

**Co-chairs' Summary of the Twelfth Meeting
of the PMR Partnership Assembly (PA12)**

May 29-30, 2015

Barcelona, Spain

OPENING OF THE MEETING

1. The [Twelfth Meeting of the Partnership Assembly \(PA12\)](#) was opened by the Co-chairs, Ms. Claudia Andrea Diaz (Colombia) and Mr. Marko Berglund (Finland). The PA adopted the [agenda](#) as proposed by the Co-chairs (see Annex I).

UPDATE ON CREDITING-RELATED ACTIVITIES UNDER THE PMR

2. Building on the insights of the PMR-commissioned study [“Crediting-related Activities under the PMR: Status and Support for Implementation”](#) and the related [presentation](#) and discussion that took place at PA11 in London, the Secretariat prepared a note on crediting-related activities under the PMR ([PMR Note PA12 2015-1](#)). The Note, entitled *“Crediting-related Activities Under the PMR: Update and Suggested Next Steps”*, summarizes the outcomes of the discussions from PA11, and further elaborates on ways of enhancing support for crediting-related activities under the PMR.
3. The PA welcomed the proposals on how the PMR support for crediting-related activities could be further enhanced. By the same token, some Participants emphasized that the work program should be based on the assessment of potential sources of demand, both at the international and domestic levels. Moreover, some participants stressed the importance for the future work program to incorporate interaction and a dialogue between Implementing and Contributing Country Participants. Finally, some participants put forward concrete proposals to be included in the crediting-related activities work program, such as the development of a brief document for negotiators summarizing the key points from the abovementioned Study. Finally, several participants sought further clarifications in regard to the scope of some of the products laid out in the Note, including on measures to close the gap between readiness and implementation, jurisdictional approaches and ways to address vertical coordination and better policy integration, as well as the relationship between the PMR’s crediting work program and the World Bank’s Fund for scaled-up crediting programs.
4. To complement the discussion during PA12 Participants were invited to provide written feedback on the proposals included in the Note to enhance PMR support for crediting-related activities **by June 22, 2015**. The Secretariat will also incorporate the feedback received in the PMR Technical Work Program on the subject matter, report back to the PA periodically on the support provided, and seek further guidance on the activities that are being implemented in this area.

5. Finally, the World Bank [presented](#) a status update of the consultations related to the creation of a Fund for scaled-up crediting programs and, in particular, the outcomes of the consultations that were held with prospective donor and implementing countries prior to PA12.

PMR TECHNICAL WORK PROGRAM AND KNOWLEDGE SHARING

6. The PMR Secretariat reported on the FY15 activities of the Technical Work Program and proposed a strategic plan for FY16, as outlined in [PMR Note PA12 2015-2](#) (*“the Strategic Plan for the PMR Technical Work Program for FY16”*) and the related [presentation](#). The Note and the presentation describe ways in which the Technical Work Program complements the PMR Participants’ readiness activities, as well as the outcomes of the strategic planning approach, which was presented at PA10 in Santiago and subsequently was used to inform the FY16 work plan. The PA welcomed the proposed FY16 Technical Work Program and endorsed the activities with a budget of US\$1 million.
7. In FY16 the Technical Work Program will focus on a number of activities under the following work streams: ETSs, carbon taxes, offsets and crediting, MRV systems, data management and registries, baselines, benchmarks, and stakeholder engagement and preparedness. In addition, the Secretariat reported that one of the key activities for FY16 is to partner with the World Bank’s flagship report *‘State and Trends of Carbon Pricing’* in order to more effectively report and disseminate information on carbon pricing developments in PMR Implementing Countries.
8. The Technical Work Program will also include a range of activities and use various delivery modes, such as knowledge products, country-to-country exchanges, technical workshops, technical trainings, webinars and e-learning. The Secretariat, therefore, discussed the plans for improved dissemination of knowledge products, including the development of a more detailed knowledge management plan and access to a knowledge management expert. Participants also encouraged the Secretariat to continue to look for ways to enhance cooperation with potential partners such as WRI, ICAP, the MRV Partnership and others.
9. As part of the Technical Work Program discussions, a [draft Technical Note on “Options to Use Existing International Offset Programs in a Domestic Context”](#) was [presented](#) for the PA’s feedback and discussion.
10. Participants were invited to provide written feedback on both the Strategic Plan for the PMR Technical Work Program for FY16 and the Note on Options to Use Existing International Offset Programs in a Domestic Context **by June 22, 2015**. The Secretariat will report back to the PA periodically on the Technical Work Program and seek further guidance on its activities throughout the year.

