

**Co-Chairs' Summary of the Twenty-Second
Assembly of the Partnership for Market
Readiness (PMR)**

April 21, 2020

Conducted Virtually

Opening

1. The Twenty Second Meeting of the Partnership Assembly (PA22) was opened by co-chairs Silvia Charpentier (Costa Rica) and Chris Shipley (United Kingdom). PA22 was organized as a virtual assembly using webex because of the COVID-19 pandemic. The co-chairs extended their gratitude to Indonesia for their kind offer to host the assembly in Bali which unfortunately had to be canceled.
2. The co-chairs thanked all the participants for joining the virtual assembly and showcasing their commitment to the program under the challenging circumstances. Stressing that as all participants face the multilevel impacts of the health crisis, the co-chairs emphasized the need for robust decision-making under uncertainty and encouraged the assembly to keep short term options flexible while, improving country plans and instruments with a long-term perspective.
3. The PA adopted the agenda as proposed by the co-chairs (annex 1).

Overview: Progress Update since PA21 Berlin

4. On behalf of the PMR Secretariat, Venkata Ramana Putti (Program Manager) presented the overall [program update](#). This presentation was focused on key updates since PA21 in Berlin, current status of the overall program and priorities looking forward.
5. Since PA21, most implementing countries have extended their program closing date to December 2020. Country program disbursements (including commitments) are up to 77%. Most countries have made significant progress with implementation.
6. They key priority for the PMR Secretariat moving forward is to get a better understanding from countries on implementation challenges and provide the needed support (such as virtual meeting facilitation, restructuring activities etc.) to help countries complete their programs by December 2020. The above-mentioned assessment will help the ICPs to streamline their programs and modify the scope as necessary.

Country Program Update

7. The PMR Secretariat presented key [country highlights](#) on the overall status of country grants. As of February 29, 2020, PMR has allocated grants amounting to US\$79.8 million (preparation and implementation). Modalities include Bank-executed, recipient-executed, combination of Bank and recipient executed, and UNDP implemented grants.
8. Chile and Thailand have completed their Market Readiness programs (MRPs), while Morocco and India country programs ended before completion. Most of the other countries are close to committing/disbursing over 80% of their grant allocations. Countries that started their programs

much later and therefore need to accelerate their implementation include Argentina, Colombia, South Africa, Sri Lanka, Mexico, Tunisia and Cote d'Ivoire.

9. The PMR Secretariat notes that the current COVID-19 pandemic poses significant challenges to the timely completion of activities, particularly stakeholder consultations, trainings and workshops for result dissemination, capacity building and political buy-in. The Secretariat has been conducting an internal assessment of each individual program and proposes to hold bilateral discussions with countries for further discussion on a case-by-case basis.

Technical Work Program Update

10. The PMR Secretariat presented key updates on completed and planned activities under the [Technical Work Program](#) and solicited feedback from the assembly on the proposed activities. There was broad support for proposed activities – while Japan shared [guidelines](#) they prepared for gender equity under the Joint Crediting Mechanism (JCM), several countries suggested exploring how carbon markets/carbon pricing can stimulate green recovery under the context of the current pandemic.
11. The Secretariat also reported that six additional activities (under US\$ 200K) have been authorized following an internal evaluation based on the [criteria](#) established at PA20 Brussels. These are:
 - Develop the general framework for implementation of carbon pricing instruments (Indonesia case study)
 - Implementation of a voluntary crediting scheme and defining the crediting mechanism (Chile case study)
 - Intensive capacity building in carbon pricing and green investments (Thailand case study)
 - Carbon market development in Southern Africa
 - Customization of MRV system (Panama case study)
 - CORSIA: Capacity Building requirements for Aviation sector

An additional proposal over US\$200K on *Connecting Registries and MRV for Carbon Markets* is under final stages of consultation and the decision along with the final proposal will be circulated after the Secretariat holds consultations with the EC

PMR stock-take activities

12. The Secretariat is implementing three activities as part of closing/stock-taking activities for the program. These are: (1) development of a report on lessons learnt on MRP implementation (2) creation of an online archive of PMR technical outputs, and (3) PMR output evaluation for an internal assessment on carbon pricing readiness of countries. The Secretariat has requested countries to complete this survey on lessons learnt, which can serve as guidance for the successor program: [PMR Lessons Learnt Survey Link](#)

Budget for FY21

13. The Secretariat presented the expense report as of February 29, 2020 and a proposed budget for FY21. As of end February, the Secretariat has spent 69% of the allocated budget for FY20. By the end of FY20, it is expected that there will be an overall underspending of 19% owing to the cancellation of physical events (PA and workshops) due to the COVID-19 pandemic.
14. The Secretariat estimates a surplus of US\$ 3-5 million (excluding investment). However, this number is likely to increase if the country-by-country analysis leads to restructuring/streamlining some programs.
15. The PMR Secretariat proposed a budget of \$4.8 million for FY21 which was unanimously approved by the Assembly. Please see Annex II for the formal resolution. The full budget note can be accessed here: [PMR Note PA22-2020-02](#)

Partnership for Market Implementation (PMI)

