

**FOREST CARBON PARTNERSHIP FACILITY (FCPF)
FIFTH PARTICIPANTS COMMITTEE MEETING**

March 22-25, 2010

La Lope National Park, Gabon

Resolution PC/5/2010/1

Democratic Republic of Congo's Readiness Preparation Proposal

Whereas:

1. The Democratic Republic of Congo (DRC) submitted a Readiness Preparation Proposal (R-PP) to the Facility Management Team (FMT) in January 2010, which was reviewed by a Technical Advisory Panel (TAP), a working group consisting of Participants Committee (PC) members established for this purpose, and the World Bank;
2. The PC reviewed the R-PP in accordance with Section 11.1 (b) of the Charter Establishing the FCPF (Charter) at its fifth meeting; and
3. The PC acknowledged the extensive efforts made by DRC and the high quality of its R-PP.

The Participants Committee,

1. Decides to allocate grant funding to DRC to enable it to move ahead with preparation for readiness;
2. For this purpose, it requests:
 - i. DRC to submit a revised R-PP (Revised R-PP) to the FMT, reflecting the key issues in the summary report prepared by the FMT included in the annex to this resolution;
 - ii. The FMT to check the Revised R-PP for completeness, make it available on the FCPF website and notify the PC of its availability;
 - iii. The World Bank, as the Trustee of the Readiness Fund (Trustee), to complete its due diligence, in particular with regard to the World Bank's Operational Policies and Procedures, working closely with DRC, in order to provide a grant of up to US\$3.4 million, in accordance with PC Resolution PC/3/2009/4;
 - iv. DRC to consider the issues identified in the TAP's R-PP assessment as well as those raised by the FCPF PC at this meeting during readiness preparation; and

- v. DRC to report to the PC on progress made in accordance with Section 6.3 (b) of the Charter and to carry out its responsibilities in accordance with the grant agreement.
3. Notes with appreciation that DRC intends to incorporate the main issues identified by the UN-REDD Programme Policy Board in the revised R-PP;
 4. Invites the World Bank to continue working closely with the UN-REDD Programme for DRC's readiness preparation; and
 5. Encourages other multilateral entities and bilateral agencies with programs in DRC to assist the government actively in mainstreaming REDD in overall cooperation planning.

Annex

Summary Report Prepared by the FMT

The PC praised DRC for producing a high quality R-PP and recognized that the country has put in place an inclusive and participatory process for achieving REDD Readiness.

The PC noted with satisfaction that the R-PP recognizes the inter-sectoral nature of deforestation and forest degradation and the role of decentralized government structures to address them.

The PC noted that DRC REDD Readiness efforts demonstrate a good example of coordination between the FCPF and the UN-REDD programme. In addition, the PC noted that DRC's R-PP is already being used as a tool to coordinate donor support for REDD, including the Congo Basin Forest Fund.

Key Issues

The following are the key issues that DRC needs to address before entering into a Readiness Preparation grant agreement with the Trustee of the Readiness Fund:

1. The R-PP should clarify how feedback from various stakeholder groups would be gathered and how they would feed into the REDD Strategy design process.
2. While the R-PP proposes the creation of many new institutions at national and provincial levels, the R-PP should better articulate if and how the mandates of existing institutions could be adjusted to take on these new roles.
3. The R-PP should clarify the role of civil society organizations and local communities in the national MRV system. Their capacity needs should be included in the capacity building strategy.
4. The budget should clearly indicate what priority activities will be financed by the FCPF & the UN-REDD programme. In addition, the national strategy for mobilizing additional resources for the REDD Readiness process and the fiduciary arrangements for the management of these funds should be clarified.

Resolution PC/5/2010/2

Mexico's Readiness Preparation Proposal

Whereas:

1. Mexico submitted a Readiness Preparation Proposal (R-PP) to the Facility Management Team (FMT) in February 2010, which was reviewed by a Technical Advisory Panel (TAP), a working group consisting of Participants Committee (PC) members established for this purpose, and the World Bank;
2. The PC reviewed the R-PP in accordance with Section 11.1 (b) of the Charter Establishing the FCPF (Charter) at its fifth meeting; and
3. The PC acknowledged the extensive efforts made by Mexico and the high quality of its R-PP.