11. Finally, as part of the efforts to enhance knowledge sharing within the PMR, Alberta [presented](#) its greenhouse gas reduction program, and California presented developments regarding their plans to implement border carbon adjustments.

PMR OPERATIONS MONITORING SYSTEM AND COUNTRIES' PROJECT IMPLEMENTATION REPORTS

12. Following up on the presentation of the “*Note on the PMR Operations Monitoring System*” at PA11, the PMR Secretariat prepared a revised version, as outlined in the [PMR Note PA12 2015-6](#), which was circulated to the PA prior to the meeting. At PA12, the PMR Secretariat provided an [update](#) on the PMR Operations Monitoring System, including modifications to the templates for the [PMR Dashboard](#) and the PMR Project Implementation Status Report. Pending the inclusion of the modifications that were presented and discussed at PA12, the Note on the PMR Operations Monitoring System was endorsed by the PA, with the exception of the template of the PMR Results Monitoring Report (Annex IV to the document), which is still in draft form.
13. The use of two of the tools of the PMR Operations Monitoring System, the PMR Dashboard and the PMR Project Implementation Status Report, were piloted at PA12. The Secretariat prepared and presented the PMR Dashboard, to summarize the progress of the PMR process to date. [Turkey](#) and [Chile](#) were the first countries to submit their annual PMR Project Implementation Reports. Several other Implementing Country Participants provided a brief update to the PA on the progress made to date in the preparation or the implementation of their PMR project activities.
14. The PA welcomed the different reports provided and endorsed the PMR Dashboard and PMR Project Implementation Status Report templates. Both Turkey and Chile shared their positive experiences with using the Project Implementation Status Report. Moreover, it was agreed that the Secretariat will work with the Monitoring and Evaluation Working Group (M&E WG) towards finalizing the PMR Results Monitoring Report and presenting it at PA13 or PA14 (to be determined). Finally, other PMR Implementing Country Participants that have started the implementation of their PMR project activities were invited to prepare and present their first PMR Project Implementation Status Report at PA13.

PMR FIRST INDEPENDENT EVALUATION - FOLLOW UP ON THE RECOMMENDATIONS FROM THE EVALUATION REPORT

15. To follow up on the recommendations from the [First Independent PMR Evaluation Report](#), the final version of which was circulated prior to PA12, the PMR Secretariat prepared an action plan ([PMR Note PA12 2015-3](#), “*Action Plan to Follow up on the Recommendations from the PMR First Independent Evaluation*”) and [presented](#) it for discussion and feedback from the PA.

16. The Participants welcomed the proposal from the Secretariat and the draft action plan to follow up on the recommendations from the PMR evaluation. At the same time, they sought clarifications on the process going forward and emphasized the need to prioritize among the proposed actions, categorize them into short- and medium-term activities, as well as indicate likely costs associated with each action. Finally, the PA acknowledged that the target dates for the activities proposed in the action plan are indicative and that they will be revised based on the schedule of PA meetings going forward and advice from the M&E WG.
17. Moreover, the Secretariat proposed to rename the existing Evaluation Working Group, in which Australia, Brazil, Chile, Costa Rica, Germany, the UK and the USA currently participate, as the "Monitoring and Evaluation Working Group (M&E WG)." The PA welcomed the proposal and, while the renamed working group would initially retain the same membership, other CPs and ICPs were invited to participate directly in and/or to nominate experts to contribute to its work.
18. Participants were invited to submit written comments on the draft Follow-up Action Plan and to suggest further actions to implement evaluation recommendations by **June 22, 2015**. Based on the feedback received and further discussion with the M&E WG, the PMR Secretariat will prepare the final Action Plan to Follow up on the Recommendations from the First Independent Evaluation of the PMR and present it for the PA's endorsement at PA13.

