



Forest Carbon Partnership Facility

4. Strategic Direction of the FCPF: Activities to be supported through the Readiness Fund

Thirteenth Meeting of the Participants Committee (PC13)

Brazzaville, Republic of Congo

October 21-22, 2012

Presentation Outline

I. Introduction

- Recap of previous PC discussions

II. Country Needs Assessment

- Update
- Findings
- Joint Response of FCPF and UN-REDD

III. Proposal

- Factors for Inclusion
- Activities not included
- Proposed Additional Activities
- Additional Considerations
- Current agreed prioritization for budget allocations
- Long Term Sources and Uses of Funds

IV. Expected PC Actions

I. Introduction

Topics

- Recap of previous PC discussions

I. Introduction – recap of PC10 strategic discussions in Berlin

- PC10 (Berlin) October 2011 requested FMT to present a detailed proposal and budget estimate for “analytical work, knowledge management and centrally sourced activities” by PC12
 - Based on a quick assessment of REDD+ countries readiness needs
 - To include South-South exchange and linkages between REDD+ and FLEGT
 - Take into account similar existing or planned activities undertaken by other initiatives
 - Take into account FMT’s capacity

I. Introduction – recap of PC12 discussions in Santa Marta

- FMT presented the proposal on additional activities at PC12
- PC requested the FMT to revise the proposal taking into consideration the following (Resolution PC12/12/2012/5):
 - Final report of country needs assessment
 - Similar existing or planned activities undertaken by other initiatives and comparative advantage for delivery (specifically UN-REDD)
 - Prioritization of activities with regard to global learning value
 - FMT's capacity
- Approved US\$200,000 for one workshop on social inclusion

II. Country Needs Assessment

Topics

- Update
- Findings
- Joint Response of FCPF and UN-REDD

II. Country Needs Assessment - Update

- Country Needs Assessment jointly with UN-REDD
- Methodology presented at joint UN-REDD/FCPF Meeting in Paraguay in March 2012
 - Desk assessment
 - Six in-depth country assessments (2 from each region), including five FCPF countries
 - Survey of all 52 FCPF and UN-REDD countries
- Draft report presented at pre-PC meeting in Santa Marta and report revised since
- Key findings of final report presented in pre PC workshop in Brazzaville
- Final report and Executive Summary is available on FCPF website
 - <http://www.forestcarbonpartnership.org/fcp/node/619>

II. Country Needs Assessment – Findings (1)

- Priority needs
 - Governance and REDD+ strategy and implementation frameworks, including
 - Legal and Policy review
 - Benefit sharing
 - Safeguards
 - Procedures for consultation and participation
 - Grievance redress mechanisms
 - Reference levels
 - MRV
 - Capacity building for CSOs, NGOs and IPs

II. Country Needs Assessment – Findings (2)

- Specific aspects
 - **Governance:** sub-national structures (provincial/district), national coordination structures (cross-sector agreement), benefit sharing, consultation and participation
 - **REDD+ strategy and implementation frameworks:** drivers of deforestation, safeguards, prior experiences, land tenure, 'carbon rights', South-South exchange platforms
 - **Reference levels:** build national technical capabilities
 - **Monitoring:** MRV capacity on specific aspects (e.g., updating inventories, forest carbon measurements, emission factors), monitoring co-benefits
 - **Capacity building for CSOs, NGOs and IPs:** training on procedures for consultation and participation, FPIC
 - **Policy and legislative review,**
 - **REDD+ pilot projects:** additional support

II. Country Needs Assessment – Joint Response of FCPF and UN-REDD

- FMT and UN-REDD held joint discussions in preparation for the October 2012 meetings in Brazzaville
- Key areas of support amongst the initiatives have been aligned to avoid duplication of efforts. Joint response (paragraphs 4-9 of FMT Note)
- FMT has revised its proposal on additional activities in coordination with UN-REDD's budget proposal (October 2012)
 - Specific areas of support within MRV and Reference levels discussed with FAO. FCPF will focus on developing decision support tool for RL and training tools for MRV
 - Legal and policy review, and land tenure themes to be led by UN-REDD
 - Development of registries will be led by FCPF
 - Private Sector engagement in coordination with UNEP

III. Proposal

Topics

- Factors for Inclusion
- Activities not included
- Proposed Additional Activities
- Additional Considerations
- Current agreed prioritization for budget allocations
- Long Term Sources and Uses of Funds

III. Proposal – Factors for Inclusion

- Factors considered in reaching the proposed additional activities
 - Country Needs Assessment, especially priority needs
 - Previous discussions on strategic directions of FCPF
 - Focuses on technical aspects where guidance, tools, recommendations through case examples could be of use/be adapted by several REDD countries
 - Excludes activities not eligible for support through the RF (e.g., REDD+ pilots)
 - Excludes activities that are relevant for implementation by countries (e.g., institutional strengthening)
 - FMT capacity
 - External experts and relevant staff from other units
 - Comparative advantage of the FCPF

III. Proposal – Activities not included

- Excludes activities being addressed by others (e.g., land tenure, legal preparedness [UN-REDD], broader governance work led by FLEGT, bilateral programs)
- CSO/IP Program already approved by PC so included in base budget and not reflected as an additional activity
- Other activities mandated by the PC are included in the base budget and are not reflected as an additional activity (e.g., CF WG on Methodological and Pricing Framework, M & E Framework)

