

IFC Advisory Services in Environmental and Social Sustainability

2010 Report

In partnership with the Global Environment Facility, Austria, Canada, Denmark, Disney, Finland, Iceland, Ireland, Italy, Japan, Luxembourg, the Moore Foundation, the Netherlands, New Zealand, Norway, Saxony, South Africa, Spain, Sweden, Switzerland, the Gender Action Plan, the Trust Fund for Environmental and Socially Sustainable Development, the United Kingdom, and the United States.



COVER PAGE

Better Work is a program that aims to improve both compliance with labor standards and competitiveness in global supply chains. It is a unique partnership between the International Labour Organization and IFC. Better Work involves the development of both global tools and country-level projects, with a focus on scalable and sustainable solutions that build cooperation between governments, employers' and workers' organizations, and international buyers. Picture: ILO.

Water Health International provides clean drinking water to underserved rural and peri-urban populations in emerging markets through water stores using an ultra-violet disinfection technology. IFC was one of WHI's first investors, providing both advisory services and a \$1.2 million donor-funded investment. As a result, WHI was able to launch its groundbreaking business model in India, the Philippines, and Sri Lanka, eventually granting access to affordable, healthy water for 2 million people.

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Now Front and Center

As I am writing these lines, the United Nations Summit on the Millennium Development Goals is concluding. Much has been achieved, in working towards the eight anti-poverty goals, and, not surprisingly, much more needs to be done. But what struck me in particular, when reviewing the Summit's debates, is how the narrative on how to get there has changed - among countries, development practitioners, academics, and civil society.

There is no better intervention to reduce poverty than a job. And so the debate was about how to support the private sector in providing these jobs.

There is no better private sector intervention than economic growth. And so the debate was how to achieve this growth sustainably, on a low-carbon trajectory.

In times of financial austerity, where governments have to cut back and identify and invest in the most efficient ways to achieve their objectives, there is a new appreciation for the value of working with and through the private sector. Aid alone cannot achieve the Millennium Development Goals, and even aid is under serious budgetary pressure.

IFC offers a very suitable set of interventions, seemingly designed for times like these. We have the ability to contribute to economic growth by investing in firms in relevant sectors – achieving productivity gains well beyond the financing provided. We also have the capacity to engage at the sector level, working with firms and their organizations to create markets that are both inclusive and environmentally sustainable.

The Sustainability Business Innovator is a funding vehicle critical for this kind of engagement from IFC. Its dedication to developing and testing innovative approaches and business models, and its ability to support global initiatives as well as the knowledge management infrastructure necessary for replication and learning have proven to be critical ingredients for our work in promoting environmentally and socially sustainable business practices. This report provides an overview of our strategy and the projects funded by the Innovator, their results, the lessons that they taught us and how it informed our strategic orientations. The project portfolio is on a good track, as testified by a mid-term review we completed over the past year. And as importantly, this report provides an excellent insight in what can be achieved when working with and through the private sector in promoting inclusive and sustainable growth.

Enjoy the read. And join us in taking this work forward.



Monika Weber-Fahr
Global Business Line Leader
IFC Advisory Services in Environmental and Social Sustainability

Executive Summary

This was the fourth year of operation for the Sustainability Business Innovator, the global funding mechanism for IFC's sustainability-related advisory services. It continued in FY10 to bring focus to the growth of advisory activities by refining the types of interventions that IFC does under its three sustainability themes: climate change, biodiversity and social capital.

Climate Change

In FY10, we moved our effort to promote **cleaner production** from single interventions to coordinated programs that direct resources at entire industry sectors or regions. It was also the first full year of operation of the Cleaner Production Global Facility, a 3-year program with a funding facility of \$11 million.

In FY10, the strategic focus of our activities to promote the **development of markets for sustainable energy** was on off-grid applications, solar technology, and small and medium enterprises, all sectors with significant potential for climate change mitigation and energy access for the poor. In Tamil Nadu, India, IFC supports the construction of a 5-megawatt solar power plant to demonstrate how grid-connected solar energy can meet large scale needs.

IFC started the development of new advisory services to catalyze the provision of **safe water and sanitation services**, and efficient use of water by the private sector. Our objective is to give access to water and sanitation to the underserved by filling the gaps in existing water and sanitation delivery systems.

The importance of **cleantech** continued to grow at IFC as it started making such investments with its own funds based on its experience with donor funds. IFC targets the sectors of energy, transportation, water, waste, buildings, and agriculture among others. Four new investments were made in the first year of the program.

IFC uses advisory and investment to increase access to local sources of **financing for sustainable energy** by strengthening the capacity of financial institutions to develop and manage sustainable energy portfolios. In FY10, our programs worked with 62 financial institutions in more than 10 countries and attracted \$1.8 billion of sustainable energy investment.

Biodiversity

Our biodiversity-related program focused on the expansion of agricultural landscapes, which has one of the largest effects on the increasing degradation of natural capital. IFC continues to support the development of **auditable voluntary standards** set by industry-led, multi-stakeholder initiatives ('roundtables') and to promote related better practices as the most efficient and effective means of ensuring this outcome.

IFC developed new advisory services to target sustainability issues in **forestry**. As this is a new area of advisory work, our portfolio has few but impactful projects and our interventions are tailored to the challenges of the different types of forest.

Social Capital

IFC published the *Good Practice Handbook on Strategic Community Investment*, based on a review of global practice with IFC clients, leading companies, and expert practitioners across industries and regions. The

Handbook gives companies a tool for building and managing a portfolio of community investments that are aligned with their business strategy and the development priorities of local stakeholders.

