

**FOREST CARBON PARTNERSHIP FACILITY (FCPF)  
NINTH PARTICIPANTS COMMITTEE MEETING  
June 20-22, 2011  
Oslo, Norway**

**Resolution PC/9/2011/1**

**Common Approach to Environmental and Social Safeguards for Multiple Delivery Partners**

**Whereas,**

1. The Participants Committee (PC), through its Resolution PC/7/2010/4, authorized up to five Pilot Countries, identified six Potential Delivery Partners, established a Task Force to develop a common approach (“Common Approach”) for the provision of readiness support for REDD Country Participants, and requested the Task Force to complete its work prior to PC9 with a view to approval of the Common Approach by the PC at PC9.
2. The PC, through its Resolution PC/8/2011/3 on Additional Work for the Task Force, decided to expand the mandate of the Task Force to include formulating and reporting recommendations for:
  - a. 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
  - b. targeted outreach on the Common Approach.

**The Participants Committee,**

**I. Approval of the Common Approach**

1. Approves the Common Approach as recommended by the Task Force at PC9, which is attached hereto.

**II. Approval of the First Delivery Partners and Application of the Common Approach to Pilot Countries**

2. Approves the Inter-American Development Bank (IDB) and the United Nations Development Programme (UNDP) to act as Delivery Partners under the Readiness Fund in accordance with the Common Approach for the Pilot Countries that selected them (IDB in the case of Guyana and Peru; and UNDP in the case of Cambodia, Panama, and Paraguay). The PC hereby designates IDB and UNDP as Observers to the Participant Committee.

**III. Transfer Agreements Between the Trustee and the Delivery Partners**

3. Instructs the Trustee of the FCPF Readiness Fund to negotiate and execute legally binding Transfer Agreements with the IDB and UNDP that will fully incorporate the Common Approach.

It is recognized that such Transfer Agreements will be subject to review and approval in accordance with the internal procedures of each Delivery Partner.

4. Instructs the FMT that the transfer of funds from the FCPF Readiness Fund to the new Delivery Partners shall not include any overhead charges from the World Bank.
5. With the exception of the provisions of Paragraph 36 of the Common Approach (which pertains to the “Accountability Mechanism” and is addressed under Paragraphs 6, 7, and 8 of this Resolution), agrees that the FCPF Readiness Fund shall cover the full operational costs necessary for Delivery Partners to fulfill their obligations, provided the costs are reasonable.
6. In recognition of the fact that 1) UNDP does not have an Accountability Mechanism that is available to respond to and address claims related to the Common Approach and 2) UNDP is in the process of evaluating options for creating an organization-wide accountability system; agrees that the Transfer Agreement with UNDP shall provide for coverage by the FCPF Readiness Fund of reasonable costs to UNDP in making an independent safeguard expert or consultant available to receive and provide expert guidance on eligible complaints related to safeguards and the Common Approach. Such funding shall be limited to the period that UNDP serves as Delivery Partner for FCPF Readiness grant agreements with the Pilot Countries, or until such time as UNDP decides on modalities for its accountability mechanism in accordance with Paragraph 36 of the Common Approach, whichever is sooner.
7. In recognition of the fact that the IDB’s existing accountability mechanism may not be available to respond to and address claims related to specific safeguards required by the Common Approach that are not otherwise covered by IDB safeguard policies, agrees that the Transfer Agreement with IDB shall provide for coverage by the FCPF Readiness Fund of any reasonable costs that the IDB incurs in making its accountability mechanism available to address claims associated with those specific provisions of the Common Approach in order to meet its commitment under Paragraph 36 of the Common Approach.
8. In recognition of the need to clarify all financial obligations before Transfer Agreements can be executed, directs the FMT to work closely within the World Bank and with IDB and UNDP to assess experience regarding management response costs related to the use of accountability mechanisms similar to those costs which may be incurred under the Common Approach. In addition to the provisions of Paragraphs 6 and 7 above, the FMT effort should include consideration of any other potential costs to the FCPF Readiness Fund, including whether to use the FCPF Readiness Fund to cover the management costs<sup>1</sup> associated with: a) the processing of and response to claims under the Accountability Mechanism required in Paragraph 36 of the Common Approach; and b) the cost of action plans to address non-compliance with the Common Approach and under what circumstances.<sup>2</sup> As part of this effort the FMT should also recommend whether to set aside FCPF Readiness Funds to cover these costs and, if so, what level is needed; and an appropriate approach to allocating the resources to Delivery Partners. The FMT will engage PC Members and Observers throughout this effort, with a view toward recommending for approval by the PC, on a non-objection basis as soon as possible, an appropriate approach to these costs.

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<sup>1</sup> For IDB, management costs may include incremental costs of the consultation phase of IDB’s accountability mechanism.

