Note: Terra has responded to both the Public and Board calls for input in this document

Terra Global - Public Inputs
REDD+ Results-Based Payments

Submission

Official submission of inputs on behalf of an organization or group of organizations preferably in MS Word format should be sent via e-mail as one document with subject line:
"**REDD+ RBP – call for public inputs**" to fundingproposal@gcfund.org **by 20th March 2017 at 23:59 Korean Standard Time**

The official submission should clearly indicate: Full Name; Title/Position; Organization/Affiliation Contact details including telephone and e-mail address

I. Elements related to technical modalities

Technical element 1: Scale of implementation

Issue: UNFCCC provisions request forest reference emission level and/or forest reference level (FREL/FRL) and measurement, reporting and verification (MRV) to be national with some flexibility for subnational scale as an 'interim measure'. Guidance is required for defining the scale of implementation for countries requesting RBPs. The GCF needs to state in the RFP what scale of implementation is acceptable in proposals; while being consistent with UNFCCC guidance on FREL/FRL and MRV. The GCF should also contemplate whether and how the existing REDD+ initiatives at different scales and approaches can be considered in the RFP.

UNFCCC mandates and existing practices of key initiative funds:

- UNFCCC: Requires national FREL/FRL or, if appropriate, as an interim measure, subnational FREL/FRL, in accordance with national circumstances (Decision 1/CP.16 paragraph 71).
- Forest Carbon Partnership Facility (FCPF) Carbon Fund: Allows for national and subnational (jurisdictional) level. Most programs are subnational.
- REDD Early Movers Program (REM): Allows for national and subnational. So far the experience has been subnational.
- Norwegian International Climate and Forest Initiative (NICFI): Mainly national level agreements with national governments, although implementation occurs at subnational scales in some countries.

Guiding questions

1.1: What scale of implementation (national, subnational, nested) should be considered for the RFP?

All scales should be allowed, this will support the different approaches of countries and how they chose to structure and promote the generation of REDD+ emission reductions.

1.2: Should the GCF provide detailed guidance for defining the scale of eligible proposals?

The GCF does not need to provide detailed guidance on defining scale just clarity on what must be demonstrated with respect to how a GCF funded project with RBP relates to the larger scales operating in the country. There should be specific criteria that GCF funded projects must meet with respect to demonstrating how their scale relates to the larger scales. At minimum, this would include how it relates to national level reporting under the UNFCCC. The criteria that a smaller scale project should demonstrate with respect to how it relates to a larger scale are 1) relationship between quantification of FREL across scales (this does not mean they have to be the same, you should be able to have a FREL that differs between scales, as long as you demonstrate control potential double sales/delivery/use), 2) MRV across scales (this does not mean they have to be the same, you should be able to have a MRV that differs between scales, as long as you control potential double sales/deliver/use), 3) tenure of natural resources/ERs (basically the explicit or implicit land/ER tenure requirements/claims) between the scales , 4) meeting any established (and operating) government requirements for smaller scales operating within larger ones, 5) evidence of engagement *of stakeholders and existence of safeguards-redress at the scale receiving GCF RBP, 6) how the ERs may or may not be used in INDCs, 6) how the ER issuance/delivery processes between scales will ensure no double selling.*

1.3: Other questions?
The climate finance in the form of GCF REDD+ RBP is an extremely important and powerful tool to evolve how REDD+ has been financed and to really channel funding to activities that address drivers and agents of DF/DG and promote large and smallholder sustainable landscape practices. GCF should also recognize the importance of approaches that regardless of scale maximize the access to finance for ERs by allowing/promoting participation in multiple programs. There is no reason why a REDD+ site or smaller (less then national) jurisdiction should not be able to secure RBPs from GCF, other RBPs (such as Carbon Fund or REM), voluntary markets, CORSIA as it emerges and other programs. The only requirement is maintaining environmental integrity when participating in more than one, by not double selling/delivering/using.

