



Extending the Reach of Carbon Markets to promote Clean Technologies in Developing Countries



Annual Report 2009



Climate Change

Institutional Development
Capacity Building

CDM knowledge sharing
Technical Assistance

CDM knowledge sharing

Institutional Development

Technical Assistance

Carbon Market Development

Project methodologies





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Messages



**Sanjay Pradhan,
Vice President,
World Bank Institute**

Carbon Finance-Assist (CF-A) is the flagship capacity building program for the World Bank Group. Being managed by the World Bank Institute (WBI) since 2006, CF-A has made a significant contribution to carbon market development in several developing countries with an impressive range of activities: human capacity development, learning and knowledge sharing and institutional strengthening. CF-Assist has also demonstrated a strong convening ability at global and regional levels through Carbon Expo and other carbon forums. The program has fostered key strategic partnerships with external institutions as well as World Bank's internal departments in implementation of its activities. These are considerable assets as we move towards positioning

WBI as a knowledge institution in the climate change area within the broad parameters of the World Bank's Strategic Framework on Development and Climate Change.

In the background of the internal developments in the World Bank, and the global negotiations towards a post-Kyoto agreement, CF-Assist has a challenging task in the short run: consolidate the experience so far including best practice and lessons learnt, and use that as a basis to develop a new capacity building program that reflects the emerging priorities that serve our client countries the best. We look forward to working with various partners, including the donors, in this endeavor.



**James Warren Evans,
Director Environment
Department, World Bank**

The World Bank group has for long been one of the leading voices in the climate change debate, with matching action in the field. Helping develop the carbon finance market is one such pioneering initiative. The WB's capacity building activities through CF-Assist designed to help developing countries have contributed significantly to carbon market development. In less than four years of its existence, CF-Assist carried out technical assistance of various kinds in over 60 countries, and also contributed to the establishment of Carbon Expo as the world's premier event for the carbon market stakeholders.

As the world is moving towards the fulfillment of Kyoto Protocol in 2012, and looking at a possible new regime

beyond that, the World Bank has reiterated its deep commitment to fighting global climate change, as delineated in the recently-approved Strategic Framework on Development and Climate Change. A likely key challenge in any such new regime is the need to scale up the climate action – mitigation as well as adaptation – several times over the current levels. Such acceleration is likely to throw up new and expanded capacity needs and involvement of new stakeholders, and a program like CF-Assist would need to respond by developing relevant and targeted capacity building activities. It is hoped that the valuable experience gained by CF-Assist so far in various aspects of capacity building will form the foundation for a successful 'Second Generation' capacity building program for carbon finance and market development in the future.



Konrad von Ritter, Sector Manager Sustainable Development, World Bank Institute

Carbon Finance-Assist has established itself as the World Bank's premier capacity development program for carbon finance. As confirmed by the initial messages emerging from the mid-term evaluation, CF-Assist has made good progress with a number of key accomplishments.

In order to stay cutting edge and relevant for its clients, CF-Assist intends to constantly evolve and innovate. During the first phase (2006-09), CF-Assist had largely focused on a retail approach with face-to-face delivery of its programs. In the future, we intend to develop more in-depth learning in selecting crucial sectors, and create stronger internal and external networks to co-generate and deliver the programs

so as to expand their reach and scope. CF-Assist has already begun addressing these priorities in recent activities.

A good example of this evolution is the Carbon Expo. The Carbon Expo Partnership agreement, which has been renewed for another two years (2009-10), has introduced two novelties: an alternating location between Barcelona and Cologne, and a new thematic stream at each Expo – cities and carbon finance in 2009, and energy and carbon finance in 2010.

The "Cities and Carbon Finance" program isn't just a Carbon Expo theme. It is a major focus area, whose relevance in mitigation would continue to grow in the future. Under this umbrella, CF-Assist has launched various activities: a multi-year capacity building program for cities; learning programs focusing on relevant sectors in urban areas; and a twinning initiative

in which cities from North and South, which are spearheading efforts to cut greenhouse gas emissions function in networks.

We couldn't do all this without partners. Their support and co-operation has always been crucial for CF-Assist – inside the World Bank where we collaborate with various departments, and outside with donor partners (in particular Spain, Switzerland and France) and professional organizations. We are glad to report on new promising strategic alliances for instance with UCLG, ICLEI and C40 in implementing our cities program.

The UNFCCC negotiations for a post 2012 climate change regime, targeted to reach culmination in Copenhagen in December, will determine the future course of mitigation and carbon finance. CF-Assist will be prepared to respond to this changing political environment by designing customized

learning programs on second generation carbon finance instruments, like the World Bank's Forest Carbon Partnership Facility.

Last but not least, CF-Assist is grateful to all its donors who make our work possible. We seek their continued trust and support as we aim to help developing countries to effectively participate in the next generation of carbon markets.





2008 – 2009 At a Glance

- **Ongoing training:** 24 workshops in 20 countries for 3.000 professionals
- **Carbon Expo 2008:** 3.000 participants, 260 exhibitors, 115 countries
- **Host Country Committee meetings:** two held in Cologne and Poznan
- **Regional carbon forums:** In Africa, Eastern Europe, Latin America and South Asia with 2.000 participants
- **South-South-Knowledge Exchange Program:** pilot initiatives involving China, Brazil and other developing countries
- **Cities and Climate:** Thematic program launched in February 2009
- **Knowledge Management:** e-Learning programs being developed on carbon finance, and energy sector
- **Studies:** Carbon mitigation potential assessment in energy and cement industries in Sub-Saharan Africa
- **Report:** "State of the Carbon Market 2008"

Introduction

Carbon Finance-Assist is a corporate program of the World Bank designed to help developing countries and economies in transition to better participate in the fast growing carbon market. The World Bank Institute has been entrusted to manage this program that trains and educates people who will be crucial catalysts in their countries to promote the deployment of clean technologies.

In the early days of the carbon market, lack of knowledge and experience in most developing countries and economies in transition was a key problem. It prevented these countries from being an effective player in the emerging market and expanding its reach. As a response, CF-Assist designed and implemented capacity building programs over the last three years focusing on strengthening regulatory institutions, helping put procedures in place and assisting in project portfolio development, in addition to creating

professional expertise through training. A lot has been achieved in this regard as a result of CF-Assist and similar capacity building programs of other agencies (e.g. CD4CDM of UNEP), and several countries in Asia and Latin America have successfully established the conditions needed for utilizing carbon finance. However, considerable effort is still needed in some countries and regions, especially in Sub Saharan Africa and Central Asia, which have not benefited much during the first commitment period of the Kyoto Protocol.

However, as the global debate now moves towards a new regulatory regime replacing Kyoto Protocol after 2012, capacity building needs are evolving as well: new instruments and concepts such as programmatic and sector-specific approaches have emerged or are under discussion, and the need to scale up the activities has grown significantly. CF-Assist has now been running

for more than three years. In many countries, the initial phase of capacity building – basic training, establishing/strengthening DNAs, etc. – has been completed. CF-Assist has now embarked on new activities to respond to the emerging challenges, and is poised to expand its scope and reach significantly. This report will therefore summarize the program achievements, impacts, and challenges during this period. Further, the report will attempt to articulate a broad direction for future capacity building and describes the initiatives launched during this transition period.





Carbon Finance at the World Bank

Carbon markets are an important tool to mitigate climate change. The World Bank has been a pioneer in developing and promoting this market, having designed the first ever market instrument in the form of Prototype Carbon Fund. Since then, the Bank has utilized more than \$2 billion – mobilized from governments and companies in industrialized countries – over the last decade to purchase emission reductions from clean technology projects in developing countries. These operations have helped to generate several billions of dollars of investment across Asia, Latin America and Africa. As the international community now tries to forge a new climate treaty, the World Bank has launched the Carbon Partnership Facility and Forest Carbon Partnership Facility to pioneer the next generation carbon market initiatives, which aim to help market continuity, scale up carbon finance and extend the reach of carbon trading.

Carbon Finance-Assist

The Program

Carbon Finance-Assist (CF-Assist) is a multi-donor trust fund. It was set up as a capacity building and technical assistance program to complement the World Bank's carbon funds. CF-Assist was proposed in 2004 and formally launched in mid-2005. While some activities under CF-Assist were designed in 2005, the actual implementation had begun in earnest in early 2006.

In addition to direct contributions from donors, CF-Assist has also been administering the Prototype Carbon Fund (PCF) Plus program – the precursor to CF-Assist that uses the interest income from PCF. CF-Assist has been managed by the World Bank Institute since 2006 after it was transferred from the Environment Department.

Since its beginning, CF-Assist has aimed to help the developing countries and economies in transition to effectively participate in the carbon market and benefit from the flexible mechanisms under the Kyoto Protocol – Clean Development Mechanism (CDM) and Joint Implementation (JI). Carbon Finance-Assist works in various developing countries to:

- build their human/technical capacity;
- get the necessary institutional and legal infrastructure in place;
- assist identification of potential carbon finance projects;
- help create and manage carbon assets in specific mitigation sectors;
- help reduce costs of participation in the carbon market.

