

From: FCPF Secretariat/Service/World Bank
To:
Date: 04/07/2011 05:56 PM
Subject: FCPF: Summary of Eighth Meeting of Participants Committee (PC8) -- French and Spanish translations forthcoming and to be posted on-line -- Apologies for double posting
Sent by: Benoit Bosquet
33190

Dear Participants and Observers,

I am pleased to report that the eighth meeting of the Participants Committee (PC8) of the Forest Carbon Partnership Facility (FCPF) took place in Da Lat, Vietnam, on March 23-25, 2011.

The Facility Management Team (FMT) would like to thank the 140+ meeting participants and observers from governments, indigenous peoples' organizations, international and non-governmental organizations and the private sector. And we wish to reiterate our thanks to our hosts, the Government of Vietnam and the provincial authorities of Lam Dong.

Please be advised that all the background materials, presentations, Resolutions and Additional Decisions have been posted on the FCPF website at <http://www.forestcarbonpartnership.org/fcp/node/297>.

Please find below the main conclusions from the meeting:

1. *USD14.2 million in new readiness grant allocations:*

The PC assessed the Readiness Preparation Proposals (R-PPs) submitted by Cambodia, Ethiopia, Peru and Vietnam and the reviews of these R-PPs from the ad hoc Technical Advisory Panels (TAPs), PC members, the World Bank and the United Nations Development Programme (UNDP). After significant discussions in the plenary PC and contact groups dedicated to crafting resolutions, the PC resolved to allocate readiness preparation grants of USD3.6 million to each of these four countries (USD3.4 million to Ethiopia, since it had already availed of a USD200,000 R-PP formulation grant).

- Subject to revision of the R-PP to address some key issues and completion of due diligence by the World Bank, the Inter-American Development Bank (IDB) or UNDP acting as Delivery Partners under the Readiness Fund, Ethiopia, Vietnam, Cambodia, and Peru will each enter into a readiness preparation grant agreement to assist them in preparing their Readiness Packages. See Resolutions PC/8/2011/4, PC/8/2011/5, PC/8/2011/6 and PC/8/2011/7, respectively.

2. *Readiness grants:*

- As indicated at the third Participants Assembly meeting in Washington in November 2010, approval was being sought from World Bank management and the Bank's Board of Executive Directors for the proposed safeguards approach to be followed under the FCPF Readiness Fund (consisting of a Strategic Environmental and Social Assessment and an Environmental and Social Management Framework) and the proposed opening of the Readiness Fund to multiple delivery partners.

- Approval from the Bank's Board of Executive Directors for these proposals was obtained on March 21, 2011. This has made it possible for the Bank to sign the first two Readiness Grants with the Democratic Republic of Congo and Nepal, in an amount of USD3.4 million each. More Readiness Grants are expected to be signed soon.

- This approval should help expedite the slow commitment of funds, a weakness noted in the interim evaluation results presented at PC8 (also see point 8 below).

3. *Draft R-PP presentations:* The Central African Republic, Liberia and Uganda presented their draft R-PPs, which were reviewed by ad hoc TAPs and PC representatives. These countries will likely submit their revised R-PPs for formal assessment at upcoming PC meetings.

4. *New funding:*

- Agence Française de Développement (AFD) has committed an additional EUR4 million to the Readiness Fund.

- Committed funds now amount to approximately USD197 million for the Readiness Fund and USD101 million for the Carbon Fund, while pledged funds amount to approximately USD217 million for the Readiness Fund and USD156 million for the Carbon Fund, representing total pledged funding for the facility of almost USD375 million.

5. *Upcoming R-PP submissions:* As planned some time ago, R-PPs for consideration at PC9 should be submitted by April 11, 2011 (April 25, 2011 in case of resubmission) and R-PPs for consideration at PC10 should be submitted by August 1, 2011 (August 22, 2011 in case of resubmission). Those REDD Countries that will be resubmitting their R-PPs at PC9 can choose to use the latest version of the R-PP template (version 5) or resubmit using the template they have already begun to use (version 4). New R-PP submissions should use the latest version of the R-PP template (version 5), which is available from the website. See Additional Decisions, slide #6.

6. *R-PP template enhancement:* The PC was updated on the R-PP template (version 5 of December 22, 2010) enhancement process being carried out in cooperation with UN-REDD and requested: (1) PC members and observers to provide any comments on the revised draft template by April 20, 2011; (2) the FMT to consider any comments received, continue cooperation with the UN-REDD Programme, and provide a revised draft template as soon as is feasible.. See Additional Decisions, slide #5.

7. *Multiple Delivery Partners:*

- The Task Force on a Common Approach to environmental and social safeguards among Multiple Delivery Partners met on March 19-20, 2011, ahead of the PC8 meeting. This was the first face-to-face meeting of the Task Force after several conference call meetings since December 2010. With the facilitation of the Meridian Institute, the Task Force has made good progress and is on track to propose a Common Approach to be reviewed by the PC9 in Oslo in June.

- The PC decided to expand the mandate of the Task Force to include formulating recommendations for: (1) the types of lessons to be learned from the development of the Common Approach and the pilots; the timeline for when these lessons are likely to be learned, including in relation to the tenth meeting of the PC; and the type of information needed, ways of and responsibility for acquiring it; and (2) targeted outreach on the Common Approach. The PC requested the Task Force to report to PC9 on the items above. See Resolution PC/8/2011/3.