GCF has a chance to be pivotal in "making the top down work for the bottom up in REDD+". Over the last 5-6 years, vast sums of donor funds have been spent on REDD+ readiness at the national level and sizeable RBP programs are operating, yet most national governments do not have defined processes and procedures for measuring contributions for ERs by groups of like land managers or having payments flow down to land managers directly for producing ERs in ways that recognize ER tenure. GCF needs to structure participation in REDD+ RBP, such that access to finance can be secured at multiple scales, and that if larger scale actors are receiving the payment, there is a clear path for funds to those managing land and generating the ERs.

That is why It is critical that GCF REDD+ RBP finance can be channeled to site-based actives that meet the requirements of demonstrating how they relate and contribute to large scale activities within a country. But for countries, that may not have a formalized approach to how projects/subnational activities nest into the higher scales, there should not be a limitation of REDD+ RBP for lower levels, as long as how they fit into higher levels is provided in the proposal for the six criteria above.

Since the GCF RBP will be primarily paid on an ex-post basis, it is critical that the commitments that GCP makes to projects for future ER payments, can attract/leverage upfront private (or other) finance. For private investors, they will want to see that the GCP can be used to make a project bankable. So the RBP payments should be able to be made to entities that may be independent of governments, these would include SPVs, funds and other structures that have been established by the project and can demonstrate they have secured ER tenure before the time of the RBP payment from the GCF is made.

Technical element 2: Forest reference emissions levels (FREL)/forest reference levels (FRL)

Issue: Warsaw Framework for REDD+ articulates modalities for the development and technical assessment of FRELs/FRLs, and for monitoring, reporting and verification (MRV) of emission reductions achieved through REDD+ activities. Under the current UNFCCC REDD+ decisions, Parties, when constructing their national (or subnational) forest reference emission level and/or forest reference level, may choose their own baseline. This flexibility results in various reference and accounting periods that vary by country. The GCF needs to consider ways to link these procedures with RBP while considering specific countries' circumstances.

Existing practices of other funds:

- FCPF Carbon Fund: Follows UNFCCC requirements of using historical averages and adjustment but it only allows limited adjustment for "high forest low deforestation" (HFLD) countries with justified changes in deforestation trends and puts in place further requirements on the historic averages by requiring that the historic period considered is about 10 years before the end date which should be the most recent date prior to two years before the start of the draft ER Program Document assessment.
- REM: Historical average rates
- Norway-Guyana bilateral agreement: Mean value of historic average rate and developing country average, with downward adjustment option
- Norway-Brazil bilateral agreement: Historical average rates, updated every 5 years

Guiding questions:

2.1: How should the GCF take into account the different approaches used for defining FREL/FRL and translated into verified REDD+ results?
Over the last 3 years RBP programs and reporting under UNFCCC for AFOLU have advanced, under the backdrop of numerous site-based activities that are verifying ERs under international standard such as the VCS. The ER accounting at the site level, has been developed, applied and tested for a number of years and has rigorous criteria for GHG accounting and the robustness to quantify GHG emissions from multiple REDD+ typologies and a broad set of AFOLU practices. But it is also complex and can require combining different methodologies to capture the varying dynamics of land-use change at larger scales.

The quantification protocols for emission reductions/removals for AFOLU under UNFCCC, Carbon Fund and REM are in their infancy and some approaches have been overly simplified or arbitrarily established providing room for improvement over time, which should be encouraged by the GCF. As these larger scale "protocols" for national/subnational REDD+ programs adopted for Carbon Fund Methodological Framework and REM have been operationalized it has become clear that most do a very poor job of being able to capture the multiple typologies of REDD+, hindering the ability to establish accurate FREL/FRLs in areas where historical DF/DG are not a good predictor of future DF/DG. They also do little to promote the establishment of FREL/FRL with enough spatial accuracy to allow finance from RBP sources to easily flow down to land managers who actually produce ERs. These protocols when applied also build-in significant "country contributions" which in the case of some REM programs is 50% of emissions generated. In the Carbon Fund Methodical framework, these "country contributions" may be implicit due to the capped adjustment allowed for the FREL. These "country contributions" combined with relatively low prices being provided for ERs through current RBP programs, can make it hard to cover the abatement costs of some of the most important REDD activities that need to be financed.