In the **labor standards** space, our partnership with the International Labour Organization on the Better Work program (www.betterwork.org) aims to improve both compliance with labor standards and competitiveness in global supply chains. Better Work developed new training tools and established a country office in Haiti.

To support **women in business**, IFC expanded access to credit for women-owned small and medium-sized enterprises (SMEs) through targeted initiatives that involve collaborating with financial institutions to enhance the delivery of financial services and business support to women entrepreneurs. To promote gender-sensitive reforms to investment climates that equally benefit women and men, we launched the Practitioner's Guide "Gender Dimensions of Investment Climate Reform" that highlights the economic rationale for reform and provides operational guidance.

Crosscutting Initiatives

IFC provides tools specially designed to help businesses establish a **strategic approach to sustainability** that is aligned with their business priorities. A key output during this cycle was the refinement of a Company Diagnostic Tool, successfully tested in Brazil, that can guide the development or refinement of a corporate sustainability strategy.

To promote **sustainable investing**, we completed six major research pieces, including market analyses of India and China, as well as three major sector-based studies. We also developed a web-based toolkit that helps private equity fund managers to integrate sustainability analysis into their investment process.

Regions

In **Europe and Central Asia**, IFC has refocused its regional strategy so that all programs intervene across entire sectors by design with a clear focus on climate change.

In **Africa**, IFC's sustainability work focuses on helping firms address the risks and effects of climate change, and on supporting development projects that target the base of the economic pyramid.

In **East Asia and the Pacific**, climate change is one of IFC's priorities. IFC also seeks to address the impact of globalization where it has increased rural-urban migration and disparities in economic opportunities and livelihoods.

In the **Middle East and North Africa**, IFC stepped up its commitment to sustainable private sector development. We launched a cleaner production program and we started to integrate gender dimensions into existing advisory services programs across the region.

FY10 was a year of growth for sustainability in **Latin America and the Caribbean**. IFC added resources at a time when climate change was generating a lot of interest from IFC clients, leading to an increase in new projects.

IFC's advisory work on climate change expanded considerably in **South Asia** with roughly one-fifth of all new advisory projects related to climate change. Cleaner production and sustainable energy were two main focus areas.

Our Strategy: From Focus to Scale

This was the fourth year of operation for the Sustainability Business Innovator, the global funding mechanism for IFC's sustainability-related advisory services. Its mandate remained the same: develop IFC's capacity to mobilize the private sector in creating environmentally and socially sustainable markets. Its role and place evolved, however, as part of our effort to continuously increase its impact and relevance.

Shaping a New Organizational Role

Within the business line, we differentiated the global and local roles of projects and staff. Our global team, funded by the Innovator, is now focused on strategy development, quality assurance, knowledge management, global partnerships, and resource mobilization. These services and resources are offered to build the capacity of our local teams focused on implementation.

Reviewing Effectiveness

A mid-term review of the Innovator Facility confirmed that its projects were consistent with its goals and noted the sharpened focus in specific areas of technical assistance. It confirmed that, as originally conceived, the Innovator has been successful in transferring advisory services to other parts of IFC – having served as the "testing ground" – that rolled out for replication commercially or institutionally viable advisory services. The mid-term review also pointed to a number of managerial improvement opportunities which are being implemented in FY11, and it suggested a longer term commitment to a central facility dedicated to driving the environmental and social agenda within IFC's advisory business.

Integrating Sustainability and Inclusivity

During FY10, it became increasingly clear to us that when working towards environmentally sustainable growth driven by the private sector we had to be more systematic in engaging and supporting the capacity of firms and individuals at the lower-income end of the market. Towards the end of FY10, IFC thus combined its advisory services in Environmental and Social Sustainability with those of Corporate Advice, thereby creating a new, integrated Sustainable Business Advisory department and business line. The new department and business line are now the organizational vehicles for the Innovator, more than doubling its potential reach in terms of staff, projects, and clients.

FOCUS: CLIMATE CHANGE, BIODIVERSITY, SOCIAL CAPITAL

The Innovator funding continued in FY10 to bring focus to the growth of advisory activities by refining the types of interventions that IFC does under its three sustainability themes: climate change, biodiversity and social capital.

Climate Change

As we saw the Copenhagen negotiations unfold, we also saw new urgency in developing business models that would allow for the public sector to partner with the private sector in removing market barriers and supporting critical investments in energy efficiency, renewable energy, and re-forestations, to name just a few key areas.

It is our strategy to support climate change mitigation by reducing or avoiding greenhouse gas emissions. Our work in energy efficiency, with its solid business case, is showing encouraging progress. For instance, industries have shown such interest for cleaner production practices and technologies that our programs are now implementing in five of IFC's six regions. Financial institutions are also interested in lending for energy efficiency and these services. The Innovator funded work in this space until the end of FY10 and this past year it was transferred internally at IFC to our colleagues who promote access to finance.

On the other hand, the deployment of low-carbon renewable energy – solar, wind, geothermal – is still held back in many cases by its non-competitive returns driven by higher cost and higher risk. We therefore focus our efforts on creating the conditions for commercial viability and bringing public and private interests together to this end.

Another area requiring more conceptual work relates to the necessity to engage the private sector in building climate change resilience. Our objective is to equip businesses with tools that prepare them and the local communities to changes in climate patterns. For instance, we develop approaches to promote sustainable water management, especially for the agricultural sector, in anticipation of the important changes in water distribution that are already visible. To further develop our climate adaptation work, identify priorities and create momentum, we organized in July 2010 a workshop in Bangladesh with sixty clients, academics, donor representatives, and IFC staff.

We also work on a methodology to measure – or at least estimate – in a more systematic, standardized and replicable way the greenhouse gas removed or avoided by our advisory services. Once we have a reasonably robust set of tools, we intend to share our findings with other organizations.