UPDATE AND WAY FORWARD FOR THE STRATEGIC ORIENTATION FOR THE FUTURE OF THE PMR

19. In an effort to further facilitate discussions on strategic orientation for the future of the PMR, the PMR Secretariat [presented](#) the "*Note on Options for Funding Additional Activities under the PMR: Update and Proposed Way Forward*" ([PMR Note PA12 2015-4](#)) for discussion and feedback from the PA.
20. As per the approved procedure at PA9, the Secretariat informed the PA and reported on the progress made under the Upstream Policy Work, including the overall budget allocations for each activity and/or country, as well as the scope and timelines for the analytical studies. Taking into account the allocated budget for the upstream policy work in FY15, which was US\$ 5 million, and the estimated spending which amounted to US\$ 1.6 million, the Secretariat proposed to continue this work stream and carry over US\$ 3 million from the remaining balance of the approved funding to FY16.
21. The PA generally welcomed the Secretariat proposals on putting forward the timeline and milestones for the discussions and process of funding additional activities under the PMR. The PA also endorsed the continuation of the upstream policy work. Implementing Country

Participants reiterated the relevance of the support received under this work stream and particularly emphasized its importance for the process of devising the intended nationally determined contributions (INDCs). Moreover, they stressed that this technical assistance has contributed to refining and implementing their national mitigation targets and has reinforced the objectives of their MRPs. Some Participants noted that, going forward, the links between the activities supported under the upstream policy work and the Implementing Country Participants' MRPs and support to the design and implementation of domestic carbon pricing instruments should be further clarified.

22. Participants were invited to provide further feedback on the PMR Note PA12 2015-4, including on the proposed timeline and key milestones for the discussions on strategic orientation for the future of the PMR **by June 22, 2015**. The PA is also invited to share ideas on other areas of focus related to the strategic orientation of the PMR, which will be reflected in the revised Note, expected to be presented at PA13. Implementing Country Participants are invited to indicate their interest in receiving support for funding additional activities under the PMR.

FISCAL YEAR 2016 BUDGET

23. The Secretariat [presented](#) a review of the PMR expenses in FY15 and proposed a budget for FY16, for consideration and approval from the PA. This analysis, including an overview of the PMR's sources of funding, the PMR's use of funds during FY15, a proposed budget for FY16, and a long-term plan (LTP) up to 2020 is included in [PMR Note PA12-2015-5](#). The PA – through [Resolution No. PA12/2015-1](#) (see Annex II) – approved a budget of US\$ 7,574,000 for FY16.
24. The PA generally welcomed the proposal for the FY16 budget, while requesting clarifications on a number of matters, including the rationale behind the increase of the PMR management costs, the budget envelope for the MRP feedback process, and a surplus (unallocated funding) in the PMR's long term budget plan. The PA also suggested reducing the number of PA meetings from the current three to two per year going forward, noting the possible budgetary implications (savings) of this decision.

CO-CHAIRS

25. The PA and PMR Secretariat thanked Ms. Claudia Andrea Diaz (Colombia) and Mr. Marko Berglund (Finland) for serving as Co-chairs for the past year. As per the Governance Framework of the PMR, Implementing Country Participants elected Dr. Pongvipa Lohsomboon (Thailand) and Contributing Participants elected Ms. Lydia Ondraczek (Germany) to serve as Co-chairs for the next PA meeting. The meeting was closed with thanks to Ms. Xueman Wang for her tireless efforts working with the PMR, while looking forward to her continuous engagement in the future.

MEETING DOCUMENTS

26. Final presentations, resolutions and other meeting documents are available on the PMR website: <https://www.thepmr.org/events/eventlist/pa/partnership-assembly-meeting-pa12-barcelona>. Participants should note that some materials may require a password login for viewing.