III. Proposal – Proposed Additional Activities (1)

Activity No	Area of Activity	FY13 Budget (US\$000s)
1	Reference levels and MRV	375
2A	Social inclusion: Training workshops on Safeguards, Consultations, Feedback & Grievance Redress Mechanisms	346
2B	Piloting governance diagnostics for REDD+ using PROFOR tool, and feedback and grievance redress mechanisms in 2 FCPF countries	217
3	Linking lessons learnt from activities to address drivers of deforestation at the local level to REDD+ Strategy development	210
4	Country dialogues on the role of the private sector in REDD+	150
5	Registries for REDD+	225
	Total	1,523
	Less previously approved budget for Activity 2A in June 2012 in Santa Marta	(200)
	Proposed total for approval by PC	1,323

III. Proposal – Proposed Additional Activities (2)

Proposed Additional Activities	Key activities in FY13	Expected Output
1. Reference Levels and MRV	3-4 countries use Winrock-FMT decision support tool	Improved tools being used by countries. Training/tutorial materials available on web.
	Technical assistance to small number of countries	
2A. Capacity Building for Social Inclusion (incl. safeguards, stakeholder consultations, grievance redress mechanisms)	Training at 2 regional workshops	Training material. Workshop reports.
2B. Piloting Forest Governance and Feedback and Grievance Redress Mechanisms (FGRM)	Piloting of FGRM and PROFOR/FAO governance tool in 2 countries	Country approach paper on FGRM for 2 countries and 'How to' guidelines to set up FGRM. (FY14: Report on governance diagnostic)

III. Proposal – Proposed Additional Activities (3)

Proposed Additional Activities	Key activities in FY13	Expected Output
3. Linking Lessons learnt from activities to address drivers of deforestation at the local level to REDD+ Strategy development (incl. benefit sharing)	1 regional workshop in Africa	Synthesis of lessons.
4. Country Dialogues on the role of private sector in REDD+	Country level assessment of role of private sector in 1 or 2 countries	Country report(s) (incl. recommendations for enhancing private sector role)
5. Registries for REDD+	Develop basic initial framework for national registry systems	Initial framework for national registry systems (for use by all)

Details for all activities in FMT Note 2012-9 rev, Annex 1

Additional Considerations

- Activities not prioritized
 - The proposed activities are strongly interlinked and complement each other, in order to assist countries in reaching REDD+ readiness in a holistic manner. The proposed activities are presented as an integrated work program and have not been prioritized.
- Activities started in FY13 likely to continue into FY14
 - The activities are likely to continue in FY14, with an indicative FY14 budget estimate of \$1.7 million
 - If the work program continues, some adjustments will be made based on the results achieved in FY13. PC approval of the FY14 budget will be solicited in June 2013

Current agreed prioritization for budget allocations

- Higher priority
 - \$3.6 million grants up to PC14 (March 2013) (Para 2.i.a)
 - \$5.5 million for Additional IP/CSO Program over 4 years (Para 2.1.b)
 - Up to \$13.4 million for enhanced capacity for dispute resolution (Para 2.i.c)
- Lower priority
 - Additional grants of up to \$5 million for those making significant progress (Para 2.ii.a)
 - Analytical work, knowledge management, South-South exchanges (“Additional activities”) (Para 2.ii.b)
 - Possible reopening to new REDD+ countries (Para 2.ii.c)
- No priority agreed in lower priority items

III. Summary Long Term Sources and Uses (1)

**Table 2: Summary of Long-Term Sources and Uses of Readiness Funding
(in \$ million)**

Uses	Oct 2012	
		Total
Commitments (grants) to REDD+ Countries (35 @ \$3.8 million)		133.0
Administrative, Operations and Country Support of which:		72.4
<i>FY09-12 Actual costs</i>	<i>20.7</i>	
<i>FY13 Budgeted costs</i>	<i>11.8</i>	
<i>FY14-20 Projected costs</i>	<i>39.9</i>	
Reserve for Delivery Partner capacity for dispute resolution		2.0
Total Uses		207.4
Sources		
Committed Funding (currently no pledges)		239.8
Estimated Reserve		
Reserve: Committed Funding less Total Uses		32.4

III. Summary Long Term Sources and Uses (2)

Table 3. Resources required for possible additional activities planned

Possible Additional Activities	
Proposed Additional Activities budget for FY13 as per this FMT Note (less Shared Costs charged to the Carbon Fund)	1.1
Additional funding to countries that demonstrate significant progress on readiness (up to \$5 million per country), assuming 20 countries meet criteria by FY15	100.0
Total Resources required for Additional Activities	101.1
Funding Gap (Total Resources required for Additional Activities less Reserve)	68.7
Potential reopening of the FCPF to new countries (\$5.8 million per country), assuming 11 additional countries	63.8
Funding Gap (Total Resources required for Additional Activities plus potential reopening to 11 new countries, less Reserve)	132.5

Assumptions:

Expected grants to 35 REDD Country Participants. All 37 originally selected into the FCPF but excluding Tanzania (bilaterally funded) and Equatorial Guinea (PA not signed by February 1, 2012).

Steady operational budget through FY16 (including an estimate for continuing additional activities), with 20% annual cuts thereafter.

IV. Expected PC Actions

- The PC may wish to approve the budget for FY13, including some or all of the additional activities outlined in Table 1 of FMT Note

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Gracias

Merci

Thank you

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