Biodiversity

The international year of biodiversity began during the reporting period and IFC continued its work to promote innovative solutions to reduce the threats to biodiversity. In FY10, the nexus between biodiversity, climate change, agricultural productivity and economic growth became even more apparent. A briefing paper by the World Economic Forum¹ identified extreme weather and drought as causes of biodiversity loss, food price volatility and a slowdown in economic growth. We have thus begun to combine our biodiversity work at the firm level with our activities in the agricultural and forestry sector. As we promote sustainable forestry practices and eco-standards in global supply chains, we also take into consideration farmer productivity or resource efficiency. We are considering doing this more systematically in our advisory work.

At the market-level, we have continued our participation in commodity roundtables for palm oil, soy, and sugar. Our objective is to support the adoption of better management practices through voluntary standards. This global engagement was matched by some very practical interventions in agriculture set to generate lessons about farming practices that are competitive while reducing the loss of biodiversity.

¹ World Economic Forum, *Biodiversity and Business Risk*, January 2010. www.weforum.org/pdf/globalrisk/Biodiversityandbusinessrisk.pdf

Social Capital

The strategic insight behind our work on social capital is that beyond the individual human capital there is an element of social capital in every enterprise. It is for example the relationship between sales teams and customers, or between employers and employees. When built and drawn upon, this social capital can drive productivity further than what simple training can achieve and it benefits the people involved in the interactions. During FY10, this insight continued to be confirmed by our work in the areas of women in business, and competitiveness through labor standards. The assessment done when closing three of our projects for women in business clearly pointed to the value of trust and openness in the relationships between the banks and the women entrepreneurs that they seek to foster as customers. It drove the low ratio of non-performing loan in these portfolios and led to new investments with these entrepreneurs. The same insight was confirmed in the Better Work program, our partnership with the International Labour Organization (ILO). In Vietnam, educational programs to improve labor standards deployment became successful only when paired with measures to build trust between employers and employees.

We expanded our work on women in business, agreeing on a broader partnership with IFC investment teams, and beginning to build programs in the Middle East and North Africa, and in East Asia where we should see the first projects emerging in FY11. In contrast, and aware of the complexity of the labor standards space, we chose to refine our approach before integrating it beyond Better Work. A similar experience accompanied our work on community investment which we had spun off in FY10 to the larger and more firm-level engaged Corporate Advice business line of IFC.

ACHIEVING IMPACT: PROGRAMMATIC APPROACHES AND QUALITY DESIGN

Broader Impact

During FY10, we continued our strategy of broadening the impact of Innovator-funded projects by combining our work with individual firms with sector-level or country-level interventions that seek to transform entire markets. This was reflected in the growth in average project size that we saw, from \$1 million to \$1.3 million, while the total number of active projects dropped from 102 to 91, and the total dollar volume grew from \$100.8 million to \$117.1 million.

Quality in Design

Throughout FY10, and inspired by the recommendations from the Innovator's mid-term review, we instituted a number of management tools designed to enhance the quality of the design of our projects. It includes managing the quality of design at the product level, regularly reviewing our project portfolio so that performance can inform design, and instituting quality-at-entry reviews at the business line level. While it is too early to see the broader impact on the portfolio at large, project-level improvements and go/no-go decisions have begun to be taken based on these steps.

ACHIEVING SCALE: MOBILIZING FINANCING

We know the opportunities for working with the private sector in developing countries are far greater than we can provide for on our own. So we work with others who have means greater than our own to achieve large-scale impact. We work with them on investment strategies that favor sustainability and we manage

funds set up to address the market barriers that prevent sustainable investments in emerging markets.

Sustainable Investing

It is by promoting the inclusion of sustainability criteria in the investment decisions of institutional investors such as pension funds, or of industries such as the private equity sector that IFC seeks to transform investment markets and in consequence the way business is done in emerging markets. We also began a collaboration with IFC's new Asset Management Company that should yield significant new financing available in particular for climate change investments in FY11.

Mobilizing Concessional Finance

During FY10, we continued to build and expand the "Financial Mechanisms for Sustainability" (FinMech) team, attracting funding from the Global Environmental Facility and the Clean Technology Fund. Housed within the division, but financed fully out of the funds that it negotiates and structures, the FinMech team operates as IFC's liaison to major international donors and donor groups that seek to deploy public funding as part of investment projects to reduce costs or perceived risks associated with first-time market movers in climate change relevant sectors. Such blended finance has emerged as a critical tool where investment projects address global public goods but require, for a limited time, that cost or risk premiums associated with early-mover situations be lowered. In the post-Copenhagen world, FinMech's activities have become a strategic asset to IFC and its clients, but also the broader environmental community as learning and progress reports inspire and inform similar action elsewhere.

LOOKING AHEAD: SUSTAINABLE BUSINESS ADVISORY

The priority for the Sustainability Business Innovator, and for the projects and staff it finances, remains to deliver on an aggressive growth agenda. The facility was set up originally to test and roll out new business models in environmental and social sustainability. Building alliances with others who have an interest in deploying at a broader scale what was initiated within the Innovator is therefore critical for success. The organizational and thematic integration, proposed by our senior management in late FY10, between IFC's Advisory Services in Environmental and Social Sustainability and the Corporate Advice business line, thus came as an opportunity to deliver broader and better on the mandate given to the Innovator. Going forward, the new business line – Sustainable Business Advisory – will have as its mission to catalyze markets that are inclusive, environmentally sustainable, and efficient.

What does this mean concretely for the Innovator?