DEADLINES FOR COMMENTS, FEEDBACK, AND SUBMISSIONS

27. Participants were invited to provide written feedback to the PMR secretariat **by June 22, 2015** on the following documents:
- **Crediting-related Readiness Activities under the PMR: Update and Suggested Next Steps (PMR Note PA12 2015-1)**
 - **Strategic Plan for the PMR Technical Work Program for FY16 (PMR Note PA12 2015-2)**
 - **Evaluation Report Follow-up Action Plan (PMR Note PA12 2015-3)**
 - **Note on Options for Funding Additional Activities under the PMR: Update and Proposed Way Forward (PMR Note PA12 2015-4)**
 - **Technical Note on Offsets “Options on how to use international offset standards in a domestic context”**

UPCOMING MEETINGS AND EVENTS

28. The [schedule](#) for the upcoming PMR events is summarized below. The dates and location for some of them are yet to be finalized:
- **Latin American and the Caribbean Regional Workshop on INDCs** (*organized jointly with the International MRV Partnership/GIZ, Colombian Ministry of Environment, and the Spanish International Cooperation Agency/AECID*)
Dates: July 14th – 16th; Location: Cartagena, Colombia
 - **Carbon Pricing Training Workshop in Vietnam**
Dates: July 20th – 21st (TBC); Location: Vietnam
 - **PA 13**
Dates: October 26th – 29th; Location: Amman, Jordan
 - **PA 14**
Proposed dates: April 2016; Location: To be confirmed

Annex I

Twelfth Meeting of the Partnership Assembly (PA12) —Agenda

May 29-30, 2015

Barcelona, Spain

Day 1

| 1. Opening and Introduction | |
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| 15:00 | Registration and badge pick-up |
| 15:30 | Opening remarks <ul style="list-style-type: none">- PMR Co-chairs (<i>Ms. Claudia Andrea Diaz, Colombia and Mr. Marko Berglund, Finland</i>)- Adoption of the agenda |
| 2. Update on Crediting-related Activities under the PMR | |
| <p>Building on the outcomes of the study “<i>Crediting-related activities under the PMR: Status and support for implementation</i>” and the insights from discussions at PA11, the PMR Secretariat prepared a Summary Note (PMR Note PA12 2015-1) focusing on possible ways forward in terms of supporting a range of climate policies through crediting readiness and identifying opportunities for the PMR to consolidate its support to Implementing Countries. The Summary Note, including the follow-up activities and the elements of a work program on crediting-related readiness, will be presented for the PA’s feedback and discussion.</p> | |
| 15:45 | <ul style="list-style-type: none">- Presentation of Summary Note (<i>Ms. Pauline Kennedy, PMR Secretariat</i>)<ul style="list-style-type: none">o Q&A- Update on consultations related to the creation of the Fund for Scaled-up Crediting (<i>Mr. Brice Quesnel, World Bank Group</i>)<ul style="list-style-type: none">o Q&A |
| 3. PMR Technical Work Program and Knowledge Sharing | |
| <p>The PMR’s Technical Work Program supports countries on issues that are common across many of them and where they can benefit from technical assistance provided in a comprehensive and programmatic manner. Under this agenda item, the PMR Secretariat will present the forward work plan for financial year 2016 (PMR Note PA12 2015-2). The session will also provide an overview of the latest technical note, “Options on how to use international offset standards in a domestic context,” and serve as an opportunity for knowledge sharing with other countries and sub-national jurisdictions.</p> | |

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| 16:45 | <ul style="list-style-type: none"> - Presentation of the Strategic Plan for the PMR Technical Work Program for FY16 (<i>Ms. Pauline Kennedy, PMR Secretariat</i>) <ul style="list-style-type: none"> o Q&A - Presentation of the latest Knowledge Products: Technical Note on Offsets “Options on how to use international offset standards in a domestic context” (<i>Ms. Noémie Klein, Ecofys</i>) <ul style="list-style-type: none"> o Q&A - Overview of Alberta’s Greenhouse Gas Reduction Program (<i>Ms. Kate Rich, Alberta Environment and Sustainable Development</i>) <ul style="list-style-type: none"> o Q&A |
| 18:15 | Day 1 Wrap-up |