In implementing these activities, CF-Assist has endeavored to promote conditions to accelerate the deployment of clean technologies and their contribution to sustainable development in developing countries.

Operational Approach

CF-Assist works with several internal and external partners in executing the various activities. Its overall management rests with the Sustainable Development division of the World Bank Institute (WBI). Program implementation is done in collaboration with the World Bank's six operational regions: Sub-Saharan Africa; Middle East and North Africa; Europe and Central Asia; East Asia and Pacific; South Asia; and Latin America and the Caribbean.

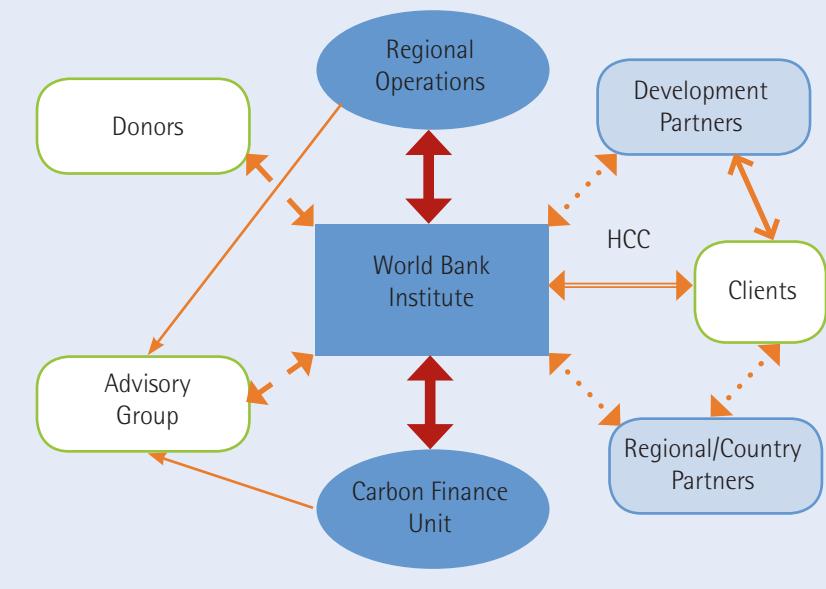
(See chart 1)

CF-Assist has work program agreements with the Bank's six Regions to implement a large part of the country programs. The anchor team at WBI implements some of the country programs directly in addition to regional and global activities, and provides technical expertise and monitoring for programs implemented by the partners. The Carbon Finance Unit (CFU) provides technical and operational assistance.

CF-Assist also draws support from many external partners who collaborate in organizing events, conducting training programs and providing technical services.

CF-Assist is supported by two external committees, which provide oversight and monitoring of the work program: Host Country Committee (HCC), which represents over 50 developing countries and convenes twice a year; and the

Chart 1: Management Structure of CF-Assist



Donor Committee, which represents all CF-Assist contributors. Internally, there is an Advisory Group comprising regional carbon finance coordinators, CFU and IFC representatives and other subject experts, which meets periodically.

CF-Assist originally started with a \$10m fund with direct contributions and PCF+, and has now grown to a total envelop of about \$18 million. By April 2009, around \$15m has been disbursed and/or committed for activities through 2011.

In its operations, CF-Assist has three main work components: capacity building, market development and outreach. (see chart 2)

Capacity building: Includes training, institutional support and project portfolio development for countries and regions. Focuses on four basic modules: Establishing/strengthening effective designated national authorities (DNA); carbon finance project development; baseline and monitoring methodologies; negotiating fair and equitable emission reductions purchase agreements. Training programs for countries are designed in three phases according to the level of existing knowledge and expertise.

Market development: Facilitates regional and global events, supports analytical work and attempts to increase financial sector participation in carbon

finance. Flagship events are the annual Carbon Expo and regional Carbon Forums.

For project portfolio development, CF-Assist works with local partners to identify potential carbon finance projects and help open new sectors for the carbon market.

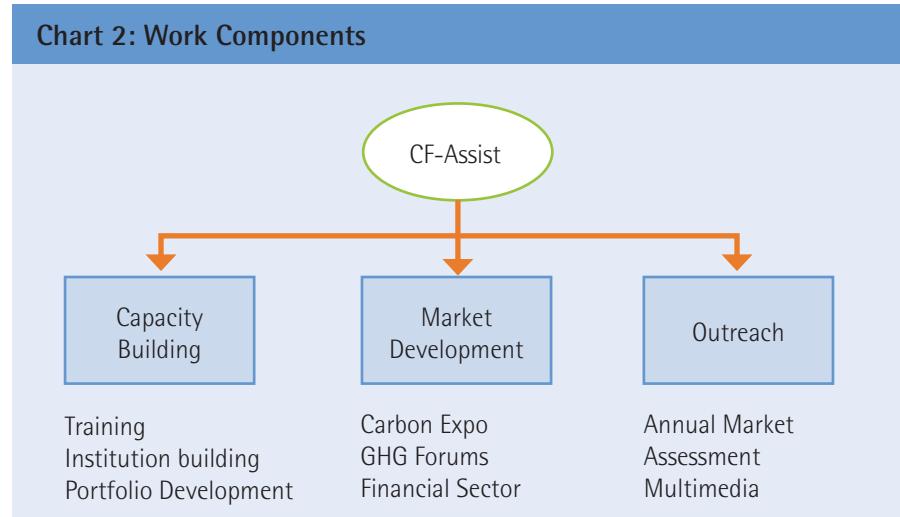
In all this, CF-Assist pays special attention to the question of how to remove technical, institutional and/or financial barriers for clean technology projects.

Since lack of underlying finance is a key obstacle to invest in low carbon projects in developing countries, CF-Assist targets the financial community in order to get them more involved in carbon finance.

CF-Assist also supports various technical studies to identify potential in specific sectors, and assists in setting up special instruments and country/ regional level (e.g. sellers' funds) to promote mitigation projects.

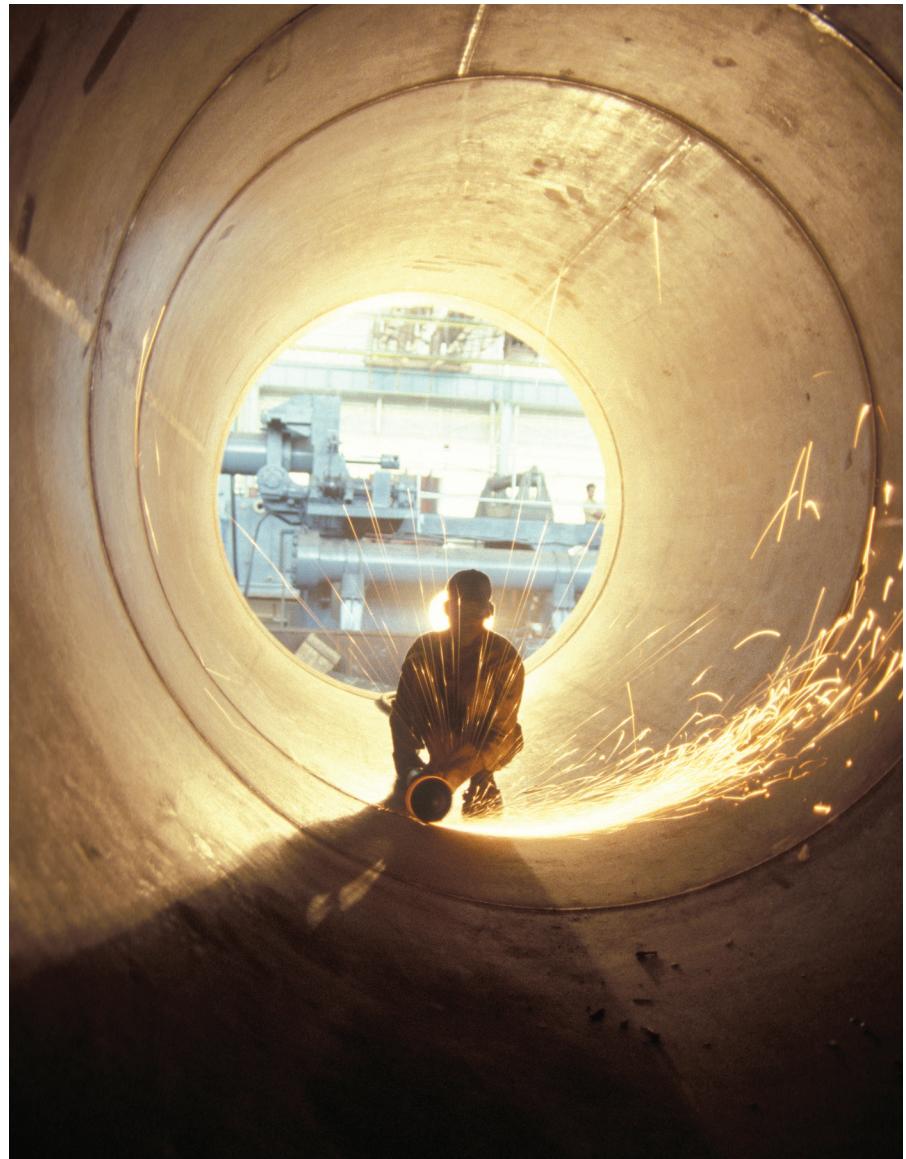
Outreach: Uses multimedia tools to inform the public and stakeholders about the state of the carbon market. CF-Assist is designing a series of e-learning packages on various aspects of carbon finance, containing audio-visual presentations, case studies, simulation games and interactive guides.