Broader Reach: Innovator funding has, through FY10, financed fully or partially about 50 staff and 60 projects – achieving further reach through the Innovator staff's roles in quality assurance and strategy within the sustainability business line covering 63 staff and 162 projects, plus staff working on projects with a sustainability component in other business lines. With the integration of the two business lines, there will be a total of 231 staff and 291 projects that can adopt and deploy, where suitable, Innovator-inspired experience and business models.

Deeper Impact: The FY10 strategy of the Corporate Advice business line had been built around four areas, related to improving corporate governance, strengthening micro, small and medium-sized enterprises (MSMEs) through supply chains, providing inclusive business opportunities at the base of the pyramid, and enhancing corporate responsibility and engagement

with communities. Corporate Advice maintained an active work program in industries relevant to the sustainability agenda such as agriculture and the extractive industries. Bringing their firm-level expertise on productivity and management solutions together with the thematic knowledge in climate change, biodiversity and social capital bodes well for enhancing the impact of IFC's advisory work with firms.

To take full advantage of the business lines' integration, FY11 will see some strategy alignment, driven by newly focused and enhanced advisory services that will emerge from a systematic review of overlaps, synergies, and market opportunities in light of the two business lines' full suite of competencies. Key topics – such as climate change – will prevail at the forefront as major thematic areas of focus; others may be included and integrated in a client offering that makes more sense, from the firms' perspective, when delivered jointly, such as advisory services on biodiversity-relevant standards in agriculture and advisory services on productivity-relevant standards. Corporate governance also becomes part of the agenda, aligning our advisory services with

the international good practice of deploying environmental, social and governance standards together.

In light of these new opportunities, we will seek an extension of the Innovator facility, initially for one year as the new spectrum of advisory services is being tested, and then for a new five-year schedule. The Innovator mid-term review is clear in recommending that IFC maintain a globally-oriented donor-funded facility that focuses on environmental and social issues. This will allow us to set ambitious goals and push the envelope on the private sector's role in emerging markets. The World Bank Group's global public goods agenda supported by the Innovator calls for global learning and exchange of experiences, promoting the adoption of solutions as they are being identified.

We will assess and refine the financial mechanisms that can take the sustainability agenda forward. This involves an active engagement with the Global Environment Facility and its private sector agenda, as well as with many of IFC's financial sector clients and partners to support their interest to direct private capital further into areas that they know and trust.

OUR TEAMS GOING FORWARD: SUSTAINABLE BUSINESS ADVISORY

To deliver sustainability and inclusivity in advisory projects, our new team in Sustainable Business Advisory operates within a matrix of regional responsibilities and topic-related expertise. Our teams and their leadership are diverse, with a good balance of nationalities, professional background and gender. The table below lists the topic leads and functional responsibilities will be reviewed in early FY11, following the initial integration of IFC Advisory Services in Environmental and Social Sustainability and Corporate Advice.

Sustainable Business Advisory Leadership Monika Weber-Fahr, Stephanie Miller

Regional Leadership

East Asia and the Pacific	Cerstin Sander
Europe and Central Asia	Ivan Ivanov, Bryanne Tait
Latin America & Caribbean	Juan Gonzalo Flores
Middle East & North Africa	Selcuk Tanatar
South Asia	William Beloe
Sub-Saharan Africa	Khetsiwe Dlamini, Colin Sheperd

Thematic Leadership

Climate Change	Russell Sturm
Global Corporate Governance Forum	Philip Armstrong
Local Impact Advisory	Debra Sequeira (acting)
Small and Medium Enterprises	Bastiaan Mohrmann
Standards and Supply Chains	Chris Richards
Sustainable Investing	Euan Marshall
Women in Business	Zouera Youssoufou

Institutional Leadership

Financial Mechanisms for Sustainability	Stacy Swann
Global Products	Trang Nguyen
Secretariat	Graeme Harris

Performance and Results Measurement

Results measurement is core to the success of sustainability advisory services. Promoting accountability for the achievement of environmental and social sustainability objectives ensures we remain focused on the core of our work – achieving impact.

Our results are collected twice a year through supervision reports that ask for assessments of results, effectiveness, efficiency, sustainability and relevance. This information is used to support learning, feedback, and knowledge sharing on lessons learned within IFC and with our partners. The information is an important basis for decision-making on policies, strategies, program management, projects and programs, and to improve knowledge and impact. Only with clear reporting on a project's performance can decisions be taken about scale-up potential or the need to alter or end an innovative approach.

PERFORMANCE RATING

Performance ratings are assigned to projects every six months during IFC's semi-annual supervision cycle. The table below presents the ratings of the portfolio as of June 30, 2010. Over half the portfolio received the highest ratings, with a small proportion under-performing (9%).

Table 1: Project Performance Ratings (%)

	A	B	C
Development Results	59	31	10
Overall Performance	45	46	9

Development Results are:

- A: On or above current targets.
 - B: Slightly below current targets.
 - C: Significantly below current targets.
- "Current Targets" refers to targets that should have been reached at that point in time.

Overall Performance Rating:

- A: Project is on track with all performance categories.
- B: Project has some areas of underperformance.
- C: Project shows significant underperformance.

CLIENT SURVEY

Every year, IFC commissions a survey of its advisory services clients to assess their degree of satisfaction with our products and services. Organizations, firms or entities that received at least \$25,000 of assistance from IFC advisory services projects which closed between February 1, 2009 and January 31, 2010 were eligible to respond.

For the FY10 survey, 80% of the respondents who received sustainability advisory services reported they were "very satisfied" or "satisfied". The same percentage (80%) reported that results of the project met or exceeded their expectations.