Day 2

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| 4. PMR Operations Monitoring System and Countries’ Project Implementation Reports | |
| <p>The PMR Results Framework—which was endorsed by the PA at in Marrakesh (PA7)—proposes to establish a system to monitor the status and progress of PMR operations at the country level (the PMR Operations Monitoring System). At PA11, the PMR Secretariat presented the final draft of the Note on the PMR Operations Monitoring System (PMR Note PA11 2015-1) for discussion and feedback. Based on the feedback received, the PMR Secretariat revised the proposed PMR Operations Monitoring System (PMR Note PA12 2015-6) and circulated the final version to the PMR Participants.</p> <p>As part of the newly established PMR Operations Monitoring System, two PMR Implementing Countries – Turkey and Chile – will present their annual PMR Project Implementation Status Report and will, thereby, be piloting the use of one of the monitoring tools that was discussed with the PMR Participants at PA11 in London.</p> <p>Finally, during this session, other Implementing Country Participants that have started the implementation of their PMR project activities will be invited to provide a brief update to the PA on the progress made to date.</p> | |
| 8:30 | <ul style="list-style-type: none"> - Brief update on the PMR Operations Monitoring System (<i>Mr. Adrien de Bassompierre, PMR Secretariat</i>) - Presentation of Turkey’s PMR Project Implementation Status Report <ul style="list-style-type: none"> o Q&A - Presentation of Chile’s PMR Project Implementation Status Report <ul style="list-style-type: none"> o Q&A - Update on PMR Project implementation from other Implementing Country Participants |

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| 10:30 | Coffee break |
| 5. PMR First Independent Evaluation - Follow up on the recommendations from the Evaluation Report | |
| <p>Based on feedback received during and after PA11, DPMG/USC prepared the final version of the First Independent PMR Evaluation Report, which was circulated to the PA. As a follow on the recommendations made in the report and the related discussion that took place during the session on the topic at PA11, the PMR Secretariat prepared a follow-up action plan (PMR Note PA12 2015-3), which will be presented for discussion at PA12.</p> | |
| 11:00 | <ul style="list-style-type: none"> - Presentation of the Evaluation Report follow-up action plan (<i>Mr. Adrien de Bassompierre, PMR Secretariat</i>) <ul style="list-style-type: none"> o Discussion |
| 6. Update and Way Forward for the Strategic Orientation for the Future of the PMR | |
| <p>In an effort to further facilitate discussions on strategic orientation for the future of the PMR, the PMR Secretariat presented a Note on Options for Funding Additional Activities under the PMR (Note PA11 2015-2) at PA11. The Note provided an update on these discussions, as well as suggested possible options for deepening country support, as one of the ways in which the PMR could be further scaled-up.</p> <p>The PMR Participants were invited to provide feedback and share further ideas on strengthening all areas of focus under the strategic direction discussions. To this end, and in order to obtain additional feedback on the options for deepening country support, the Secretariat prepared a Survey for Implementing Country Participants with an objective to identify initial demand and scope for funding additional activities under the PMR.</p> <p>Based on the PA's feedback and results of the Survey, the PMR Secretariat the <i>Note on Options for Funding Additional Activities under the PMR: Update and Proposed Way Forward</i> (PMR Note PA12 2015-4). The Secretariat will present the Note and seek the PA's feedback on the proposed timeline and key milestones for the discussions on the strategic orientation for the future of the PMR and other areas of focus for these discussions.</p> | |
| 11:45 | <ul style="list-style-type: none"> - Update and Way Forward for the Discussions on Strategic Orientation for the Future of the PMR (<i>Ms. Xueman Wang, PMR Secretariat</i>) - Discussion and Feedback |
| 13:00 | Lunch |
| 7. Fiscal Year 2016 Budget | |
| <p>The Secretariat will present a review of expenditures during Fiscal Year 2015 and propose a budget for Fiscal Year 2016 for approval by the PA, as outlined in the PMR Note PA12 2015-5.</p> | |
| 14:30 | <ul style="list-style-type: none"> - Presentation of the Budget and Long-term Plan (<i>Ms. Maja Murisic, PMR Secretariat</i>) - Q&A |

8. Election of Co-chairs, Next Steps and Adoption of Decisions

In accordance with the PMR Rules of Procedure for PA Meetings (Section 6.1), the PA shall, prior to the closing of each PA Meeting, elect a representative each from the Contributing Participants and the Implementing Country Participants to act as Co-chairs for the next PA meeting. Following previous practice, it is proposed that the Contributing and Implementing Country Participants meet separately to elect their respective co-chair. Each group will announce the results of their decision to the PA.

