Market Readiness Proposals (MRP) and Feedback Process

PMR Secretariat, The World Bank

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PART I: Market Readiness Proposal (MRP)
Purpose of the Preparation Funding:

- To support Implementing Countries formulate **Market Readiness Proposals (MRP)**.
- Through **MRP**, country lays out roadmap of activities for work on market readiness components & to pilot market instrument(s):
  - How market readiness work will be organized & managed;
  - Needed capacity-building & financial resources (and who provides them);
  - Clear plan, budget & schedule for identified activities
- **MRP** forms basis for PA decision on allocation of implementation funding
Outline of Tool for Market Readiness Proposal: The Building Blocks

- General Information & Executive Summary
- Building Block 1. The Big Picture: Policy Context
- Building Block 2. Target Area: Assessment and Rationale for Focus on Sector(s)/Sub-sector(s)/Program(s)/Region(s)
- Building Block 3. Core Technical and Institutional/Regulatory Market Readiness components
- Building Block 4. Planning for a Market Instrument
  - Module 4a. Scaled-up GHG Crediting Instrument
  - ETS:
    - Scope/coverage
    - Cap setting
    - Allocation
    - MRV
    - Institutional & regulatory fmwk
    - Fostering stability
    - Use of offsets
- Building Block 5. Organization, Communication, Consultation and Engagement
- Building Block 6. Schedule and Budget
Putting the Market Readiness Proposal on track...

Administrative work

- Process to discuss and complete funding arrangements
  - Identification of types of activities to be funded
  - Implementation arrangement
  - Funding Application Form between Implementing Country and World Bank as delivery partner
- Fund transfer agreement
  - Signatures from appropriate authorities

Coordination, management & analytical work

- Domestic arrangement to elaborate MRP
  - Briefing and engagement of relevant ministries/agencies
- Terms of references for analytical work underpinning MRP
- Review of proposals, consultant(s) selection and procurement
- Organise coordination
PART II: Process for Providing Feedback on MRPs*

* See PMR Resolution No: PA 2011-5 (December 15, 2011)
Feedback Process for MRPs

- **Objectives:**
  - Enhance formulation of the Market Readiness Proposal (MRP)
  - Share relevant knowledge and experience with Implementing Country to help enhance quality of its MRP

- **Process:**
  a) Feedback from PMR Experts
  b) Feedback from PMR Participants

- **Start:**
  - After submission of 1st draft MRP to PMR Secretariat
Composition of Expert Group:

- The PMR Secretariat appoints 2 to 4 experts for each MRP (Expert Group)
- Expert Groups should have cross-disciplinary expertise
  - Expert groups should include experts from both developed & developing countries
- Selection of the Expert Group carried out in consultation with the relevant Implementing Country.
  - The PA will be informed of the composition of the Expert Group.
- A generic terms of reference for selecting experts developed by PMR Secretariat.
Feedback from PMR Experts (2/3)

Approach:

- Desk review
  - Interaction with the Implementing Country
    - Telephone and/or video conference
    - In country meetings if resources made available by Implementing Country or resources other than the PMR Secretariat budget

Output:

- Expert group shares feedback with Implementing Country
- A representative of Expert Group presents feedback to the PMR Participants Assembly
- Implementing Country invited to indicate how Expert Group feedback has been considered (when presenting final MRP)
Feedback from PMR Experts (3/3)

- **Timing:**
  - The PMR Expert feedback process takes place after the Implementing Country submits 1st draft of MRP
  - The feedback process should be completed within eight weeks (after submission of 1st draft of MRP)
    - Can be faster
  - PMR Secretariat, Delivery Partner and Implementing Country work out suitable timetable to provide feedback
Feedback from PMR Participants (1/2)

◆ Regular updates by Implementing Country
  ▪ At each PA meeting, Implementing Country can give informal update on MRP progress
  ▪ Opportunity to seek early feedback from PMR Participants on MRP development

◆ Presentations of MRP by Implementing Country
  ▪ PMR Participants have opportunity to provide feedback twice on MRP:
    1. *Informal* presentation of the draft MRP
    2. *Formal* presentation of final MRP
Feedback from PMR Participants (2/2)

**Informal presentation of the MRP:**

- Implementing Country should make an informal presentation to PA to seek feedback from all Participants
- Goal: allow PA to view complete proposal prior to formal submission & opportunity for Implementing Country to collect comments
- Timing: can take place anytime after submitting 1st draft of MRP
- Modality - 2 possibilities:
  - At a PA meeting (before submitting final MRP)
  - Virtual electronic discussion among participants (if in-person not feasible)

**Formal presentation of MRP:**

- When presenting final version of MRP, Implementing Country encouraged to indicate how PA feedback has been considered.
- Representative of Expert Group gives presentation
- Formal submission of the MRP to Secretariat should be made at least **three weeks** prior to a PA meeting
PART IV: Timeline for feedback and submission of MRP
Illustrative timeline for feedback process and *informal & formal* presentations of MRP

1. **Draft 1 of MRP submitted to Secretariat**
2. **Informal presentation* of draft MRP to Participants**
3. **Formal submission of MRP to Secretariat**
4. **Presentation of final MRP to PA**

**3 weeks**

- **Expert feedback process**
- **Country Revises draft MRP**
- **PMR participants feedback**
- **Country finalizes MRP**

PA consideration & decision, including funding allocation

2 possibilities for organising feedback process

*At PA meeting, or virtually*
Thank you.

For more information & clarifications, please contact the PMR Secretariat (pmrsecretariat @worldbank.org)