Chart 2: Work Components



CF-Assist

- CF-Assist has been designed to be largely a demand driven program responding to clients needs.
- CF-Assist differentiates between short and long term capacity needs. Implementation is designed to increase the depth of programs through different phases.
- CF-Assist emphasizes country participation in the carbon market, with project identification as an outcome; identified projects are offered to the carbon market with World Bank's carbon business as only the buyer of last resort.
- CF-Assist pursues strategic partnerships with global, regional and national organizations, both public and private, to leverage expertise and resources.



Program Coverage

The map highlights the status of capacity building programs in each region

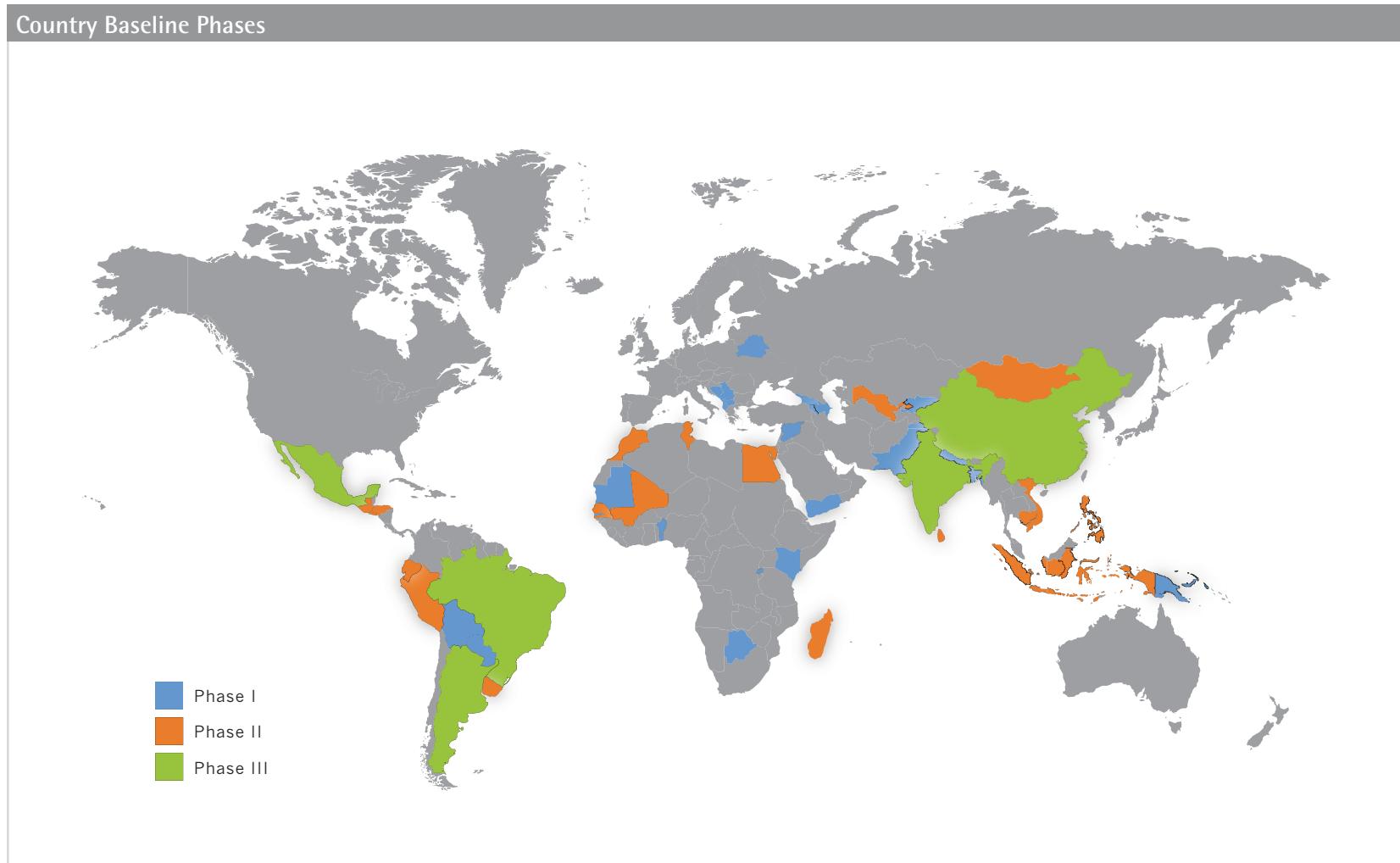
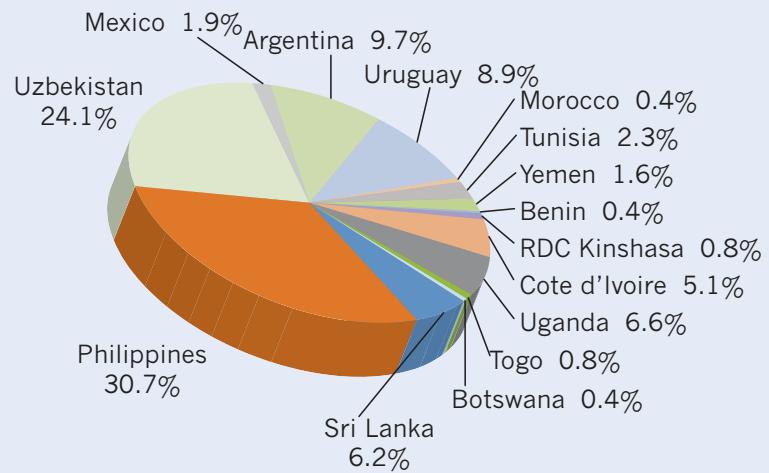
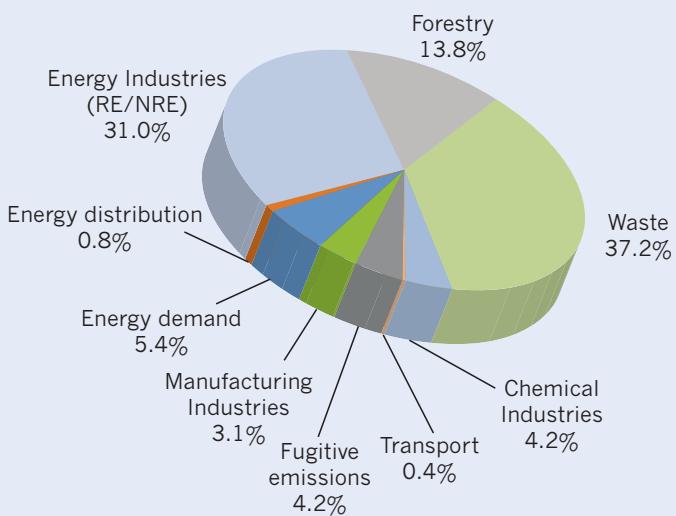


Chart 3: CF Assist's project development support by countries, sectors and status

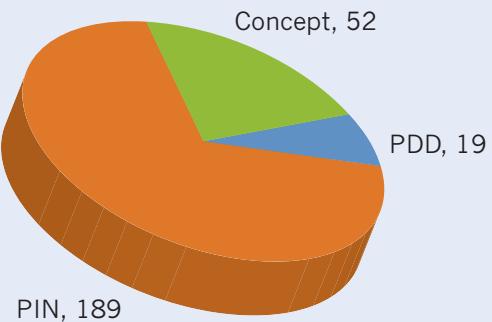
Projects by Countries



Projects by Sectors



Projects by Status



Program Activities

CF-Assist's training and capacity building programs, as mentioned, are conducted in developing countries in all regions of the world. CF-Assist trains governments, municipalities, business organizations and companies from client countries in carbon finance issues, and helps them to get access to discussion forums, research findings, and practical experiences.

During the three years of implementation, CF-Assist conducted over 70 national level training programs in more than 50 countries including 24 programs in 20 countries in 2008-09. The program created new DNAs and strengthened institutions in several countries. And it helped develop special instruments such as sellers' funds in Argentina and Mexico and CDM Fund in China. In just over three years, including the countries where GIS (Green Investment Scheme) studies were conducted and those with SEA (Sustainable Energy in Africa) activities implemented with UNEP-RISO, CF-Assist

has had a presence of some level in about 66 countries, and helped identify over 300 carbon finance projects (see chart 4).

CF-Assist also (co)organized three Carbon Expos and 15 regional events including carbon forums in Africa, Asia, Central Asia, North Africa and Middle East, Latin America, and South Asia.

