



CF Capacity Building
Role of World Bank

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Beyond Carbon Finance

- Ensure CF contributes substantially to sustainable development, beyond global environmental efforts;
- Assist in building, sustaining, and expanding the international markets for emission reductions, and its institutional and administrative structure;
- Strengthen the capacity of developing countries to benefit from the emerging market for emission reduction credits

World Bank CF Products (\$1.8B)



Prototype Carbon Fund: \$180m, multi-shareholder

Community Development Carbon Fund:

Multi-shareholder. Tranche I \$128.6 m



Bio Carbon Fund: Tranche I \$53.8m; multi-shareholder

\$170m – Single government participant (**Dutch**)



\$45m - **Italian** multi-participant

\$40m - Economies in Transition only (JI with IFC)



\$220m – **Spanish** Government; will be open to private sector

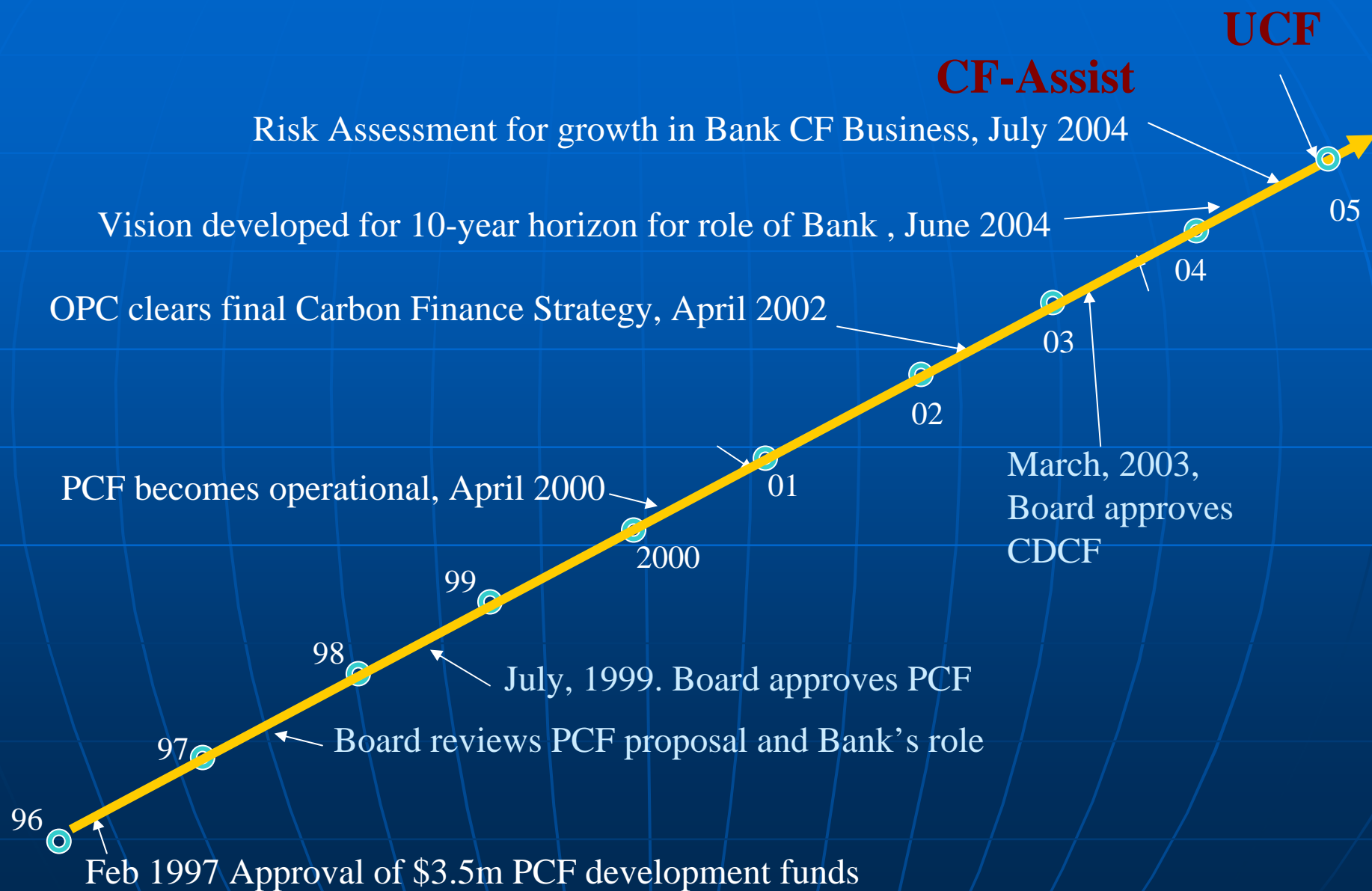
\$75m – **Danish** multi-participant



\$930m **Umbrella Carbon Facility** Tranche I



Growth in WB CF Business





Carbon Finance - Assist

- 5-yr, \$12m multi-donor Trust Fund that complements WB's CF Business
- Proposed in 2004, established in 2005
- Managed by Carbon Finance Unit and World Bank Institute
- Activities are need-based at country/regional level
- Leverages Japan PHRD grants
- Africa Assist program with French support
- Review and advice by Host Country Committee on CF, and Donor Group



