Resolution CFM/19/2019/2
Selection of Emission Reductions Program Document of Cote d’Ivoire into the Portfolio of the Carbon Fund of the FCPF

1. As per Resolution CFM/13/2015/2, the Carbon Fund (Carbon Fund) of the Forest Carbon Partnership Facility (FCPF) selected Cote d’Ivoire’s Emission Reductions Program Idea Note (ER-PIN) into the pipeline of the Carbon Fund and provided additional funding for Cote d’Ivoire to develop an Emission Reductions Program Document (ER-PD) for its Emission Reductions Program (ER Program);

2. In October 2018, as per Resolution PC/26/2018/2, the Participants Committee of the FCPF endorsed Cote d’Ivoire’s Readiness Package;

3. Cote d’Ivoire issued its advanced draft ER-PD in November 2018. The Technical Advisory Panel (TAP) reviewed the ER-PD against the ER-PD requirements in the Carbon Fund’s Methodological Framework dated December 20, 2013 and issued its TAP Review document in November 2018. The Carbon Fund Participants reviewed the advanced draft ER-PD and the TAP Review document and submitted their consolidated comments to the FCPF Facility Management Team (FMT) in December 2018. Based on the findings of the TAP Review and the comments of the Carbon Fund Participants, Cote d’Ivoire submitted to the FMT a final ER-PD in January 2019. The TAP reviewed such final ER-PD and issued its final TAP Review document to the FMT in January 2019; and

4. Cote d’Ivoire has presented its final ER-PD during this meeting.

The Carbon Fund Participants,

1. Acknowledge the extensive efforts made by Cote d’Ivoire, and the high quality of the ER-PD;

2. Decide to provisionally include Cote d’Ivoire’s ER-PD into the portfolio of both Tranche A and Tranche B of the Carbon Fund, provided that any commercial terms (such as advance payments, price etc.) included in the ER-PD are subject to subsequent negotiations of the Emission Reductions Payment Agreement (ERPA);

3. Provisionally authorize the International Bank for Reconstruction and Development (Bank), as trustee of Tranche A and Tranche B of the Carbon Fund (Trustee), to lead the ERPA negotiations with Cote d’Ivoire for the ER Program, in accordance with the ERPA negotiations process and subject to completion of Bank due diligence and final Bank approval, provided that ERPA negotiations shall not start before Bank management has appraised the ER Program;

4. The provisional inclusion of Cote d’Ivoire’s ER-PD into the portfolio of both Tranche A and Tranche B of the Carbon Fund and the provisional authorization of the Trustee to lead the ERPA negotiations with Cote d’Ivoire are deemed approved upon fulfillment of the following condition:

Revision of ER-PD: Revision by Cote d’Ivoire of the ER-PD and submission of such revised ER-PD to the FMT (1) preferably as soon as possible after this meeting but, in any case, no later than May 31, 2019, unless otherwise agreed with the Carbon Fund Participants, and (2) in substance satisfactory to
the Trustee, with the consent of the Carbon Fund Participants on a three (3) week no objection basis. The revised ER-PD shall address the following issues:

a) Following TAP findings on Indicator 8.1 and 14.3, correct the current overestimation in GHG emissions in forest degradation using the appropriate canopy cover thresholds for dense forest (>70% canopy cover) and degraded forest (30-70%) in the activity data;

b) Clarify financial arrangements for the flow of funds, including specifying the financial controls in place, and provide an updated financial plan for the ER Program that includes the latest information on the sources of funding available to the ER Program, including any government and other sources of funding, and clarify how they relate to each other;

c) Provide a summary of the consultations conducted on the Benefit Sharing Plan (BSP) over the period of December 2018 until the time of submission of the revised ER-PD, including a description of how the results were taken into account in the design of the BSP;

d) Provide a roadmap (including timelines) on how to demonstrate Cote d’Ivoire’s ability to transfer title to emission reductions (ERs) under the ER Program. In particular, clarify the process for the adoption of the legislative decree to stipulate the process and authorization to transfer title to ERs;

e) Provide clear information on any planned or potential resettlement measures in the ER Program Accounting Area and clarify how to safeguard against such measures. Clarify that the ER Program activities will not cause or result in involuntary resettlement;

f) Provide a roadmap (including timelines) for the process of reclassifying selected or portions of classified forest into agroforests, including envisioned legislative action;

g) Summarize and explain the alignment of the ER-PD with the relevant provisions of the new Forest Code (pending parliamentary adoption), as applicable; and

h) Clarify the right of women to land title under the laws of Cote d’Ivoire and, if necessary, correct the statement on page 85 of the ER-PD stating that women are “not admitted to obtaining land title”.

5. Unless decided otherwise by the Carbon Fund Participants and subject to fulfilment of the condition in paragraph 4 above, commit to nominate, prior to the start of ERPA negotiations, for each Tranche of the Carbon Fund one (1) representative to act as Carbon Fund Representative of the respective Tranche of the Carbon Fund throughout the ERPA negotiations process and notify the FMT accordingly; and

6. Encourage Cote d’Ivoire to further develop the additional issues identified by the Carbon Fund Participants in the Chair’s Summary for this meeting, not listed under paragraph 4 above, and inform the FMT about corresponding developments, if any, to be shared with the Carbon Fund Participants and Observers, prior to ERPA signature.