The Participants Committee,

1. Decides to allocate grant funding to Mexico to enable it to move ahead with preparation for readiness; and
2. For this purpose, requests:
 - i. Mexico to submit a revised R-PP (Revised R-PP) to the FMT, reflecting the key issues in the summary report prepared by the FMT included in the annex to this resolution;
 - ii. The FMT to check the Revised R-PP for completeness, make it available on the FCPF website and notify the PC of its availability;
 - iii. The World Bank, as the Trustee of the Readiness Fund (Trustee), to complete its due diligence, in particular with regard to the World Bank's Operational Policies and Procedures, working closely with Mexico, in order to provide a grant of up to US\$3.6 million, in accordance with Resolution PC/3/2009/4;
 - iv. Mexico to consider the issues identified in the TAP's R-PP assessment as well as those raised by the PC at this meeting during readiness preparation; and
 - v. Mexico to report to the PC on progress made in accordance with Section 6.3 (b) of the Charter and to carry out its responsibilities in accordance with the grant agreement.

Annex

Summary Report Prepared by the FMT

The PC noted that the R-PP formulation process to date has been a positive one, and that the R-PP offers good opportunities for other REDD countries to learn from Mexico's experience.

Key Issues

The following are the key issues that Mexico needs to address before entering into a Readiness Preparation grant agreement with the Trustee of the Readiness Fund:

1. The roles of the non-forest sector institutions in the REDD national management structure need to be clarified to ensure that those institutions are adequately involved.
2. Component 2c of the R-PP on the implementation framework needs to be further elaborated to meet the standards of this component.
3. Initial engagement on the R-PP with representatives of key stakeholder groups should include Indigenous Peoples.

Resolution PC/5/2010/3

Ghana's Readiness Preparation Proposal

Whereas:

1. Ghana submitted a Readiness Preparation Proposal (R-PP) to the Facility Management Team (FMT) in February 2010, which was reviewed by a Technical Advisory Panel (TAP), a working group consisting of Participants Committee (PC) members established for this purpose, and the World Bank;
2. The PC reviewed the R-PP in accordance with Section 11.1 (b) of the Charter Establishing the FCPF (Charter) at its fifth meeting; and
3. The PC acknowledged the extensive efforts made by Ghana and the high quality of its R-PP.

The Participants Committee,

1. Decides to allocate grant funding to Ghana to enable it to move ahead with preparation for readiness; and
2. For this purpose, requests:
 - i. Ghana to submit a revised R-PP (Revised R-PP) to the FMT, reflecting the key issues in the summary report prepared by the FMT included in the annex to this resolution;
 - ii. The FMT to check the Revised R-PP for completeness, make it available on the FCPF website and notify the PC of its availability;
 - iii. The World Bank, as the Trustee of the Readiness Fund (Trustee), to complete its due diligence, in particular with regard to the World Bank's Operational Policies and Procedures, working closely with Ghana, in order to provide a grant of up to US\$3.4 million, in accordance with PC Resolution PC/3/2009/4;
 - iv. Ghana to consider the issues identified in the TAP's R-PP assessment as well as those raised by the PC at this meeting during readiness preparation; and
 - v. Ghana to report to the PC on progress made in accordance with Section 6.3 (b) of the Charter and to carry out its responsibilities in accordance with the grant agreement.

Annex

Summary Report Prepared by the FMT

The PC noted the extensive effort made by the Government of Ghana and commended the quality of the R-PP and its presentation.

The PC also noted that the R-PP formulation process to date has improved significantly from the previous submission and offers lessons for other REDD countries, particularly in establishing the needed structures for REDD readiness management.

Key Issues

The following are the key issues that Ghana needs to address before entering into a Readiness Preparation grant agreement with the Trustee of the Readiness Fund:

1. Clarify how the stakeholders, in particular civil society, will be engaged in the consultation process to ensure that adequate opportunities are provided for their inputs into the Readiness preparation process;
2. Provide information on how the existing consultation structures such as those provided by the FLEGT VPA could contribute to the consultations for REDD readiness;
3. Include an analysis of experiences and lessons learnt from past and ongoing initiatives addressing deforestation and forest degradation. The linkages between the investment strategy to be submitted to the Forest Investment Program (FIP) and the REDD readiness process should be clarified; and
4. Confirm (with appropriate Terms of Reference) that REDD-plus is part of the mandate of the Environment and Natural Resource Advisory Council (ENRAC), the apex body at the Cabinet level for providing oversight on the national climate change issues.