Objectives of CF-Assist

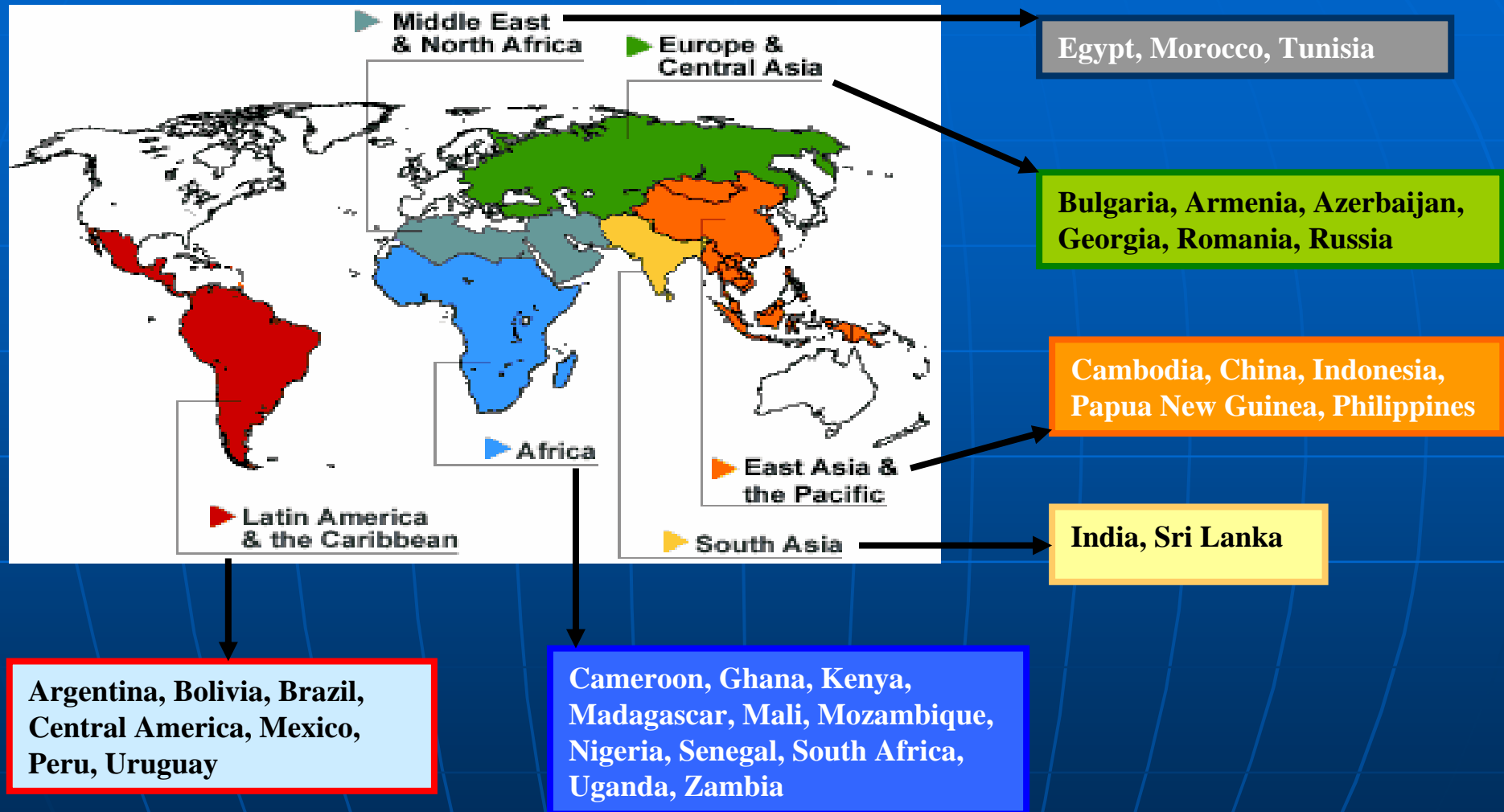
- Ensure that LDC and EIT are able to fully participate in the flexible mechanisms defined under KP
 - Build human and infrastructural capacity
 - Benefit from SD gains associated with carbon mitigation projects
 - Create and manage carbon assets
 - Reduce costs of participation



Contributors

- Australia
- Denmark
- France
- Japan (PHRD)
- Spain
- Switzerland

CF-Assist Priority Countries





Activities

- Develop training modules for national experts and partners
- Conduct training programs (**direct, DL, VC**)
- Develop CF project pipeline (WB is **buyer of last resort**)
- Facilitate market development (**Carbon Expo, GHG Forum**)
- Assist with institutional governance issues
- Establish country carbon funds (**Argentina, Mexico**)
- Conduct outreach studies (e.g. **Carbon market survey, Transport sector assessment**)



Training

- Project Formulation
- Baseline and Monitoring Methodologies
- Establishing effective institutions (e.g. DNAs)
- Negotiating fair and equitable ERPAs



Market Facilitation

- **Global Carbon Expo**
 - Annual in Cologne, Germany
 - 200 Exhibitors, 1000 participants, multiple events
- **Asia Carbon Expo**
 - Beijing, China in Fall 2006
- **Delhi Regional GHG Forum**
 - Annual along with DSIDS
- **Moscow Regional GHG Forum**
 - First one in April 2006



Partners

- UNEP (CF-SEA)
- IETA (Expo, GHGF)
- Koelnmesse (EXPO)
- CEFEB (Francophone Africa)
- In-country partners (20)



Lessons/Challenges for CF-Assist

- Demand outstrips delivering capacity
- Need for strategic prioritization of countries
- Focus on country-specific capacity requirements linked to potential
- Adapt KM activities to the changing landscape of the market
- Design KM activities that ensure long term sustainability of the market
- Leverage other capacity building programs



www.carbonfinance.org