenses incurred in the administration of the Carbon Fund jointly (Common Costs) shall be borne by the Carbon Fund Participants in each Tranche of the Carbon Fund based *initially* on the pro rata share of the commitments made to each of the Tranches of the Carbon Fund as of March 31, 2012. Upon the First Closing of the Carbon Fund, the pro rata shares will be adjusted to include all commitments signed by the First Closing. After the First Closing, a catch-up fee would be required for new commitments. The FMT is requested to undertake analysis and propose the level of the catch-up fee prior to the First Closing.

### Attachment

Carbon Fund Costs (\$000s)	FY13 Budget incl IP/CSO Program	FY13 Budget excl IP/CSO Program
Carbon Fund Admin	920	920
of which Marketing	255	255
ERPA Costs – Selection & Development of ER Programs		
Program Development - business dev	200	200
Program Development - enhanced ER-PIN	600	600
Total	1,720	1,720
Shared Costs	2,076	1,169
Total Carbon Fund Costs	3,796	2,889