<sup>2</sup> For UNDP, this assessment should include consideration of costs similar to those described in Paragraph 7, if its accountability mechanism, once established, is not available to respond to and address claims related to specific safeguards required by the Common Approach that are not otherwise covered by UNDP safeguard policies.

#### **IV. Approval of Additional Pilot Countries**

9. Authorizes up to five (5) REDD Country Participants where the World Bank does not currently have active forest sector engagement and that wish to be paired with another Delivery Partner, to utilize Delivery Partners approved as per Paragraph 2 of this Resolution. In order for a country to participate as Pilot Country, it must notify the FMT of its desire and the Delivery Partner it wishes to be paired with. The FMT must provide sufficient notice to PC Members and Observers of the expression of interest. Each decision whether to approve the addition of a Pilot Country must be separately considered and made by the PC at PC10 or thereafter. There shall be no more Pilot Countries beyond the five authorized by this Paragraph.

#### **V. Lessons to be Learned on the Common Approach**

10. Requests the FMT to collect and synthesize the lessons learned on the Common Approach in accordance with the recommendations made by the Task Force. The FMT may retain the assistance of an independent consultant to assist in gathering and synthesizing the lessons learned but shall do so within the financial envelope of the corresponding line item included in the approved FY12 budget for the FCPF Readiness Fund. The full operationalization of the multiple Delivery Partner arrangement will be contingent upon a more rigorous effort to gather and apply lessons learned after PC10 and the completion of mid-term review for at least two Pilot Countries per Delivery Partner. The process for evaluating lessons learned shall include: a) reports provided by the FMT every six months; b) any other information that is deemed necessary by the PC; and c) an evaluation of the piloting arrangements for the Common Approach by an independent third party under the direction of the PC and in cooperation with the Delivery Partners.

#### **VI. Process for Approving Future Delivery Partners**

11. In keeping with the spirit and intent of the possible future operationalization of multiple Delivery Partners, decides to adopt the following steps to determine whether the other Potential Delivery Partners will be approved as Delivery Partners under the FCPF Readiness Fund:
  - a. A Potential Delivery Partner must have already submitted to the FMT by PC9 background information that is organized in the same manner as the background information that IDB and UNDP submitted (i.e., showing how their safeguard policies and procedures may align with the World Bank's safeguards policies and procedures);
  - b. This information is reviewed by an independent analyst charged with identifying gaps or partial gaps in the safeguard policies of the Potential Delivery Partner, using the format utilized by the independent analysts that assisted the Task Force. A draft set of findings from the independent analyst is provided to the Potential Delivery Partner for response;
  - c. The Delivery Partner will have the option of engaging in a consultation with the independent analyst and, following such consultation, to update its submission of background information before the independent analyst completes the gap analysis;
  - d. Should the Potential Delivery Partner wish to serve as a Delivery Partner under the FCPF Readiness Fund, it will so indicate in a proposal to the FMT;
  - e. The FMT shall announce to the PC the intention of a Potential Delivery Partner to serve as a Delivery Partner and, in so doing, solicit expressions of interest from PC Members to review the final version of the background information provided by

the Potential Delivery Partner, along with the final version of the independent gap analysis;

- f. The FMT, or an independent consultant retained by the FMT, shall prepare a synopsis of the views of interested stakeholders in response to the Potential Delivery Partner's proposal and the independent gap analysis of the proposal in advance of any decision by the PC whether to approve the application as Delivery Partner.
12. In considering whether to add additional Delivery Partners, the PC will seek information regarding any potential additional costs associated with adding the Delivery Partner, including those outlined in Paragraphs 6, 7 and 8 above.

## **VII. Planned Targeted Outreach on the Common Approach**

13. Requests the FMT to conduct a targeted outreach on the Common Approach in the form of presentations on the Common Approach at relevant events organized by third parties, and in accordance with the recommended approach for conducting such targeted outreach expressed in the Task Force conveyance memorandum to the PC of June 9, 2011 and within the confines of the approved FY2012 budget items for targeted outreach. FMT should conduct this targeted outreach as soon as possible, including a special emphasis prior to PC10 on outreach to civil society, Indigenous Peoples, forest dwellers, and other affected people in existing Pilot Countries and those REDD Countries that express an interest in becoming Pilot Countries (as per Paragraph 9 above) in consultation with responsible government officials in those countries and the relevant Delivery Partners. If needed, resources shall be made available by the FMT to facilitate local civil society, Indigenous Peoples, forest dwellers, and affected people to participate in these outreach efforts.
14. Requests the FMT to provide Pilot Countries with all information relevant to them regarding the Common Approach, multiple Delivery Partners, and any other topics related to this Resolution, and to encourage the Pilot Countries, if possible, to participate in these processes.