Our clients noted that the most important aspects of our sustainability advisory services are our understanding of their

industry and sector, flexibility to meet organization's needs, global experience, knowledge and ability to identify key issues during project design and planning. Their reasons for working with sustainability advisory services included IFC's credibility and reputation in the marketplace, our commitment to being a long-term partner, and the global knowledge and experience we bring to projects. Areas for improvement included the delays or bureaucracy experienced with receipt of the advisory service. Eighty percent of respondents said that they were "very likely" or "likely" to use IFC services again within the next two years.

This year, our client response rate was 45% – 15 out of 33 eligible clients. The surveyors state that the data should be interpreted with caution and comparisons with previous year should be avoided.

MID-TERM REVIEW

A mid-term review of the Sustainability Business Innovator was completed in April 2010. This independent review of our strategy and operations concluded that the trust fund has been an important source of funding for the broad range of projects undertaken by the Innovator division with almost two-thirds of projects completed over the review period rated in successful categories for development impact.

The review also noted that in keeping with the Innovator's original objectives, responsibility for areas of intervention developed by the Innovator has been transferred to other units or departments within IFC as their commercial viability was proven. Examples include sustainable energy finance and cleantech venture capital investment. In addition to undertaking their own projects, Innovator staff working with other departments, have provided well-received advisory services to IFC portfolio companies. The evaluator's examination of projects and surveys of staff found that Innovator staff had established effective relationships with regional and investment colleagues who drew on the division for information, tools and funding leveraged for environmental and social projects. In some cases, advisory services provided by the Innovator led to IFC investments directly in companies or to the establishment of large financing programs.

Areas for improved performance included knowledge sharing and management for follow-up projects. The mid-term review also recommended strengthening planning and control systems, paying particular attention to the design phase of projects and questioning basic assumptions; monitoring and evaluation with progress measured against a baseline established at the outset of projects; and planning and budgeting.

The management of the Innovator appreciates the overall fair assessment, including the recommendation that IFC continue to support this highly relevant work with a dedicated department advancing, through regional offices, these environmental and social goals. Management has prepared detailed responses to the mid-term review's recommendations that will be implemented next year.

IMPACT INDICATORS

The following sample of indicators represent an estimation of the results for the fiscal year 2010 under the areas of focus of IFC advisory services in environmental and social sustainability, the Women in Business program and other projects funded by the Sustainability Business Innovator.

FY10	Indicator and Definition
3,800,000 tons of greenhouse gas emissions	expected to be avoided per year Tons of greenhouse gas emissions that a technology/improvement/plantation that benefited from advisory services is expected to avoid during one year of operation compared to a "business as usual" scenario.
760,000 megawatt hours per year	of renewable energy produced Megawatt-hour per year of renewable energy produced by IFC's clients and/or their sub-borrowers who benefited from IFC's advisory services during the reporting period. Qualifying technologies include: solar (photovoltaic and thermal), wind, geothermal, biomass, biogas, and hydro.
2,700,000 megawatt hours per year	of energy use expected to be avoided Energy in megawatt hour per year saved by IFC's clients or their sub-borrowers during the reporting period who benefited from IFC advisory services, as compared to the energy that they would have consumed under a "business as usual" scenario.
1,400,000 people	who gained access to improved (non-financial) services (electricity, water) Number of individuals who received access to water and electricity services enabled by an advisory services project.
350,000 hectares	of land sustainably managed Hectares of land that IFC advisory services enabled to be used productively while maintaining or improving its environmental, social and economic characteristics and qualities.
\$34,300,000	in sales revenue The incremental increase in sales revenues in dollars for project-relevant entities and revenue-streams.
\$4,800,000	value of aggregate private sector savings from recommended changes Savings by IFC's clients as a result of the project. For example, savings resulting from energy efficiency or use of streamlined standards audits.
\$282,000,000	value of financing facilitated by advisory services Amount of total funds from all sources (IFC and others) that advisory services projects catalyzed.
\$54,800,000	value of IFC financing facilitated by advisory services Sub-set of the above indicator and measures the amount of funds (loan or equity) from IFC's investment side that the advisory services project catalyzed.

Methodology and Data Quality

While IFC tracks cumulative results, the presentation in this report only references impact additionally generated this year. For example, the portfolio of Innovator-supported projects enabled clients to avoid an expected 17.6 million tons of greenhouse gas emissions each year; this amount was expanded by 3.8 million tons in FY10, as referenced above. IFC arrives at these numbers through a process of aggregating indicator information reported by transaction leaders in semi-annual supervision reports. The results are rolled up across projects to arrive at total numbers. To eliminate errors, the results measurement team undertakes a process of 'cleaning' the data by double-checking the source documents, comparing across years and conferring with transaction leaders to arrive at the most accurate numbers possible.

IFC is reliant on our partners and clients for the provision of results information. In instances where mid-term reviews or evaluations are undertaken, there is independent validation of the numbers. However, ground verification is not possible for every project. With the data quality checks that are in place, IFC makes best use of available resources to review the sources for our numbers and ensure that corporate indicators are understood and used in a standard way, but inevitably gaps and misalignment are discovered after initial receipt of the information. For these reasons, we are committed also to continuously improve our tracking systems including training with our partners to more accurately apply metrics to their work as well as sharing experiences with the broader development community to foster improvement and harmonization of results measurement.

MILLENNIUM DEVELOPMENT GOALS

Below are some examples of our projects showing how the promotion of environmental and social sustainability can help to achieve the Millennium Development Goals, and how partnerships can contribute.

Goal 1: Eradicate Extreme Poverty and Hunger

An estimated 3 billion people lack consistent household access to clean and safe piped water as well as adequate sanitation. Access to water and sanitation are essential for the alleviation of poverty and extreme hunger. In Africa, this presents a major challenge, and climate change threatens to reduce drinking water and sanitation.