CF-Assist commissioned studies and reports on carbon mitigation potential in select sectors and regions, for example the energy and cement industries in Sub-Saharan Africa, and forestry and energy sectors in Sri Lanka. The following sections will describe the achievements in different regions.

Chart 4: CF-Assist 2006-09

66	Countries covered
300	Carbon finance projects identified
6	New DNAs/Institutions established
5	Innovative Facilities/Funds
20254	Stakeholder exposure
4	Carbon Expos
10	Regional Carbon Forums
2	Financial Sector Forums
3	Learning Courses
10	Sector Studies/AAAs/GIS

Workshop "Identification, Development and Appraisal of CDM Projects", hosted by Banque Ouest Africaine de Developpement (BOAD) in Lome, Togo, March 22-24, 2009

"The professionalism and the character of the people who directed the seminar were incredible, and I think the seminar was so successful because you were so much involved in every aspect of it, from the preparation till the summary part."

—Moubarak Moukaila, Special Advisor on Carbon Finance, BOAD

Capacity Building

Sub-Saharan Africa

Sub-Saharan Africa is the region that least benefited from carbon market with less than 2% share in early 2009. Lack of capacity, access to finance and poor institutional environment are major barriers for CF development. CF-Assist has been implementing a specially focused program in this region entitled 'Africa Assist'. CF-Assist has also played an important role in the Nairobi Framework, an inter-agency network for coordination of capacity building work in the region.

CF-Assist's efforts in SSA during the first phase have led to some notable achievements: 3 new DNAs have been established (Botswana, Sierra Leone and The Gambia), 11 country programs have been implemented, 65 carbon finance projects have been identified, 16 national

training workshops and 4 regional workshops have been conducted.

In an important initiative, CF-Assist provided technical assistance to the ECOWAS Bank to establish the Africa Biofuels and Renewable Energy Fund (ABREF), which is currently in the process of raising \$300 million in capital to assist development of carbon mitigation projects in these two sectors. The program has also identified over 60 potential CDM projects in West Africa.

Under the Lighting Africa initiative of the World Bank's ESMAP (Energy Sector Management Assistance Program), CF-Assist organized two regional training workshops in Ethiopia and Tanzania to help local partners introduce carbon finance elements into their efficient lighting projects.

CF-Assist also joined UNEP in conducting two regional forums – South Africa and

Senegal – focusing on the financial and banking sector, resulting in enhanced interest among some regional and national banks on carbon finance. Nearly 300 participants attended these forums.

In September 2008, at the occasion of the Africa Carbon Forum in Senegal, the World Bank also released a comprehensive study – co-sponsored by CF-Assist – on carbon mitigation potential in the energy sector of SSA. The study identified over 3,200 projects across the region with technical potential for CDM activity in power generation, energy efficiency and renewable energy sources. If all this technical potential can be tapped, nearly 170,000 MW of new capacity could be installed and 740 million tones of CO₂e reduced annually. However, the study clearly reaffirms the key barriers that impede the realization of the potential: lack of underlying finance, and lack of technical knowledge regarding carbon finance opportunities and procedures.

CF-Assist also commissioned a study about carbon mitigation options in the cement industry, one of the few prominent industries in Sub Saharan Africa. This study had identified 35 potential projects for thermal energy efficiency, 35 projects for waste heat recovery, 35 projects for alternative fuel (biomass) and 44 projects for blended cement. The study also led to development of a draft Project Design Document (PDD) for Waste Heat Recovery in the Eastern African Portland Cement Company in Kenya.

However, it is clear that despite some progress, serious gaps still exist in many SSA countries in terms of their capacity, which continues to limit the regional participation in the growing carbon market. Thus, CF-Assist will continue to intensify its efforts in helping the region in various ways: programmatic approach is one such way which could significantly contribute to CDM development.

Cleaner cooking and heating in Africa

The 4th Forum of the Partnership for Clean Indoor Air (PCIA) was held in Kampala, Uganda during March 22-28, with CF-Assist as a co-sponsor. PCIA, promoted by US Environmental Protection Agency (USEPA), is a network of household energy experts and health care leaders from around the world. PCIA Partners have so far helped 1.4 million households worldwide to adopt clean cooking and heating practices, reducing harmful exposures for more than 7.6 million people.

The CF-Assist team conducted a one-day training session on carbon finance. More than 250 participants attended and shared the latest developments regarding technologies, fuels, monitoring, commercialization, carbon financing, and research. The CF workshop had three goals: To improve the participants' understanding of carbon finance; to showcase similar projects already developed under CDM; and to examine the necessary requirements to develop a CDM project for these types of appliances. The event was highly rated by the participants, who expressed the need to have a sustainable capacity building program to help CDM development in the biomass energy sector. CF-Assist would develop the partnership with USEPA further in assisting the project developers to promote carbon finance in this important sector, especially for African countries.



Middle East and North Africa

Country work programs in Morocco, Tunisia and Egypt, amongst the earliest launched under CF-Assist, are expected to be completed in Fiscal Year 2009. In Yemen and Syria, focused country programs were completed during 2007-08. Technical assistance has been initiated in Lebanon focusing on the strengthening of DNA and CDM portfolio development. CF-Assist work in this region has largely focused on promoting the waste management sector. In Syria, CF-Assist contributed to the establishment of DNA.

During 2009, the focus has been shifting to develop CDM Program of Activities (POA), based on the strong demand expressed by several countries for sectors like energy, sanitation and solid waste management. CF-Assist is helping these countries to utilize this new approach to Carbon Finance in order to scale up deployment of low carbon technologies.

CF-Assist continues to support important regional financial institutions – the National Bank of Egypt, and Fonds Communal de l'Equipement (FEC) of Morocco. Both institutions can play an active role by changing lending practices to encourage cleaner technology projects, and acting as financial intermediaries for carbon projects. Both institutions need to enhance their understanding of CDM practice and mainstream carbon finance in their portfolio of projects. Thus CF-Assist is focusing on addressing key obstacles related to the limited access to project finance for CDM.



Manage waste and reduce emissions

In Morocco, CF-Assist is supporting development of a nationwide Carbon Finance Program with FEC, a state-owned bank specialized in the financing of investment projects of local communities. FEC, which acts as an intermediary, has received training to better understand CDM and carbon market transactions. FEC has been mandated by the Moroccan government to help cities to develop CDM projects and sell emission reductions. This is part of a government program to reform the solid waste sector and create a nationwide sustainable management system. Its objective is to expand and modernize collection and waste disposal practices and to eliminate landfill gas emissions. The captured methane would be used to generate electricity all over Morocco.

East Asia

CF-Assist country programs in East Asia were launched early in Cambodia, China, Indonesia and the Philippines. New programs were launched in 2008 in Mongolia and Vietnam.

In Mongolia, CF-Assist, along with WB Regional team, organized three training programs, with the recent one in February 2009. This project is implemented in partnership with the Japanese Policy and Human Resources Development (PHRD) fund and the Project Implementation Unit in the Mongolian Ministry of Environment. A portfolio of ten project ideas was developed.

In the Philippines, the focus of CF-Assist has been on project identification, and developing institutions such as the Land Bank of Philippines into financial intermediaries. CF-Assist efforts have led to

identification of 75 potential CDM projects. CF-Assist's program in Cambodia, which ended in 2008, concretely led to institution of a Carbon Fund in the government, and development of a project methodology for improved biomass stoves.

In China, the most successful CDM country in the world, CF-Assist focused initially on helping the CDM legislation. Later, CF-Assist has supported the establishment of the CDM Fund. Recently, CF-Assist has also supported the development of a report (to be released in 2009) on China's CDM program that would throw light on factors that contributed to China's success. CF-Assist has also facilitated a South-South cooperation program (May 2009) in which the Chinese experience and best practice would be shared with other developing countries to promote CDM.



South Asia

CF-Assist had one of its earliest programs in South Asia region, in Sri Lanka, in early 2006. Subsequently, rapid assistance programs were implemented in Bangladesh, Nepal and Pakistan. The focus in India, the second largest CDM beneficiary country in the world, has been on support for unlocking the mitigation potential in large sectors such as transportation.

The Sri Lanka program, which ended in 2008, resulted in several accomplishments: a national CDM strategy with specific policy recommendations; mitigation potential assessment studies in energy and forestry sectors; training of over 200 professionals; a strengthened DNA with approval procedures; and a portfolio of 15 projects. Sri Lanka currently has 4 registered projects approved by UNFCCC.

Following the successful training workshop conducted in August 2006, CF-Assist designed a capacity building program in Nepal at the request of the Ministry of Environment, focusing on forestry and rural technology sectors, and strengthening of DNA. However, this program is awaiting formal clearance from the government through political transition. During this period, nevertheless, Nepal has had two registered projects.

With the successful holding of the second Carbon Market Conclave in 2008, the event has established itself as the premier platform for carbon market stakeholders in India. The Conclave, organized by FICCI with CF-Assist and IETA as co-organizers and sponsored by the Indian Ministry of Environment and Forests, attracted over 400 stakeholders and led to active engagement of carbon market players from across the globe.