Resolution PC/5/2010/4

Delivery Partners

Whereas:

The Facility Management Team (FMT) presented Note FMT 2010-11 on options to optimize delivery in the Readiness Fund by increasing the number of delivery partners in addition to the World Bank.

The Participants Committee,

1. Recognizes the need to include other entities alongside the World Bank as delivery partners.
2. Requests the FMT to:
 - i. Review and analyze relevant precedents for relying on multiple partners , such as the Climate Investment Funds, the Global Environment Facility and the UN-World Bank Partnership Framework for Crisis and Post-Crisis Situations;
 - ii. Explore options for increasing the number of delivery partners, focusing on principles of economy, effectiveness, REDD Country Participants preferences, and minimum standards with respect to procurement, financial management and environmental and social safeguards; and
 - iii. Provide its findings and recommendations to the Participants Committee for its consideration at its sixth meeting and any future meetings.

Resolution PC/5/2010/5

Coordination with other Relevant Initiatives

Whereas,

1. The UN-REDD Programme Secretariat reported on the recommendations of the fourth UN-REDD Programme Policy Board Meeting held in Nairobi, Kenya, March 18-19, 2010, concerning the coordination of REDD-plus initiatives;
2. The Forest Investment Program (FIP) reported on the meeting of the Sub-Committee of the FIP held in Manila, Philippines, March 17, 2010; and
3. The Participants Committee acknowledges the need to strengthen coordination between the FCPF and other relevant initiatives, including the UN-REDD Programme and the FIP.

The Participants Committee,

1. Welcomes the recommendations of the UN-REDD Programme Policy Board referred to in paragraph 1 of the preamble and requests the Facility Management Team (FMT) to work with the UN-REDD Programme to:
 - i. Integrate, where possible, the relevant elements of the meetings of the Participants Committee and the Participants Assembly of the FCPF and the UN-REDD Programme Policy Board meetings, including a joint platform for sharing country experiences and lessons as well as policy discussions, and to report back to the Participants Committee with proposals; and
 - ii. Coordinate their support to the REDD countries that are Participants to both the FCPF and the UN-REDD Programme, and report to the PC on such coordination.
2. Requests the FMT to work with appropriate ongoing initiatives and institutions, including the UN-REDD Programme and the FIP, to study options for enhancing systematic cooperation and improving efficiency, and seeking coherence in support of REDD-plus countries efforts, and report to the PC at its sixth meeting with options, implications and recommendations as appropriate.

Resolution PC/5/2010/6

Translation Cost

Whereas:

REDD Country Participants should be given the opportunity to present Readiness Preparation Proposals (R-PPs) in French, English or Spanish.

The Participants Committee,

1. Encourages REDD Country Participants to submit the main body of their R-PPs in English;
2. Recognizing the fact that some REDD Country Participants formulate their R-PPs in French or Spanish, requests the Facility Management Team (FMT) to facilitate the translation of the main body of the R-PPs into English; and
3. Authorizes the FMT to set aside resources in the Secretariat budget for this purpose. If a REDD Country Participant wishes to avail of the translation resources available through the FMT, that Participant should advise the FMT well in advance and submit its document with sufficient time, preferably four weeks before the relevant FCPF deadline to ensure the translation can be made. Given the significant time and cost involved, typically only one version of the document can be translated.

Resolution PC/5/2010/7

Carbon Fund of the FCPF

Whereas:

The Facility Management Team (FMT) provided an update on the capitalization of the Carbon Fund and presented the initial proposals on possible adjustments to the Carbon Fund in order to facilitate participation by private sector entities, and respond to the current discussions on phased financing for REDD-plus.

The Participants Committee,

Welcomes the FMT's proposal to:

1. Lead a joint process with existing and potential Carbon Fund participants to reach a common understanding of the options for Carbon Fund operation; and
2. Organize consultations with key relevant stakeholders to discuss the pros and cons of different options, including those presented at this meeting by the FMT and referenced in the preamble above, and present findings and recommendations to the PC at its sixth meeting and any future meetings.

Resolution PC/5/2010/8

Expression of Gratitude to the Government of Gabon

The Participants Committee, having met in La Lope National Park, Gabon, from March 22 to 25, 2010, wishes to express its gratitude to the Government and the people of the Republic of Gabon for the hospitality and warmth extended to the participants.