In response to these findings, the Innovator funded the development of the East Africa Sanitation and Safe Water for All Program (SSAWA), which aims to enhance the capacity of the private sector to deliver safe water and sanitation services to the underserved by reducing barriers to market development. The initiative will complement efforts to increase investment in safe-water and sanitation products and services. The program will initially take place in Kenya, where 54% of the rural population and 17% of urban dwellers do not have access to safe drinking water. The program aims to develop a replicable development program that can be implemented across nations.

Goal 2: Achieve Universal Primary Education

Around 500 million people in Africa, many of them school age children, lack access to electricity. This notably hinders their educational prospects as they cannot study after dark. The lack of affordable lighting has resulted in the use of polluting and harmful fuels, which is a costly solution for poor households as well as the environment.

The Lighting Africa program has continued its efforts to develop the off-grid lighting market in Sub-Saharan Africa. The program engages the private sector to provide affordable, reliable, and modern off-grid lighting products and services. In 2009, more than 112,000 units of lighting products passed the Lighting Africa quality test, promising greater access to energy services for more than 500,000 people.

Goal 3: Promote Gender Equality and Empower Women

The participation of women in the labor force is important for lowering the disproportionate levels of poverty among women, as well as raising household income and encouraging economic development in a country as a whole.

Special economic zones (SEZs) offer a unique opportunity for women to enter the formal labor market, where they can earn better wages than in the agricultural sector, gain access to an independent source of income, and enjoy a better social status within their households and societies. Women compose 60-70% of the workforce in SEZs worldwide.

Nevertheless, SEZs are often places with harsh labor conditions, where women tend to be disproportionately

disadvantaged when compared to men. New developments which have shifted jobs from labor intensive, low skilled production to high technology production have largely favored men, due to gender stereotyping.

IFC's Women in Business aims to develop a gender-specific framework which will be implemented in all future SEZ projects sponsored by IFC. This promises to promote gender inclusive policies, procedures, and practices. The areas of intervention will be upward mobility and female entrepreneurship issues. The program is being piloted in Dhaka, Bangladesh in Export Processing Zones and will capture lessons on best practices that will be implemented across SEZs around the globe.

Goal 7: Ensure Environmental Sustainability

As the 4th largest emitter of greenhouse gases in the world, there is a growing realization that Russia can largely benefit from the adoption of energy efficient and renewable energy technologies. However, renewable energy development is hindered by a lack of economic incentives vis-à-vis more traditional fossil fuels, institutional and regulatory barriers, lack of infrastructures, and inadequate technical support.

In partnership with the Global Environment Facility, IFC's Russia Renewable Energy Program aims to reduce greenhouse gases on a continuous basis by overcoming the barriers to the development of the renewable energy market in Russia. Its activities focus on providing support to the development of the regulatory and legal environment as well as the infrastructure needed to allow renewable technologies to reach scale.

Goal 8: Develop a Global Partnership for Development

In partnership with the International Business Leaders Forum (IBLF), IFC launched an initiative to develop practical tools and processes for emerging market companies to identify human rights issues associated with their business, and to manage their impact as a way to improve their economic and social performance. Its intended impact was to encourage market transformation through a collaborative effort by leading private entities willing to engage proactively in this area.

The initiative culminated with the creation of the *Guide to Human Rights Impact Assessment and Management* (www.guidetohriam.org), which has been tested by 3 different companies from 3 different industries that have benefitted from services from the IBLF on how to implement the different assessments in the guide. The online version of the Guide was launched at a side event of the United Nations Global Compact Leaders Summit 2010.

Addressing Climate Change

PORTFOLIO | Ongoing projects: 50 | Closed projects: 14 | Pipeline projects: 5 | Total: 69

There is mounting evidence that climate change could have an impact on development that threatens the achievements of the past decades. This is why IFC is committed to mobilizing the private sector to mitigate and adapt to climate change.

CLEANER PRODUCTION

Given the growing importance of mobilizing the private sector to mitigate climate change, it is crucial to find solutions that benefit both the climate and businesses. For this reason, cleaner production practices and technologies have received significant interest from IFC clients as a profitable way to minimize waste and emissions in the production of goods and services.

In FY10, we moved our effort to promote cleaner production from single interventions to coordinated programs that direct resources at entire industry sectors or regions. This approach reduces transaction costs and allows for more assessments to be carried out, resulting in more implementation and increased investment.

FY10 was the first full year of operation of the Cleaner Production Global Facility, a 3-year program with a funding facility of \$11 million. From the 20 audits that were conducted, eight facilities are expected to implement the recommended changes resulting in an estimated 20.7 million megawatt hours of energy saved, 5.1 million cubic meters of water saved, 92,000 tons of greenhouse gas emissions avoided per year and more than \$33 million of savings to the private sector.

Lessons of Experience

Despite the financial benefits, it is sometimes difficult to convince clients to implement recommendations from cleaner production assessments. The delayed benefits of cost-savings are at a disadvantage when compared with highly visible new production assets. To address this, IFC established industry benchmarks to inform clients about their competitive standings and performance gaps. We also ensure that IFC financing will be readily available to implement the recommendations.

The key challenge in achieving scale in cleaner production is to find replication opportunities. Working on multiple sites for the same company or through an industry aggregator can reduce transaction costs and reduce the time to successful implementation. To this end, IFC has created a pipeline based on technologies applicable across industries and has identified companies with multi-site potential.