In India, efforts are also under way to develop capacity building programs in specific sectors such as railways, urban waste management, and energy efficiency to promote programmatic approaches. Work programs in these sectors are planned for 2009.

China CDM Fund

To promote sustainable development, China has set up a CDM Fund which is financed by a tax on carbon revenues from industrial gas projects. CF-Assist has supported establishing this Fund and developing an Action Plan. The Fund would support the China National Climate Change Program through promotion of climate change related science and technology research and capacity enhancement in mitigation and adaptation. The Action Plan will implement projects through 2009-10 in the current Five Year Plan, and beyond.



Europe and Central Asia

Most countries in this region are relatively new entrants to Kyoto Protocol and have little exposure and capacity for carbon finance development. Hence, CF-Assist program in this region has focused on providing rapid assistance in the basics of Kyoto mechanisms and helping project developers identify specific projects through targeted technical support.

Among the various countries in the region, Uzbekistan has been the main success story: at the time of CF-Assist's first workshop, the country had no projects or much awareness, but within a year managed to develop over 60 CDM project concepts. By April 2009, Uzbekistan has had six registered projects.

Rapid assistance workshops were conducted in Albania, Armenia, Azerbaijan, Belarus (JI country), Bosnia, Georgia, Macedonia, Moldova, and Serbia with pending requests in Turkey and Kazakhstan.

In Russia, the Moscow Carbon Market Forum focused on JI in mid 2008, and attracted over 250 participants. However, CF-Assist has had a relatively low involvement with JI – apart from the early studies in GIS in Latvia and Bulgaria – since most countries have remained without a regulatory framework to implement the program. In late 2008, a successful regional forum on GIS was conducted in Warsaw, Poland.

CF-Assist is supporting a study to determine the grid emission factor in Ukraine, to be extended to Belarus and Moldova. These countries need to rehabilitate aging thermal power plants and railways network, and use electricity instead of diesel engines to run trains. All these could lead to potential carbon finance projects, so grid emission factor would be important.

Latin America and the Caribbean

Most Latin American countries engaged early in creating necessary conditions

for developing CDM. Commitment of key environment sector stakeholders and the demonstration effect of pilot projects (including World Bank's PCF and other Funds) led to the establishment of CDM Offices with both regulatory and promotional functions. These steps increased the awareness amongst stakeholder groups of different sectors and the development of an important CDM project/project ideas pipeline. Hence, CF-Assist focused its programs on enhancing CDM governance at the national level, carbon market facilitation in prioritized sectors, and diversification and further expansion of national CDM project pipelines.

During 2007-09, CF-Assist has supported a heterogeneous set of national counterpart agencies – comprising DNAs, National CDM Promotion Offices, national knowledge centers and financial institutions all of which were committed to fostering the CDM market in their countries. Given the

national circumstances and priorities, country program activities have ranged from technical and operational support for DNAs, to assess CDM potential, identify project opportunities in sectors previously by-passed by the market, and to develop and implement national market facilitation instruments.

In moving forward, and bearing in mind that the international carbon market is advancing, CF-Assist activities in Latin America would gradually shift to focus on thematic niches (e.g. programmatic CDM in sustainable urban development) and collaboration with regional/sub-regional organizations for information sharing, knowledge exchange and awareness raising programs.

Global and regional activities

CF-Assist has been actively involved in organizing meetings at global and regional level to complement its national and sector based activities in capacity building. The main purpose of these events is to provide opportunities for country stakeholders to access and share knowledge on latest developments in the carbon market and pursue business opportunities as appropriate. CF-Assist has developed a strong network of partners in conducting these events. (See chart 5, page 20)

The fifth edition of the Carbon Expo – with CF-Assist as co-organizer – was held in May 2008 in Cologne, Germany. Over 3,000 visitors attended the conference and fair – 20 percent more than the previous year. 258 exhibitors from 115 countries participated in the fair. The high success of Expo reinforced its leadership role in the global carbon market, and its status as an unrivaled business and knowledge exchange platform for all the stakeholders in the market.

As part of its evolution as a unique platform for the market, the Carbon Expo has introduced two innovations for its future editions: firstly, the location would

alternate between Barcelona (2009) and Cologne (2010); secondly, each Expo will have one theme highlighted – at Barcelona it will be “cities and carbon finance”, and in Cologne in 2010 “energy and carbon finance”.

At the regional level, CF-Assist was instrumental in holding several events in different parts, along with various partners.

The Africa Carbon Forum was held in Dakar, Senegal, in September 2008, under the aegis of the Nairobi Framework, with World Bank (CF-Assist), UNFCCC, UNDP and UNEP as partners along with IETA. The three day event brought together all of the key market players – buyers, sellers, and financiers, to discuss ways of boosting the CDM activities in Africa. The event attracted around 600 participants from 60 countries, among them 40 project developers and 36 government representatives.

The third Latin American Carbon Forum was conducted in October 2008 in Santiago, Chile, by a partnership comprising UNEP Risø Centre (URC), Latin American Energy Organization (OLADE), International Emissions Trading Association (IETA), and CF-

Assist. The Forum was attended by nearly 600 stakeholders and co-hosted by the Chilean Trade Commission (PROCHILE), the Chilean Economic Development Agency (CORFO) and the National Commission for the Environment (CONAMA). The Forum provided an update on the latest market developments and international negotiations on a future climate protection framework. Furthermore, it discussed with practitioners and experts pioneering new strategies and steps towards a low carbon future: pilot activities under the programmatic CDM, venturing into the voluntary carbon market and tapping the North American greenhouse gas market.

Another important event conducted by CF-Assist was the second Middle Eastern and North African (MNA) Carbon Forum held in May 2009 in Cairo, Egypt. It was hosted by the Egyptian Environmental Affairs Agency (EEAA) in partnership with the French Agence Francaise de Development (AFD), the International Emissions Trading Association (IETA) and the World Bank's Global Gas Flaring Reduction (GGFR) unit. Over 250 stakeholders participated in the Forum. In addition, CF-Assist was also involved in organizing a regional forum for JI in

Moscow, Russia; GIS forum in Warsaw, Poland; and Carbon Conclave in New Delhi, India during 2008-09.

Outreach and analytical work

In support of its capacity building activities, CF-Assist has also commissioned and disseminated a number of knowledge products including studies and analytical reports. Further, CF-Assist organized consultations with stakeholder groups on topics of interest.

In the transportation sector, CF-Assist collaborated with the Clean Air Institute to organize three consultation meetings – in Washington DC, Berlin and at the Conference of Parties in Poznan – to deliberate on the barriers for mitigation and possible measures at policy, regulatory and programmatic levels to overcome them. The outcomes from these consultations have been used to provide submissions to UNFCCC on the transportation sector.

CF-Assist also held two meetings of the Host Country Committee – one at the Carbon Expo in Cologne in May 2008, and the second at COP14 in Poznan in December 2008 to update the host countries on World Bank carbon finance

activities. There was also a meeting of the Nairobi Framework partners where host country representatives from Senegal and Congo made presentations on the capacity building activities and their impact in the region.

CF-Assist supported the publication of the annual State and Trends of the Carbon Market report – compiled by WB's technical expert team – which provided the latest market information as well as trends of various carbon products. The report was formally released at Carbon Expo in May 2008.

In collaboration with the National Development and Reforms Commission of China and WB's East Asia regional team, CF-Assist has supported the preparation of a report on China CDM program outlining its successes, factors contributing to the success and the future priorities. The report is expected to be released in late 2009, and will be a useful reference guide for other developing countries in promoting mitigation activities.

At the Africa Carbon Expo in Dakar in September 2008, CF-Assist facilitated a round table of African delegates on the topic of "Sectoral Approaches in CDM"

as an input to the African delegates deliberations leading up to Copenhagen. The round table also had participation from UNFCCC, IETA and DFID.

Program results and impact

Given the wide range of activities CF-Assist has implemented, the program has had a range of diverse indicators to monitor and measure the progress. These indicators vary across three phases, indicating intensification of capacity building activity with each phase. However, use of such a broad set of indicators can be difficult to aggregate meaningfully or validate because:

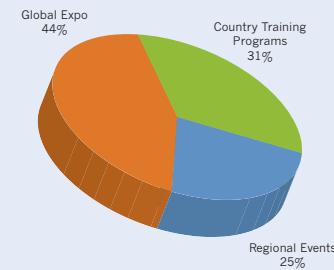
- i. The assessment of some indicators is qualitative and hence likely to be subjective.
- ii. The scope of activities differs from country to country. For instance, CF-Assist has provided rapid assistance to several countries limiting interventions to just conducting one training workshop, helping to strengthen DNA, etc. In other countries, multi-year programs have been implemented. Thus, a phase-wise transformation can be discussed only in some countries.
- iii. It is difficult to establish a direct correlation between various types of capacity building activities and quantitative outcomes (e.g. number of projects registered in a particular country).

iv. It is difficult to attribute measurable progress to any specific capacity building program like CF-Assist since many countries have multiple donor programs, and in some cases, implementing similar activities.