Other jurisdictional standards, such as the VCS JNR, have more robust GHG accounting then the CF and REM, but there has been little uptake by countries/states. In addition, they are designed to require smaller scale nested activities to adopt the FREL/MRV of the larger baseline within a given time period, which undesired and unnecessary.

GCF should be willing to provide RBP payments on a broad set of "3rd party" standards/methodologies at all scales which meet a set of criteria set out by the GCF. The 3rd party requirement, is simply that it is not a standard/methodology that has been developed by the project itself. A list GCF's allowable "3rd party" standards/methodologies should be maintained and expanded as needed over time. The criteria that GCF would use to determine if a "3rd party" standard/methodology could be used would include that it 1) was developed with stakeholder process, 2) all requirements and project/program documents are publically available, 3) meets the requirements of good GHG accounting standards, 4) requires 3rd party verification with qualified and approved set of auditors, and 5) can demonstrate how the issuance process would support control of ERs that might be coming from other standards/methods on the same geography for the same mitigation activities.

It is critical that activities applying site-based methodologies, be able to access GCF REDD+ RBP using site-based accounting for FREL/MRV, as long as they demonstrate how they fit into larger scales with the criteria listed in 1.2 above. This should be the same for smaller level jurisdictions such as state/province they should be able to use their FREL/MRV approaches if they meet the GCF requirements for a 3rd party standard and demonstrate ow they fit into larger scales 1.2.

2.2: Is there a need for additional GCF-specific criteria for FREL/FRL and MRV? If so, what type criteria should that be?
See above, but to allow for quick operationalizing of the REDD+ RBP under GCF, the GCF should first recognize a set of the already established protocols/methods and allow them to be applied. These would include Carbon Fund Methodological Framework and VCS (site and JNR), and other that can meet a set of requirements and be "approved".

In the future as these other standards/methods evolve the GCF might consider adopting its own specific standard/protocol for FREL/FRL and MRV.

2.3: How should the GCF take into account the results of the analysis of the REDD+ technical annex[1]? What process and review criteria, if any, in order to make funding decisions?

Link http://unfccc.int/resource/docs/2013/cop19/eng/10a01.pdf#page=39

For each for the 3rd party standards/protocols that GCF approves for use, as part of the approval process there should be a caparison of the review required under the 3rd party standards/protocols and those in guidelines for technical assessment. For each 3rd party standards/protocols GCF would identify which if the Decision 14/CP.19 components are not covered as part of the independent verification and perform those itself.

2.4: Should a description of how alignment of subnational FREL/REL to national-scale FREL/REL be required?
Yes, see above. This would hold true for site-based too.

2.5: Other questions?

[1] Decision 14/CP.19

Technical element 3: Operationalization of the 'Cancun safeguards' **Issue:** The Warsaw Framework for REDD+ and earlier COP decisions contain seven safeguards[2] that are required to be addressed and respected in all phases of REDD+. The GCF needs to consider how these relate to the existing GCF policies, procedures and reporting requirements, in particular how they can be reconciled with the interim safeguards of the GCF (IFC Performance Standards). The GCF also needs to decide if additional guidance is required on REDD+ RBP-specific considerations in order to operationalize RBP. Such guidance could be warranted, for example, to address the risks of reversals of Emission Reductions achieved, or information may be required to ensure GCF's ESS, fiduciary standards, and gender policy are upheld in activities that produced ERs being rewarded. Existing practices of other funds: • FCPF Carbon Fund: World Bank safeguard policies and processes (Strategic Assessment and Management Framework); Benefit Sharing Plan • REM: Cancun REDD+ Safeguards; KfW safeguards; BMZ human rights guidelines • Norway-Guyana bilateral agreement: World Bank, IDB and UNEP safeguards • Norway-Brazil bilateral agreement: Safeguards of the Brazilian Development Bank
Guiding questions: 3.1: How should the GCF assess the implementation of the Cancun Safeguards in addition to the IFC performance standards (interim GCF ESS)? *It needs to be pragmatic and clear what a REDD+ project needs to do. IFC performance standards are easily applied and are best linked to financial transactions such as RBP.* 3.2: Should the GCF develop additional guidance for the reporting on how the Cancun Safeguards are being respected? *GCF should also accept any recognized standard such as Climate, Community and Biodiversity and REDD+ SES, to demonstrate safeguards.* 3.3: Other questions?
Any additional issues/comments

[2] Appendix I to UNFCCC decision 1/CP.16.