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| 15:30 | <ul style="list-style-type: none">- Election of Co-chairs (Presentation of decision)- Next Steps: PMR Upcoming Calendar of Events (<i>Ms. Meredith McGreavy, PMR Secretariat</i>)- Adoption of Decisions by Participants<ul style="list-style-type: none">o Budget for FY16 |
| 16:00 | Conclusions of PA12 |

Annex II

PA12 Resolutions

**Twelfth Partnership Assembly Meeting
Barcelona, May 29-30, 2015**

Resolution No. PA12/2015-1

Authorizing Budget for Fiscal Year 2016

WHEREAS:

1. Pursuant to Section 4.3(d) of the PMR Governance Framework, the Partnership Assembly's roles and responsibilities include approving the budget for the operation of the PMR; and
2. The PMR Secretariat presented the proposed budget for Fiscal Year 2016 for consideration by the Partnership Assembly at this meeting.
3. Resolution No. PA9/2014-3 (Authorizing Budget for Fiscal Year 2015) provided for the allocation of US\$ 5 million to support 'Upstream Policy Analytical Work' out of which US\$ 1.6 million has been spent during Fiscal Year 2015 and US\$ 3 million are intended to be carried over into the budget for Fiscal Year 2016.

THE PARTNERSHIP ASSEMBLY:

1. Approves the budget for PMR operation for Fiscal Year 2016, presented by the PMR Secretariat at this meeting and attached as Annex to this resolution.
2. Regarding the allocation of US\$ 3 million to support 'Upstream Policy Analytical Work', the Partnership Assembly
 - a) Takes note of PMR Note PA8 2014-2 on 'Strategic Orientation for the Future of the PMR: Upstream Analytical Work to Support Development of Policy Options for Mid- and Long-

term Mitigation Objectives' and the co-chair summary of this Partnership Assembly meeting, with the understanding that the scope of the work would cover upstream policy analytical work, which should assist in the analysis of carbon markets or other carbon pricing instruments;

- b) Requests the PMR Secretariat to inform the Partnership Assembly, prior to each resource allocation, on the scope and timelines of the analytical studies and resource allocation; and
- c) Invites the countries that participate in such studies, in cooperation with the World Bank and the PMR Secretariat, to share with the Partnership Assembly the progress and outcomes of the upstream policy analytical work, while respecting confidentiality of the information that may be identified by the participating country.

ANNEX

Budget for Fiscal Year 2016

| Use of Funds | FY15 Budget | FY15 Actual Expenses* (July 1, 2014 – June 30, 20154) | FY16 Proposed Budget |
|---|----------------|---|----------------------------|
| PA Meetings and Workshops | 850 | 707 | 850 |
| Country Delivery Support and Advisory Services | 2,100 | 1,426 | 1,685 |
| <i>MRP Expert Feedback Process</i> | 500 | 98 | 102 |
| <i>Country Delivery Support</i> | 1600 | 1,328 | 1,583 |
| <i>o/w: Secretariat Country Support</i> | 820 | 536 | 808 |
| <i>Delivery Partner Support</i> | 780 | 792 | 775 |
| Knowledge Management | 1,000 | 822 | 1,000 |
| Upstream Policy Analytical Work | 5,000 | 1,597 | 3,000 |
| PMR Management and Communications | 650 | 732 | 753 |
| | 650 | 523 | |
| | - | 209 | |
| Trust Fund Management | 75 | 64 | 65 |
| Contingency | 150 | 0 | 150 |
| Total Use of Funds | 9,825 | 5,348 | 7,574 |