Notwithstanding these limitations, the framework would still provide a broad indication of progress in a country. Chart 6 below summarizes the results against indicators in the countries where CF-Assist's work focused on activities in different phases.

Chart 5

Event Participation (2005-09)
20,254 People



Regional Distribution of Training (2005-09)
6,225 People

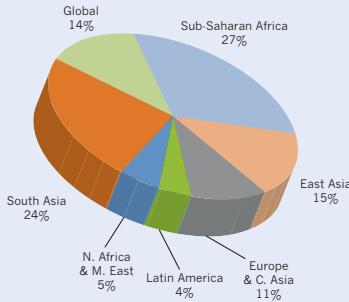


Chart 6. CF-Assist program indicators and results

Theme	Indicators	Phase I (1 yr)	Results
Theme I: Governance	DNA/Focal Point w/criteria and procedures established		<ul style="list-style-type: none"> • Phase I activities in 22 countries • New DNAs established (Botswana, Gambia, Sierra Leone) • GIS Studies in 3 countries • CF-SEA program in 5 countries • Potential assessment in two sectors: cement and energy
Theme II: Priority Sector Engagement	Key financial experts trained		<ul style="list-style-type: none"> • 2 Regional Forums in Africa for financial sector • 2 Regional training programs in Africa for Lighting sector
Theme III: Project Deal Flow	<p>Key players in sector fully aware of CF, and some have established systems to assess potential projects</p> <p>At least one PDD completed</p> <p>Stakeholders have identified and quantified assets in key sectors</p>		<ul style="list-style-type: none"> • 60 potential projects identified through Africa Biofuel and Renewable Energy Fund (ABREF) in West Africa
Theme IV: Knowledge Management	<p>CDM/JI information, approval procedures and project opportunities disseminated</p> <p>Key local experts trained to design and market projects with/to international experts</p>		<ul style="list-style-type: none"> • Africa Carbon Forum held under Nairobi Framework • South-South Knowledge Exchange in China with 27 countries • Outreach material rendered in French
CF-A Work in Countries	<p>Armenia (4) Azerbaijan Benin Botswana Kenya (1) The Gambia</p>	<p>Georgia (1) Mauritania Albania Belarus Macedonia Kyrgyzstan</p>	<p>Serbia Bosnia Bolivia (3) Paraguay Syria (1)</p> <p>Yemen Nepal (2) Bangladesh (2) Pakistan (3) Rwanda</p>

Chart 6. CF-Assist program indicators and results

Theme	Indicators	Phase II (1 yr)
		Results
Theme I: Governance	Supportive regulatory framework developed Efficient procedures for project review and approval established	Phase II activities in 19 countries Institutional strengthening in 5 countries
Theme II: Priority Sector Engagement	Financial industry understands 'Rules of the Game' and instruments to hedge risks Focused CF activity done in priority sectors	<ul style="list-style-type: none"> • 3 methodologies submitted to EB on transportation • CDM activities launched in biomass energy sector (with US EPA partnership) • Promotion of REDD activities launched in partnership with Forest Carbon Partnership Facility (FCPF)
Theme III: Project Deal Flow	At least one industry association or intermediary engaged in CF Potential projects continue to be identified autonomously At least one PDD validated, marketed, and ERPA negotiated Participation at Carbon Expo	<ul style="list-style-type: none"> • Financial Intermediaries promoted in Egypt, Morocco, Philippines and West Africa • TA to establish Carbon Fund in West Africa (ABREF) • Nearly 300 CDM projects identified and in various stages of development • Over 50 host countries participated at each of the four Carbon Expos since 2005 • POA under development in Morocco and Jordan

Chart 6. Phase II(1yr) Continued on page 23

Chart 6. CF-Assist program indicators and results

Theme	Indicators	Phase II (1 yr)		
				Results
Theme IV: Knowledge Management	<p>At least one national workshop covering all CF topics in depth, including PIN development</p> <p>Knowledge sustained by web or long-distance learning</p> <p>National and regional networks established</p>			<ul style="list-style-type: none"> • Regional GIS Forum held in Poland • E-Learning courses under development for CDM/JI • Nairobi Framework established in SSA with networking among UN agencies • Regional carbon forums held annually in LAC, AFR and SAR • Twinning on CF facilitated between northern and southern cities (e.g. Barcelona – Mexico, Paris – Bangkok) • Annual 'State of the carbon market' reports produced since 2005 • Host country committee meetings held twice annually (at Carbon Expo and COP)
CF-A Work in Countries	<p>Madagascar</p> <p>Mongolia (3)</p> <p>Senegal</p> <p>Philippines (38)</p> <p>Indonesia (25)</p>	<p>Cambodia (4)</p> <p>Uzbekistan (6)</p> <p>Vietnam (7)</p> <p>Ecuador (13)</p> <p>Guatemala (9)</p>	<p>Honduras (14)</p> <p>El Salvador (5)</p> <p>Peru (18)</p> <p>Uruguay (3)</p> <p>Egypt (4)</p>	<p>Morocco (4)</p> <p>Tunisia (2)</p> <p>Moldova (4)</p> <p>Sri Lanka (5)</p>

Chart 6. CF-Assist program indicators and results

Theme	Indicators	Phase III (1-2 yr)
		Results
Theme I: Governance	Proactive development and marketing of national portfolio DNA established sustainable financing plan	<ul style="list-style-type: none"> • Phase III activities in 5 countries • Capacity building launched for urban stakeholders under 'Cities and Climate Change' initiative
Theme II: Priority Sector Engagement	CF integrated into commercial investments and in concessional lending plans/decisions	<ul style="list-style-type: none"> • CB program launched to promote Low Carbon Growth strategies in developing countries, including learning programs (partnership with ESMAP) – Case studies from India, China, Brazil, Mexico, South Africa and Indonesia • Participation in WB's Climate Investment Funds (CIF) to explore CF knowledge role in CC financial instruments
Theme III: Project Deal Flow	Self-sustaining deal flow Intermediaries engaged in CF on sustainable basis Carbon Expo participation with partial or no subsidy	<ul style="list-style-type: none"> • Sellers funds established and partially functional in Mexico and Argentina
Theme IV: Knowledge Management	Local and regional experts transferring knowledge to other countries/regions Durable mechanisms for knowledge management (e.g. certification, accredited DOE, etc.)	<ul style="list-style-type: none"> • China and Brazil involved in South-South knowledge exchange • Regional hubs being developed in different regions for 'wholesaling' capacity building (e.g. EAP, MNA, AFR) • Comprehensive learning program (including e-courses) under development for 'Cities and Climate Change'
CF-A Work in Countries	China (586) Brazil (160) Mexico (117) Argentina (15) India (442)	



Some of the observations from the above chart are:

- i. CF-A activities have been largely demand-driven with specific activities being implemented in different countries (across themes and phases).
- ii. The number of registered projects (mentioned in the parentheses against countries, as on 12 July 2009) reflects approximately the status of a country in terms of capacity. For instance, Phase III countries have the largest number of registered projects while Phase I have the least.
- iii. However, this does not convey or conclude that capacity building

programs have led to direct project development. At best some indirect contribution can be attributed.

- iv. Nevertheless, the level of project development in countries reflects the appropriate choice of activity and focus for CF-A programs in these countries. The exceptions are the countries in Sub-Saharan Africa. The fact that Madagascar and Senegal, despite intensive activities of Phase II level, do not have any registered projects yet indicates the impact of other serious barriers that affect project development, and the difficulty in correlating capacity building activity to project deal flow.

Some of the highlights from these results are

- CF-Assist has made substantial progress in meeting diverse client needs. More than half the countries have focused higher phase activities rather than basic level capacity building activities defined in Phase I.
- CF-Assist has successfully delivered a number of global, regional and national events and training programs, which benefited more than 20,000 professionals (Chart 5). In the process, the program has developed strong expertise in organizational planning and execution.
- CF-Assist has developed an extensive network of clients, partners and stakeholders, who are key players in the carbon market, and such a network is

a valuable asset as the program seeks to develop priorities and programs for future activities.

Key Lessons

Some of the important lessons from the experience of CF-Assist are summarized below:

- i. While in most countries basic awareness and infrastructure has been created in terms of carbon finance (much less in JI countries), there is still a need for such support in some regions, especially in Sub-Saharan Africa, Central Asia and South East Europe. However, such support needs to be customized to the specific conditions so that countries come up to speed as soon as possible.
- ii. In order for smaller developing countries to benefit from carbon market, it is essential to develop activities in specific potential sectors, and adopt programmatic approaches. Support in activities such as development of sector baselines, creating reliable databases, management institutions, etc. will be crucial.
- iii. As the capacity programs expand in terms of scope and reach, it is important to move implementation from a retail face-to-face approach to a more wholesaling approach where programs can be delivered through means such as virtual platforms and regional organizations. This is important for program efficacy as well sustainability.
- iv. As a substantial scaling up of mitigation activities is likely to be one of the key considerations of a future regime, it is important to also focus capacity building programs that can help large scale mitigation.
- v. It is important to refine the program indicators to better reflect the performance parameters and establish better correlation between outputs and outcomes. Also needed are better tracking and reporting systems for various results achieved in the program.