Call for Board inputs
REDD+ Results-Based Payments

Input requested

The Board is requested to provide input on the following key procedures and technical elements to support the development of the RfP for RBP. The template enclosed below includes guiding questions provided as reference only and can be complemented with additional questions identified by the Board.

Please provide your inputs using the template and send to fundingproposal@gcfund.org by **20th March 2017 at 23:59 Korean Standard Time with subject line "Call for Inputs REDD+ Board"**. Include in the text message: Name title and Organization; Country/constituency

Template for receiving inputs

II. Elements related to procedures and mandates of the Fund (for the Board only)

Procedure element 1: Access modality

Issue: While the COP noted that national entities or focal points of developing country Parties may nominate their entities to obtain and receive RBF,[3] consistent with any specific operational modalities of the financing entities providing them with support, GCF resources are currently accessed through accredited entities.[4] Guidance is required regarding the access modality for channelling RBP in accordance to the Governing Instrument while following COP decisions.

UNFCCC mandates and existing practices of key initiative funds:

- UNFCCC: Formally nominated national entities or focal points to receive RBPs, consistent with any specific operational modalities of the financing entities providing them with support
- Forest Carbon Partnership Facility (FCPF) Carbon Fund: Government or a government-approved entity that is authorized to enter into a legal agreement with the fund
- REDD Early Movers (REM): National and state administrations (e.g. Ministry of Environment)
- Norway-Guyana bilateral agreement: Finance channelled through the Guyana REDD+ Investment Fund
- Norway-Brazil bilateral agreement: The Amazon Fund administered by the Brazilian Development Bank
- Norway-Peru agreement: Implemented by the Inter-American Development Bank

Guiding questions:

1.1: What should be the role of the REDD+ national entities or focal points to the UNFCCC in accessing RBP?

1.2: What should be the role of the accredited entity (AE) in the RBP process?
1.3: Should there be another access modality for RBP other than though AE?
1.4: Should the NDA play a formal role in the RFP proposal process besides providing a NOL, and if so, what role should that be?
1.5 Others?

The process for applying for RBP payments should only require going through accredited entities to maximize access to RBP finance. This will ensure that the most innovative and practical projects are presented to the GCF. As outlined in Terra's other inputs for the public comments, these projects would need to demonstrate how they related to the national REDD and reporting under UNFCCC.

Procedure element 2: Financial valuation of results

Issue: Guidance is required on how to determine the relationship between the Emissions Reductions results proposed and the amount of finance to be provided. For example, most initiatives set a payment per tonne of carbon dioxide equivalent (tCO_2eq).

UNFCCC mandates and existing practices of key initiative funds:

- UNFCCC: No specific guidance on methods of financial valuation.
- FCPF Carbon Fund: Subject to negotiation between the fund and the REDD program but fund participants have currently indicated a willingness to pay up to USD 5 per tCO_2eq. No additional payment premium for co-benefits provided.
- REM: USD 5 per tCO_2eq

[3] UNFCCC decision 10/CP.19, paragraphs 1 and 2.
[4] Except for resources for readiness and preparatory support which can be accessed by national designated authorities.

- Norway-Guyana bilateral agreement: USD 5 per tCO2eq
- Norway-Brazil bilateral agreement: USD 5 per tCO2eq

Guiding questions:

2.1: How should the valuation of results (payment/tonne CO2) be estimated?

a) A single, fixed payment; if so, indicate the amount and rationale.