Strategic Orientations

In FY11, a main priority is to enhance efforts to achieve replication and the expansion of high impact projects. Interventions through market players – banks, energy service companies, and vendors – are an area of high potential. As one example, IFC is currently working to expand its cleaner production program to benefit the member companies of the Cement Sustainability Initiative from the World Business Council for Sustainable Development. The goal of this initiative is to reduce energy use and related greenhouse gas emissions through improved technologies, product formulations, recycle, reuse and improved operating practices.

“The cleaner production audit partially financed by IFC assisted PRAN not only to investigate the levels of efficiency in using various sources of energies used in all of our processes and equipments but also identified opportunities for savings. The detailed assessment also detected total investment requirement to reach the highest level of efficiency in utilizing of each kind of resources in all our processes and equipments and to reduce GHG.”

Uzma Choudhury, Director of Finance for the Pran Group

PROJECT HIGHLIGHTS

Pran Group, Bangladesh

IFC supports the investment program of Pran Group of Industries in Bangladesh and provides technical assistance for cleaner production. The objective of the assessment was to identify cost-effective projects to reduce consumption and cost of energy, water and raw materials in the manufacturing units. These include Agricultural Marketing Company Limited, Ghorashal; Pran Beverage & Pran Dairy, Ghorashal; and Pran Agro Limited, Natore. Together, they are the largest manufacturer of processed foods and beverages in Bangladesh producing juice, beverage, snack food, candy, confectionary, dairy and culinary products, for the domestic and export market. The assessment identified annual savings of \$0.59 million comprising 17% savings in overall energy use and 15% savings in water usage. The average payback period for the savings of recommended projects is 29 months. The projects estimate avoidance of 9000 tons of CO2 emissions per year, or 19% of current emissions.

SUSTAINABLE ENERGY MARKET DEVELOPMENT

IFC's work to create sustainable energy markets is driven by the twofold objective of furthering climate-friendly energy and increasing energy access of the poor. We promote the development of markets for sustainable energy by addressing the barriers that hinder their scale-up and prevent increased energy access for the poor.

In FY10, the strategic focus of IFC was on off-grid applications, solar technology, and small and medium enterprises, all sectors with significant potential for climate change mitigation and energy access for the poor. The Green Power for Mobiles project encouraged the substitution of diesel generators with renewable energy sources by demonstrating the concept, its commercial attractiveness, and through technical assistance to mobile operators. This has

"The [Lighting Africa] conference has virtually created a new sector. It brought together a great variety of practitioners from international lighting manufacturers and local distributors, such as local farming organizations, and investors that you never get to meet in one place. I felt there was a great openness and focus on resolving the issues at hand."

Ellen Morris from Arc Finance, one of the participants

already led to the deployment of over 9,000 green telecom towers.

The Lighting Africa program (lightingafrica.org) continued to pave the way for a fast growing off-grid lighting market with sales in 2009 of more than 112,000 units of lighting products that passed the Lighting Africa quality test. This translates into more than 500,000 people in Africa with access to improved energy services so far.

In Tamil Nadu,

India, IFC supports the construction of a 5-megawatt solar power plant to demonstrate how grid-connected solar energy can meet large scale needs. This project is designed as a test case for the National Solar Mission of India that seeks to

generate 50 million megawatts from solar power plants. The project will be commissioned to the grid by the end of 2010. IFC supports the project – the largest to date in India – with financial and technical assistance.

Through a sustainable energy facility managed by E+Co, IFC supported 28 small and medium enterprises in the areas of hydro, solar thermal, photovoltaic solar home systems, biogas/biomass and wind in Latin America and Asia.

Lessons of Experience

To provide access to energy to lower income populations, it is necessary to match the product price with customer's ability to pay. Learning from consumer products such as shampoo packaged in smaller, more affordable doses, IFC is now targeting smaller, more affordable energy appliances. A \$15 lighting appliance will find a market in the lower part of the income spectrum that the \$1000 solar home system will not, even with targeted financing. While grid extension and solar home systems will play a role in extending access to energy, emergent and smaller energy services appliances like solar lanterns are proving able to quickly reach a substantial underserved population in the interim. By providing technology providers with market intelligence, consumers with quality assurance and entrepreneurs with access to finance, IFC seeks to catalyze sustainable market solutions.

Strategic Orientation

In FY11, IFC will support its strategy for climate change mitigation by placing additional emphasis on grid-connected renewable energy interventions and programs addressing system losses of electric power distribution networks. We will also support the energy access agenda by promoting off-grid renewable energy programs, mostly in Africa and South Asia.

PROJECT HIGHLIGHTS

Green Power for Mobiles project

Implemented in partnership with the GSM Association of mobile phone operators, this project promotes the adoption of renewable energy for telecommunication towers. IFC estimates that about 118,000 of the 300,000 towers that will be built in off-grid locations by 2012 could be powered by renewable energy sources on a commercial basis. This would represent a reduction of about 2.4 billion liters of diesel per year, the equivalent to 6.3 million tonnes of CO2 emissions. To address the lack of familiarity and perception of high risks by mobile phone operators, we developed an online database covering over 9,000 renewable energy tower deployments (<http://www.wirelessintelligence.com/green-power/>). Moreover, IFC supports the transition towards renewable telecommunication towers, through workshops, analytical tools and training materials, including techniques to select suitable sites for renewable energy. Thus, we have already supported the identification of 250 sites where renewable energy deployment has a payback period of less than three years.