Future Outlooks

Cities and Climate Change

Over 5 billion people are expected to live in urban areas by the year 2030, over 60 percent of the world population. Most of the urban growth will take place in developing countries. Already, 34 of the world's 50 biggest cities such as Jakarta, Manila, Sao Paulo, Mumbai, Mexico City, New Delhi, and Karachi are located in developing countries and economies in transition. By 2030, cities will be responsible for about 80 percent of global greenhouse gas emissions.

After three years of capacity and institutional building as a relatively small program, CF-Assist is now in the midst of a transition, influenced by various developments: likelihood of a possible new international climate regime beyond 2012, and the World Bank's Strategic Framework on Development and Climate Change, which aims at a comprehensive response to climate change. Thus, since 2008, CF-Assist has been working towards closely aligning its program activities with other initiatives in the World Bank. Towards this end, CF-Assist has entered into internal partnerships with CFU, ESMAP, Urban Anchor, Transport Anchor, etc. on various knowledge programs. At the same time, CF-Assist has also begun to pilot activities that potentially would contribute to scaling up of mitigation in a significant way – programmatic approaches, sector-specific activities,

etc.. Nevertheless, some of the ongoing work in supporting specific countries will continue, especially under the Nairobi Framework in Africa.

New initiatives

In addition to its country-focused approach of the past, CF-Assist has begun to develop programs based on specific themes (urban), approaches (POA) and sectors (EE, biomass, etc.). It has also begun to expand the capacity tools through development of e-learning courses on specific CF topics.

Cities and Climate Change

In the future, cities will play a key role in climate mitigation and adaptation since the majority of the world's population will live in urban areas. Urbanization will therefore cause a huge impact on climate change but at the same time will provide

Cities participating in CF-Assist's Basel Event

- Cape Town
- Johannesburg
- Tshwane (Pretoria)
- Nairobi
- Dar es Salaam
- Jakarta
- Quezon City
- Ho Chi Minh City
- New Delhi
- Surat
- New York
- Toronto
- Copenhagen
- Basel
- Seoul
- Karachi
- Sao Paulo
- Mexico





A *City-based capacity building* that will involve selection of around 10-15 cities, and develop multi-year customized capacity building programs that deliver services in terms of training of stakeholders, project development and institutional strengthening.

The program *Carbon Finance Capacity Building in Emerging Mega Cities of the South* aims to demonstrate the potential contribution of Carbon Finance to a smarter city growth, share knowledge, raise awareness among city officials, and trigger capacity building with Carbon Finance programs. A component of the capacity building program was launched at a workshop in Basel, Switzerland in February 2009. Delegations from 18 cities from around the world participated in the event, and a city short listing and selection process is currently underway to decide the pilot cities.

An important component of the capacity

building program is the 'twinning' initiative, which aims to bring cities from the North and South to allow peer-to-peer exchange of knowledge, best practices and lessons learnt on climate action. Such a twinning arrangement will also examine the possibilities of carbon trade among cities. The Twinning Initiative will be formally launched at the Urban Symposium, CF-Assist is organizing in Barcelona, Spain in May 2009 in conjunction with the Carbon Expo. This event is sponsored by the Government of Spain.

In implementing this program, CF-Assist has forged partnerships with a number of important city networks such as the ICLEI – Local Governments for Sustainability, United Cities and Local Governments (UCLG) and C40.

Knowledge Management Program

In order to expand the reach and scope of the capacity building programs, and to facilitate a move towards wholesaling approach to learning in the field of carbon mitigation, CF-Assist has launched the development of e-Learning programs on different aspects of carbon finance and climate change. Initially, three programs are being developed:

- i. Basic online course on CDM/JI, in collaboration with the GHG Management Institute
- ii. Course on Energy in Urban Areas, in collaboration with the International Institute for Energy Efficiency, and
- iii. Course on Programmatic CDM, in collaboration with KfW

Each of the programs will have 6 to 10 modules covering various aspects, and will use basic procedural information, project case studies, fact sheets, quizzes, etc. as tools of instruction. The courses will be available for delivery worldwide via various tools (e.g. online, distance learning, regional hubs, etc.)

and target a variety of stakeholders like policy makers, public officials, NGO representatives, bankers, auditors.

After these pilot courses, the learning programs will be extended to other topics including specific technologies, sectors and themes, as per perceived demand.

South-South Cooperation for Knowledge Exchange

CF-Assist launched the initiative on South-South cooperation with the objective to facilitate knowledge exchange among developing (non-Annex I) countries, so that best practice and lessons of successful countries could be learnt from. In the first instance, a team of CDM stakeholders from Botswana visited Brazil in October 2008 and interacted with different players in the carbon market, and gained valuable insights into project and market development.

CF-Assist has also organized a South-South program in China in May 2009 in which 26 participants from 17 countries (AFR, MNA, EAP, ECA) visited

Hubei province and interacted with project developers, federal and provincial officials and local CDM experts. They also visited four CDM projects which are currently implemented and interacted with project officials in learning about the processes, factors that contributed to their success, and problems they faced.

The initial feedback from these programs has been highly favorable, and CF-Assist would consider expanding the program to include other successful nations such as India and Mexico in the future.

Development of Regional Hubs

As part of the wholesaling approach, CF-Assist has initiated the process of identifying specific organizations in the regions, which could provide capacity so that they could take up various CF development activities on their own in the long run, including delivering learning programs, providing technical services, acting as knowledge clearing houses, etc. CF-Assist is in discussion with two organizations – in Jordan and Senegal – to develop the scope of such an activity. More organizations will be

identified and specific activities will be started in the latter part of 2009.

New Africa Initiative

In addition to the ongoing programs in Sub-Saharan Africa, CF-Assist will intensify its market development efforts through activities in specific sectors and approaches. Towards this end, CF-Assist is collaborating with Africa Region of World Bank to develop mitigation activities in the agriculture sector; partnership with US-EPA to promote CDM in biomass energy sector; and partnership with REEEP/UNIDO for CDM activities in power sector (including rural electrification) in West Africa. A detailed work program is under development, and will start implementation in the second half of 2009.

Conclusion



In its three years of implementation, CF-Assist has covered a number of countries, hosted scores of events at various levels, trained professionals, built and strengthened institutions, fostered networks and partnerships and helped identify projects. In this process the program has gained considerable experience and several important lessons, which should be invaluable in its future activities. In order to capture these experiences and the feedback from different stakeholders, CF-Assist has commissioned an independent mid-term evaluation of the program. This evaluation, which will be available by June 2009, is expected to, among other things, discuss the possible direction CF-Assist could take in meeting the emerging capacity needs. CF-Assist also aims to engage the stakeholders in meetings such as the Donor Meeting, Host Country Committee, etc. to receive feedback on the present program and future priorities. It is hoped that this process will result in a clear direction and mandate in terms of addressing the next generation of capacity needs in the carbon market.

CF-Assist mid-term evaluation: Key recommendations

As the initial phase of CF-Assist is winding up and the program is evolving to address the emerging capacity needs and challenges through a second generation program, WBI commissioned an independent evaluation of the program. The evaluation has identified a number of best practices as well as some aspects which need strengthening. Some of the key recommendations are given below:

- Set up a regular process for systematic review of country programs so as to adapt the actions to changing needs.
- Strengthen the knowledge sharing tools by increasing the real life case studies to demonstrate best practices and lessons learned.
- Develop a robust and focused set of performance indicators to better capture impacts of the program.
- Strengthen the communication and reporting (internal and external) systems to create timely access to information and program status.
- Revisit the strategic framework to develop and prioritize new activities in the context of next phase to better reflect the needs and demands of various stakeholders.

CF-Assist would address these recommendations while designing the next generation activities. Some of this is already reflected in the recently-launched 'Cities and Climate Change' initiative.