The RBP prices should be set up-front in the GCF financing agreement (ERPA) based on a price per ton, it would further specify the maximum number of tons that can be delivered for each vintage during the forward purchase period. Payments would be made on the pre-set price for each delivery vintage in the GCF ERPA agreement. It is unclear, what is meant in the question by a "single fixed payment". The GCF RBP agreements should be structured as "forward purchase-payment upon delivery", for up to a maximum number of years (e.g. 15). If the project verified annually this would produce annual cash flow, if it verifies less frequently the RBP payments based on when actual verified tons are delivered. It would be good to have some flexibility for indexing the fixed price in the future for upward adjustments based on REDD+ pricing as it evolves.

b) A payment (or volume paid) adjusted according to methodologies used (i.e. use of IPCC tier 1-3 Good Practice Guidance, uncertainty level of estimated Emission Reductions, etc.)

This is a great question, since some of the methodologies result in much more conservative ERs. However, since each method should be applying a discounting factor to reduce ERs based on uncertainty, this will already discount the tons produced. So no, it does not make sense to provide different prices by methodology/protocol.

c) Open prices submitted to the RFP

GCF should be negotiate different prices for RBP for different projects per proposed prices submitted RFPs. However, GCF should set a published range that can be provided (e.g. $3 to $8) and a listing of the set of criteria and process that will be used to by the GCF to determine the final ERPA prices. The criteria for pricing should be based on 1) type and breath of activities supported by RBP, 2) numbers of stakeholders receiving DIRECT benefits from the program, 3) abatement costs per ton (supported for comprehensive project financials), and 4) percentage of funding actually being spend on the ground.

d) Other?

Procedure element 3: Size of the RFP

Issue: The Board would need to determine the overall size of the RFP in terms of funding. This decision could take into account the existing funding available, the estimated potential demand for RBP during the period of the RFP, the potential to meet the objectives of the GCF via a RBP program, and other considerations such as the length of the RFP (discussed below under Procedure element 7).

UNFCCC mandates and existing practices of key initiative funds:

- UNFCCC: No guidance on funding size, but encourages GCF to collectively channel adequate and predictable results-based finance in a fair and balanced manner, taking into account different policy approaches (Decision 9/CP.19 paragraph 5).
- FCPF Carbon Fund: Around US$ 735 million in committed funding for emission reduction payments through 2025
- REM: US$ 56.5 million
- Norwegian International Climate and Forest Initiative (NICFI): US$ 365 million/year

Guiding questions:

3.1: What should be the total amount of funds to be set aside for the RFP at this time?

1 billion USD

3.2: On what basis should the GCF estimate the total amount of funds to be set aside for the RFP?

Based on the total GCF funding no less than the amount AFOLU emissions are of the global total emissions should go to REDD+ RBP.

3.3: How should the funds be channeled in a fair and balanced manner?

a) An initial RFP for a limited number of countries with an equal cap per country.
b) An initial RFP for a limited number of countries without a cap
c) An initial equal cap per country allowing transferability of funds among countries
d) A regional allocation of the overall funding available
e) Other?

It is absolutely critical that GCF RBP does not do what the CDM process did to LDCs not being able to access climate finance. One thing that will help is allowing only accredited entities to access RBP, and the other will be to set aside some matching grant funds for countries that are "behind" in the national REDD requirements under Warsaw so they can secure funds for completing these requirements and secure RBPs. There should be an amount that is saved for countries that are not as advanced in their REDD programs and priority given to countries not already participating in other RBPs.

But other than that there should not be a country level caps or targets. There will be RFPs submitted that support multiple countries which specify upfront an amount per country, and it would be impossible to apply a country caps level limits. There should be some caps around amount per accredited entity to ensure that are larger set of actors can participate.

Procedure element 4: double financing

Issue: The current REDD+ finance landscape provides finance through a range of bilateral and multilateral funding sources. There is also a potential overlap of finance provided for a country to generate emission reductions through ex-ante finance which could later pursue ex-post payments. This could take place from different sources of funding as well as from the current finance provided by the GCF under the regular project cycle and through RBP.