- Following a request from PC7, the PC authorized additional budget to cover the costs of the Task Force (see Resolution PC/8/2011/2). This budget will complement the resources graciously offered by Norway, the Climate and Land Use Alliance and UNDP.

- Under the Common Approach, delivery partners, including the World Bank, IDB, UNDP and, hopefully, the Asian Development Bank (ADB), would follow common rules in the context of providing readiness services to REDD Country Participants under the FCPF Readiness Fund. So far, five countries have expressed interest in piloting the Multiple Delivery Partner arrangement (Cambodia with UNDP, Guyana with IDB, Panama with UNDP, Paraguay with UNDP and Peru with IDB). The PC also requested the FMT to inform PC9 of other REDD Country Participants and potential Delivery Partners that might be appropriate for consideration, with a view to informing the decision to be taken at PC10 on Multiple Delivery Partners. See Additional Decisions, slide #2.

8. *FCPF evaluation:*

- The consultant (Alain Lafontaine) from Baastel presented the methodology and interim results of the first FCPF evaluation that Baastel and Nordeco, the evaluation consultants, started in December 2010. The consultants have completed field missions to three representative countries, namely the Democratic Republic of Congo, Nepal and Mexico, and are in the process of finalizing the draft report. The consultants reached out to and received feedback from nearly 300 stakeholders from diverse groups in the evaluation process. The preliminary findings in the presentation were structured along the criteria of effectiveness, efficiency and relevance of the FCPF.

- Amongst key achievements recognized in the findings were: (1) the pioneering and leadership role of the FCPF in providing a common framework for REDD+ readiness, which has served as the basis for evolving the thinking on REDD+ in participating countries; (2) the FCPF providing a forum for exchange of lessons learnt and knowledge sharing amongst participants; and (3) the FCPF process opening the space for in-country dialogue on REDD+ among diverse stakeholders.

- Amongst the weaknesses to be addressed in moving forward, the need for enhancing in-country support for readiness and expediting FCPF grant disbursements to REDD+ Country Participants was prominent. The FMT presented preliminary responses to the findings and suggestions for addressing some of the issues raised. The PC appreciated the work completed so far and provided feedback for the consultants' consideration in finalizing the report. The draft evaluation report will be available for comments in late April/early May. As a follow-up, the PC set up a working group to structure the discussions on the recommendations from the evaluation report at PC9. The discussions of the working group will be facilitated by Baastel and Nordeco. See Additional Decisions, slides ##3-4.

9. *Carbon Fund:* The FMT updated the PC on progress made in preparing to declare the Carbon Fund operational, including the decision-making modalities being envisaged for each Tranche. The PC resolved to limit the Shared Costs charged to the Readiness Fund for activities that are also of interest to the Carbon Fund at US\$12 million over the lifetime of the FCPF (see Resolution PC/8/2011/8).

10. *PC Bureau:* The PC considered a proposal from Mexico to increase the number of PC Bureau members by one to allow a representative from Meso-America to sit on the Bureau (see the note from Mexico under session 2a). In the end, the PC resolved to increase the size of the PC Bureau by two REDD Country Participants (see Resolution PC/8/2011/1). Guatemala and Kenya were selected to fill these seats. Going forward, the composition of the PC Bureau will be five REDD Country Participants, with one representative in each region (Congo Basin, Africa outside of the Congo Basin, Meso-America, South America, and Asia), and three financial contributors. The current membership of the PC Bureau (until the next PC election in October 2011) is as follows: Democratic Republic of Congo, Kenya, Guatemala, Argentina, Cambodia, Australia, Germany, and the United States.

11. *Indigenous Peoples observers to the FCPF:* The PC noted the Forest-Dependent Indigenous Peoples and Forest Dwellers' proposal to select their representative(s) to serve as the FCPF Observer(s) following the self-selection process that will be used for the Forest Investment Program (FIP). The PC requested the FMT to inform the PC of the budget implications of this proposal and to prepare a draft amendment to the Charter for consideration by the PC. See Additional Decisions, slide #7.

12. *Communications:* The PC requested the FMT to develop a plan to enhance communications about the FCPF, including such topics as multiple delivery partners and the Carbon Fund.

13. *Next meetings:* Please mark your calendars...

- Norway will host PC9 on June 20-22, 2011 in Oslo.

- Germany will host PA4/PC10 on October 17-19, 2011 in Berlin. PA4/PC10 will be held in conjunction with the seventh meeting of the UN-REDD Policy Board.
- The FMT will liaise with the Bureau of the PC on the question of where to hold PC11 (which Colombia and Paraguay have both offered to host).

From the above, it is clear that a lot was achieved at PC8. A number of important decisions were either made or progress was achieved towards future adoption. The FMT is aware of the challenge involved in putting so many substantive topics on the agenda of a two-day meeting. This may have been too much, and even so, no time was available for dedicated knowledge exchange sessions. The FMT will strive to make adjustments and liaise with the PC Bureau as it prepares the PC9 agenda. Additional adjustments will be necessary from PC9 onwards, in particular in the way contact groups designed to draft PC Resolutions are formed, so as to ensure a balanced representation of Participants and observers.

As usual, please do not hesitate to contact the FMT at fcfsecretariat@worldbank.org if you have any questions or concerns.

Sincerely,

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