Annex

Annex 1. CF-Assist events for 2008-09

Month	Event	City, Country	Participants	Days
May 08	Programmatic CDM: Seminar-Clinic	Chisinau, Moldova	60	3
May 08	Global Carbon Expo 2008	Cologne, Germany	3000	2.5
May 08	Global Carbon Expo: Side event for the French speaking CDM community	Cologne, Germany	50	0.2
May 08	Annual HCC Workshop and Meeting at the Carbon Expo 2008	Cologne, Germany	20	1.5
June 08	Carbon Finance Training Workshop	Nouakchott, Mauritania	40	3
June 08	Carbon Finance Training Workshop	Cotonou, Benin	43	2
June 08	Formulation of Clean Development Mechanism (CDM) Projects	Gaborone, Botswana	30	2
June 08	Carbon Finance Training Workshop	Ulan Bator, Mongolia	40	
June 08	Warsaw GIS Forum	Warsaw, Poland	80	2
July 08	National Workshop on CDM	Banjul, The Gambia	40	3
August 08	Study Tour to Brazil; South-South Exchange	Gaborone, Botswana; Brazil	6	10
September 08	Africa Carbon Forum	Dakar, Senegal	550	3
September 08	Side event at the Africa Carbon Forum for the French speaking CDM community	Dakar, Senegal	50	0.5
October 08	Latin America Carbon Forum	Santiago, Chile	744	3
October 08	India Carbon Market Conclave	New Delhi, India	360	3
October 08	Training Workshop focusing on the Energy Sector	Bamako, Mali	40	2
October 08	Carbon Finance Training Workshop for the Development of Small Power Projects	Dar es Salaam, Tanzania	30	2
December 08	HCC Semi-Annual Meeting at COP 14	Poznan, Poland	35	1
December 08	Nairobi Framework event at COP 14	Poznan, Poland	40	1
February 09	Workshop on Carbon Finance Capacity Building (CFCB) for Emerging Mega Cities	Basel, Switzerland	90	3
February 09	Carbon Finance Project Development Training Program	Ulaanbaatar, Mongolia	45	3
March 09	Carbon Assist Workshop	Nairobi, Kenya	40	2
March 09	CDM Project Evaluation and Appraisal Workshop	Lomé, Togo	35	3
March 09	Carbon Finance Day/ Partnership for Clean Indoor Air 2009	Kampala, Uganda	80	1
April 09	Accessing Carbon Finance Workshop	Belgrade, Serbia	50	2
April 09	Carbon Finance Workshop	Sarajevo, Bosnia	40	0.5
May 09	Middle East and North Africa Carbon Forum	Cairo, Egypt	250	2
May 09	Launch of the CDM South-South Cooperation between China and other developing countries	Beijing and Hubei Province, China	40	7
TOTAL			5,928	

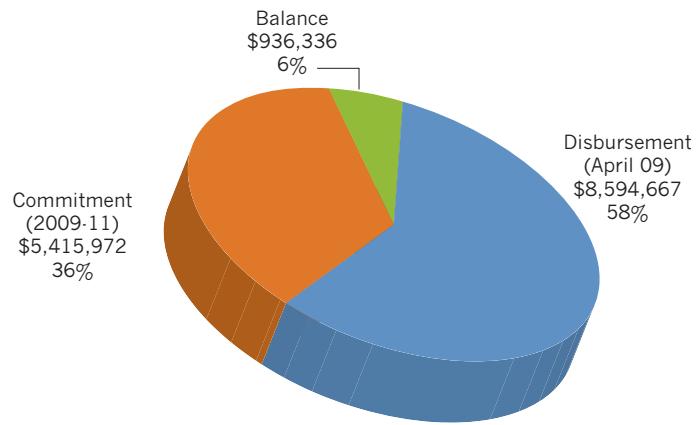
Annex 2. CF-Assist Partners

Partner	Country/Region	Program/Event	Comments
Nairobi Framework	Sub-Saharan countries	Capacity building	UNDP, UNEP, UNFCCC, UNECA, AfDB
Center Mario Molina	Mexico	Executing Agency for Mexican CF-Assist	Fully operational
IETA	Worldwide	Carbon Expo	Yearly event until 2010
Koelnmesse	Worldwide	Carbon Expo	Yearly event until 2010
CEFEB	AFR	CF Training Programs in Africa	MOU signed in May 2008
AFD	AFR / MNA	Africa Assist	Provided a Secondee for CF-A
UNEP-Risoe Center	Africa	CF-SEA and CD4CDM	Complementary programs in SSA
METAP	MNA	METAP Carbon Finance Initiative	Capacity building in North Africa
Regional Energy Association	El Salvador, Guatemala and Nicaragua	Central America CF-Assist program	Recipient-executed grant
OLADE	LAC	LA Carbon Forum	Yearly event
UNIDO	Global	Clean Energy Sectors	Joint activities
US-EPA	Global	Rural energy and biomass	Joint activities
Financial Intermediaries			
Organization	Country		
Fonds Communal de l'Equipement (FEC) of Morocco	Morocco		
National Bank of Egypt (NBE)	Egypt		
Land Bank of the Philippines (LBP)	The Philippines		
Development Bank of the Philippines (DBP)	The Philippines		
Department of Social Welfare and Development (DSWD)	The Philippines		
Foundation for the Philippine Environment (FPE)	The Philippines		
Department of Environment and Natural Resources (DENR)	The Philippines		
Argentina Carbon Facility	Argentina		
Mexico Carbon Facility	Mexico		
Brazilian Mercantile & Futures Exchange	Brazil		
Cambodia Carbon Facility	Cambodia		
Africa Carbon Fund	West Africa		

Annex 3. Financial Information

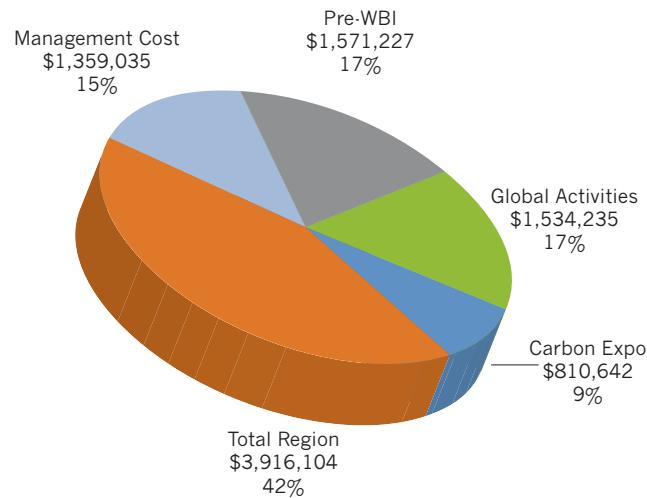
Financial Summary

\$14,946,975



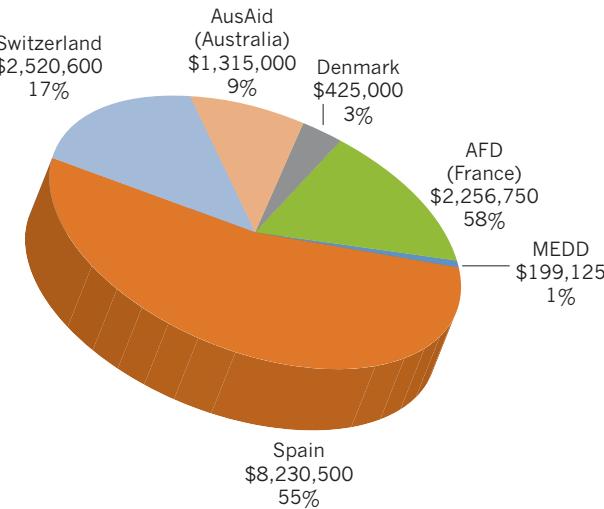
Disbursement

\$8,594,677



Donor Contribution

\$14,946,975



Annex 4. Acronyms

AfDB	African Development Bank	FAC	Fondo Argentino de Carbono (Argentine Carbon Fund)	PDD	Project Design Document
AFR	Sub-Saharan Africa (WB)			PHRD	Policy and Human Resources Development
BOAD	Banque Ouest Africaine de Développement	FICCI	Federation of Indian Chambers of Commerce and Industry	PIN	Project Idea Note
CDM	Clean Development Mechanism			POA	Programme of Activities
CEFEB	Centre d'études financières, économiques et bancaires	FOMECAR	Fondo Mexicano del Carbono/Mexican Carbon Facility	SAR	South Asia (region of World Bank)
CF	Carbon Finance	GHG	Greenhouse Gas	TA	Technical Assistance
CF-A	Carbon Finance-Assist	GIS	Green Investment Scheme	UNDP	United Nations Development Programme
CFU	Carbon Finance Unit (WB)	HCC	Host Country Committee	UNECA	United Nations Economic Commission for Africa
CF-SEA	Sustainable Energy Services in Africa	IETA	International Emissions Trading Association	UNEP	United Nations Environment Programme
COP/MOP	Conference of Parties/ Meeting of Parties to the Kyoto Protocol	IFC	International Finance Corporation	UNFCCC	United Nations Framework Convention on Climate Change
DNA	Designated National Authority	JI	Joint Implementation		
EB	Executive Board (of CDM)	LAC	Latin America and the Caribbean	UNIDO	United Nations Industrial Development Organization
EAP	East Asia and the Pacific (WB)	METAP	Mediterranean Environmental Technical Assistance Program	WB	World Bank
ECA	Europe and Central Asia (WB)	MNA	Middle East and North Africa (MENA/WB)	WBI	World Bank Institute
ECOWAS	Organization for Economic Cooperation in West African States	MOU	Memorandum of Understanding		
EE	Energy Efficiency	OLADE	Latin American Energy Organization		
ESMAP	Energy Sector Management Assistance Program	PCF	Prototype Carbon Fund		

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Our mission is to catalyze a global carbon market that supports sustainable development, reduces transaction costs, and benefits the poorest communities of the developing world.

- Carbon Finance Mission Statement at the World Bank