UNFCCC mandates and existing practices of key initiative funds:

- UNFCCC: Risk of double finance is not mentioned in the COP decisions. Nonetheless, paragraph 9 of Decision 9/CP.19 establishes the information hub aiming to increase transparency of information on results-based actions, and the corresponding payments.
- FCPF Carbon Fund: Requirement that emission reductions sold and transferred to the Carbon Fund are not used again by any entity for sale, public relations, compliance or any other purpose. An ER transaction registry is required to offer insurance against double counting and provide transparency to the public that there is no double claiming of the environmental benefit, in respect of the GHG emission reductions or removals.
- REM: REDD+ partner countries should have a mechanism, such as a registry, in place that prevents double counting as well as payments or the use of these ERs as offsets.

Guiding questions:

4.1: In what instances may double financing of results generate a concern? How could this concern best be addressed?

There are very comprehensive ways to ensure that there is no double selling, which can be handled across the registries that support the multiple programs operating in an area. For example, there are secure ways within registries that support the VCS linking through registries that support Carbon Fund payments to avoid double counting. Details on this can be provided to the GCF as requested.

4.2: How should the GCF take into account the ex-ante finance provided either by the GCF regular project cycle or other sources of finance?

It is not clear what this guiding question means exactly. But ex-ante finance is not the same as donor/grant funds that a project that also seeks RBP might receive since these funds are not really paid ex-ante for future delivered ERs, it is purely a grant. In this case, they should be viewed favourable as part of the financing structure for a project that also received RBPs. But for real ex-ante finance (also called a pre-paid forward) in which funding has been provided upfront against future verified ERs being delivered, this should be provided in a limited amount (5 -15% of total RFP) from the GCF RBP program as requested in the RFP. And the ability to attract ex-ante funds from other sources should be encouraged in how the GCF operates and contracts its REDD+ RBP program. To make it possible to bring in non-GCF ex-ante ER funders, the specific terms of the ERPA between the GCF and the RBP recipient will need to allow for the GCF RBPs to be securitized by a provider of upfront finance who provides the prepaid forward or loan against ERs.

4.3: Should GCF create or utilize an existing registry to track GCF-funded Emission Reduction tonnes in some way, in addition to the UNFCCC information hub?

Yes, use an existing set of registries, fragmentation is registries creates greater risk and cost.

4.4: Other?

Procedure element 5: Use of proceeds
Issue: The Board may need to consider if any restrictions are needed on how the GCF RBPs are subsequently used, for example for activities implemented that do not contradict the results achieved or more broadly contradict the objectives of the GCF. This is also related to Operationalization of the 'Cancun Safeguards' discussed below.

UNFCCC mandates and existing practices of key initiative funds:

- UNFCCC: Use of proceeds is not mentioned in the UNFCCC decisions
- FCPF Carbon fund: Programs to provide a description of the benefit-sharing arrangements including a benefit sharing plan
- REM: Programmatic benefit-sharing and investment plan are set in bilateral agreement; Requires that at least 50% of RBP reaches local level.
- Norway-Indonesia bilateral agreement: Transparent and equitable benefit-sharing mechanism required.

Guiding questions:
5.1: Should the GCF place any conditions or restrictions on the use of RBPs? If so, what kind of conditions would that be?
It is absolutely critical in the conditions of the GCF RBP funding that the use of proceeds is tied to the activities the project proposed during the RFP process. There is serious risk of GCF paying RBP funds under the assumptions they will be used to support the REDD+ activities defined in the RFP but then they are not channelled for these uses. To control for this risk, there must be a contractual requirement that they are embedded within the funding agreement/ERPA with the GCF for RBP. The way we have handled this in the past, is that as part of the project design, a detailed workplan covering all intended outcomes, activities, tasks, responsible party, recipient party and years of implementation are prepared and a corresponding budget. This becomes an annex to the ERPA and binds the recipient of RBP to use the proceeds in accordance with this annex. GCF can do this within their ERPAs. For RFPs that involve pooled vehicles, instead of specific project workplans and budgets, there should be formal process and set of criteria that govern how the vehicle will use RBP funds and this should be part of the RFP.
5.2: Other?