16. The PMR Secretariat provided an update on resource mobilization, timeline and next steps for the successor program, the Partnership for Market Implementation (PMI). The PMI was successfully announced at COP25 Madrid in December 2019. As of April 2020, the committed resources are as below:

Country	Contribution
Germany	10.0 million Euros
United Kingdom	20.0 million Pounds
Canada	5.0 million CAN dollars
Norway	7.0 million US dollars
Switzerland	11.0 million CHF
Japan	3.0 million US dollars
Spain	6.0 million Euros

17. The Secretariat informed the assembly that PMI successfully went through an internal concept review process on 16 April, a mandatory step prior to formally setting up the fund. As part of the World Bank wide trust fund reform, PMI will be established as an anchor trust fund as part of the broader Climate Markets and Innovation Facility (CMIF) umbrella.
18. The Secretariat will be using the rest of the fiscal year (June 2020) and the summer to legally and administratively establish the PMI. The program is anticipated to open for Expressions of Interest (EoI) starting next fiscal year.



Election of New Co-Chairs

19. Tunisia has been unanimously selected as a co-chair representing implementing countries for FY21. An electronic resolution for no-objection endorsement will be circulated within two weeks after the PA for the assembly's endorsement.

Meeting Documents

20. All documents, presentations and country Implementation Status Reports (ISRs) pertinent to this Assembly are available on the PMR website: [Virtual PA22 Documents](#)

Upcoming Deadlines for Submission

21. The following countries are due to submit their annual implementation status reports (ISRs) to the PMR Secretariat for review two weeks prior to PA23.

- Brazil
- South Africa
- Mexico
- Peru
- Panama
- Ukraine
- Kazakhstan

Upcoming Meetings and Events

22. The 23rd Partnership Assembly will take place in October 2020 (date TBD) in Bali, Indonesia, subject to the prevailing situation at the time. A 'Communicating Carbon Pricing' workshop targeting East Asia and Pacific (EAP) region will also be planned for FY21. The PMR Secretariat will however continue to monitor the evolving COVID-19 pandemic following guidance from the World Bank management and will revert to a virtual modality for precaution if necessary.

Annex 1
PMR Virtual PA22 Agenda

Session 1: Ongoing PMR Activities	
9.00a – 9.10a EST (10 mins)	Opening Remarks: <ul style="list-style-type: none"> • PMR Co-Chair: Chris Shipley (United Kingdom) and Silvia Charpentier (Costa Rica) • Adoption of the Agenda
9.10a – 9.30a EST (20 mins)	<ul style="list-style-type: none"> • Discussion on the PMR Program Update and Progress Report (Venkata Putti, PMR Secretariat) • Q/A
9.30a – 9.40a EST (10 mins)	<ul style="list-style-type: none"> • Discussion on the Overall Country Program Update (PMR Secretariat) • Q/A
9.40a – 9.50a EST (10 mins)	<ul style="list-style-type: none"> • Discussion on the Technical Work Program Update (PMR Secretariat) • Q/A
9.50 – 10.05a EST (15 mins)	<ul style="list-style-type: none"> • Discussion on PMR Stock take Activities (PMR Secretariat) • Q/A
10.05a – 10.20a EST (15 mins)	<ul style="list-style-type: none"> • Discussion on FY21 PMR Budget Proposal (PMR Secretariat) • Q/A
Session 2: Looking Forward to Partnership for Market Implementation (PMI)	
10.20a – 10.45a EST (20 mins)	<ul style="list-style-type: none"> • Update on PMI: Resources, Timeline and Next Steps • Q/A
10.45a – 11.00a EST (15 mins)	<ul style="list-style-type: none"> • Announcement of new co-chairs • Announcement of Next PA • AOB/Conclusion

Annex 2
PARTNERSHIP FOR MARKET READINESS (PMR)
**Twenty Second Partnership Assembly Meeting (PA22)
 (conducted virtually)**
April 21, 2020
Resolution No. PA22/2020-1
Authorizing Budget for Fiscal Year 2021
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 2021 for consideration by the Partnership Assembly at this meeting.

THE PARTNERSHIP ASSEMBLY:

Approves the budget for PMR operation for Fiscal Year 2021, presented by the PMR Secretariat at this meeting and attached as Annex to this resolution.

Budget for Fiscal Year 2021

Use of Funds	FY20 Budget	FY20 Expenses (expected)	Proposed FY21 Budget
PA Meetings and Workshops	650	187	650
Country Delivery Support and Advisory Services	2187	1758	1754
MRP Expert Feedback Process	0	0	0
Country Delivery Support, including:	2187	1758	1754
(1) Secretariat Support	1121	897	1161
(2) Delivery Partner Support	1026	821	513
(3) Implementation Completion Report (ICRs) Funding for RETFs	40	40	80
World Bank Central Unit Costs (1% Contribution)	127	127	127
Monitoring and Evaluation	0	5	0
Knowledge Management	1,300	1100	1130
Policy Analysis Work Program	600	500	0
PMR Management and Communications	750	850	1000
Contingency	150	150	150
TOTAL USE OF FUNDS	5,764	4,677	4,811