Procedure element 6: Ownership, legal title and implications for NDCs
Issue: The COP decisions do not provide any guidance regarding transfer and legal title of emissions reductions that result from REDD+ activities for the financial mechanisms like the GCF. Board would need to consider providing clarity on the status of Emission Reductions paid with GCF funds (may also apply for ex-ante finance).

UNFCCC mandates and existing practices of key initiative funds:

- UNFCCC: REDD+ in the UNFCCC is referred to as "policy approaches and positive incentives". Also, decision 2/CP.17, paragraphs 66 and 67, refer to both appropriate market-based approaches and non-market-based approaches could be developed to support the results-based actions by developing country Parties. While the COP decisions do not mention title creation and transfer, article 6 of the Paris Agreement envisions the use of internationally transferred mitigation outcomes on a voluntary basis as authorized by participating Parties through a mechanism established under the authority and guidance of the COP (rules, modalities and procedures are yet to be defined).
- FCPF Carbon fund: Requires transfer of ERs, formalized through emission reduction payment agreements (ERPAs)
- REM: No transfer of ERs; ERs are retired and cannot be used for offsets, but recipients may report ERs to UNFCCC
- NICFI: No transfer of ERs.

Guiding questions:
6.1: Should there be any legal title or transfer of ownership associated with the payments? If so, should the GCF-funded Emission Reductions be fungible with other mechanisms?
Yes, all RBP to the GCF should be either permanently retired on behalf of the GCF or delivered to the GCF with a transfer of title. If the ERs are part of the GCF program and paid for and delivered under the RBP mechanism, than the same ERs should not be

eligible to be delivered to other programs. That said, if not all ERs produced are delivered under the GCF RBP, then they should be able to be delivered to any other mechanism. And if the GCF creates its own standard/protocol for quantifying ERs, then any ERs not delivered to the GCF for RBP should be fungible to other programs.

6.2: Should GCF "pay" for results without claiming any emission reductions? If so, would there be any obligation from the recipient country in relation to the "paid" emission reductions?
No, GCF should claim all ERs they fund through RBPs

6.3: What are the implications for reporting in a country NDC from GCF-funded Emission Reductions?
In general our view is that you should not be able to use the same ERs to deliver to more than one buyer, however with the GCF there might be an exception. If the GCF were to allow countries to use the GCF funded ERs to meet NDCs, then this could be viewed as the GCF contributing the value of those ERs to the country. And since the GCF as an entity has no NDC requirement, if countries were given these "unused" ERs to apply to NDCs it is an indirect way of financing countries NDCs. This could be very interesting.

6.4: Other?

Procedure element 7: Eligibility date for payments and length of the RFP

Issue: Under the current UNFCCC REDD+ decisions, Parties, when constructing their national (or subnational) forest reference emission level and/or forest reference level, may choose their own baseline. This flexibility results in various reference and accounting periods that vary by country. The Board may need to set a starting date from which it will operationalize financing for results achieved by countries. This will be linked to the overall length of the RFP.

UNFCCC mandates and existing practices of key initiative funds:

- UNFCCC: no reference to eligibility date for payments.
- FCPF Carbon Fund: payments can be made for emission reductions during the term of the Emission Reduction Payment Agreement (ERPA).
- REM: varies by country, in the case of Acre-Brazil emissions reductions are accounted from 2012 to 2015 while in Colombia from 2013-2017.

Guiding questions:
7.1: What should be the starting date for considering eligible results for RBP?
The starting vintage for payments being made under the GCF RBP should be the date that RBPs were approved by the GCF broad. But this is not the same date as the eligible program/project start date that is delivering the ERs. The GCF should allow any project that meets the requirements of the 3rd party standard it uses for project/program "start date" to be eligible. However, only the ERs from vintages after the GCF approval of RBP are eligible for GCF payments.

7.2: Should the starting period be the same for all countries or defined on a case by case basis?
Same for all, using requirements suggested in 7.1

7.3: What should the payment period be – over what timeframe? i.e., when should it end?
RCP payments should be able to be minimum of 5 years (to ensure that programs are sustainable) and maximize of 15 years.

7.4: Other questions?