Photovoltaic Market Transformation Initiative

Taking advantage of the new regulatory environment of India for renewable energy, IFC promotes solar energy via a combination of concessional financing for pilot projects, and the dissemination of market intelligence and technical knowledge. We supported the construction of a grid-connected 5MW thin film photovoltaic demonstration project that will be integrated to the power grid in the state of Tamil Nadu. The power plant will be one of the largest thin-film PV power plants in South Asia. The project is expected to directly generate 7500 MWh of electricity annually, facilitating the reduction of over 6,000 tonnes of CO2 equivalent annually. In addition, a comprehensive knowledge management program will share the project experiences with the government regulator and other project developers and investors, so that the entire sector can benefit.

SUSTAINABLE WATER

With an estimated 3 billion people lacking consistent household access to clean and safe piped water, this year IFC started the development of new advisory services to catalyze the provision of safe water and sanitation services, and efficient use of water by the private sector. The importance of working on access to safe water and sanitation has grown along with our activities in climate change adaptation and as poor water management practices, climate change, and population growth increasingly put a strain on water-stressed regions. Our objective is to give access to water and sanitation to the underserved by filling the gaps in existing water and sanitation delivery systems. To do so, we aim to develop business models that will address the market barriers preventing private sector participation. IFC's own track record of investment in water infrastructure informs the development of these advisory services. Our position in the market allows us to convene key stakeholders, mobilize capital, adapt solutions to market needs, and serve as an honest broker of information.

In FY10, IFC focused on increasing its capacity on the ground to deliver future programs, with an eye on effectiveness and development impact. With a focus on the underserved, IFC is about to pilot and test innovative private sector models in water credit and microfinance, including implementing important partnerships with non-governmental organizations. We have also identified an initial global pipeline of safe water and sanitation projects, the first of which will be Sanitation and Safe Water for All in Kenya.

Strategic Orientations

As these advisory services are new, our goal in FY11 is to demonstrate business models and build knowledge to support scale-up. IFC will also pilot in China new financing models that can improve access to finance in the area of sanitation and water. We also expect sustainable water advisory services to be a substantial element of the IFC regional climate change adaptation strategies.

PROJECT HIGHLIGHTS

Report: Safe Water for All

Based on IFC's market scoping in India, China, Kenya and Uganda, we issued the report *Safe Water for All*, which provides a summary of various private sector safe-water enterprises in those markets. It describes a range of technologies and business models that deliver water and sanitation services to the underserved through a variety of business models. This work is the foundation for a programmatic approach to support market development that we are testing in East Africa.

Report: Charting our Water Future

A new report by the 2030 Water Resources Group, led by IFC and McKinsey & Company, projects that one-third of the world's population could have access to only half their water needs by 2030, if necessary actions are not taken now. *Charting Our Water Future* shows how future demand for water could be met through cost-effective measures using existing technologies. It provides greater clarity on the scale of the water challenge, and offers a fact-based tool to help stakeholders make informed investment decisions and guide policy discussions.

Sanitation and Safe Water for All, Kenya

The Sanitation and Safe Water for All program under development in Kenya will support market-based approaches for the delivery of safe water and sanitation products and services. IFC will engage with partner organizations to identify and address the barriers to stronger market-based service delivery in the sector. The program will also support the design and testing of promising new and emerging business models by helping them to address barriers to scale up and reach underserved consumers. This program will test target products and service models, such as clean water kiosk systems, private operator management services, point-of-use water treatment devices, and various sanitation service models. The lessons learned under this Kenya pilot program will then inform the development of toolkits that can be used to replicate commercially viable market interventions, and thus strengthen private sector delivery of water and sanitation products and services in Africa and other emerging markets.

CLEANER TECHNOLOGIES

IFC seeks to address some of the environmental, technological, and economic needs of developing countries by making cleantech venture investments with high growth potential. We target the sectors of energy, transportation, water, waste, buildings, and agriculture among others.

IFC started to make these investments using donor funds in 2003. By FY09, based on the performance and lessons of the donor-funded portfolio, IFC decided to start making such investments with its own funds, confirming the success of the partnership with donors. Since then, the importance of cleantech only continued to grow at IFC as it was added this year to the strategic directions and water strategy.

In FY10, we focused our attention on capturing and disseminating the lessons of the donor-funded portfolio, along with making new investments on IFC's balance sheet.

With a practice group of 180 members from across the World Bank Group – investment officers, managers, directors – we have been able to mobilize expertise across IFC to make four new investments in the first year of the program. Husk Power uses rice husks to power microgrids for rural communities in India. Applied Solar provides clean, renewable power to telecommunication base stations. The other examples are described under “Project Highlights”.

The donor-funded portfolio is also performing well considering the global economic crisis. For instance, an investment of \$1.2 million in WaterHealth International has now catalyzed access to affordable, healthy water for 2 million people, that is 60 cents per capita. Turbotech, an Indian cogeneration turbine designer and manufacturer, has contracted due to the global recession but it currently avoids over 65,000 tons of CO₂e per year. MBA Polymers estimates that its plastics recycling operation avoid over 33,000 tons of CO₂e per year.

The IFC cleantech network and influence reaches beyond the World Bank Group as our cleantech workshop of

May 2010 was attended by ten venture capital firms from the US and Europe, ten fund managers focused on developing countries, and IFC staff. A survey indicated that most respondents made more than 5 new contacts at the event and all would attend such an event again. Concrete co-investment opportunities are beginning to emerge.

Lessons of Experience

The key lesson from this program is how donor support can actively influence the evolution of IFC's mainstream work. Their steady support over the years has given time for IFC to find the deals and make investments that could show results, both environmental and economic. Also, the flexibility in the use of donor funds for investments allowed innovative interventions that would not have been possible under tradition grant-making schemes. The donor sees more return on its contribution, not to mention the potential to reuse the funds after selling successful investments.

IFC also learned lessons related to the processing of individual transactions smaller and riskier than usual for its portfolio. The portfolio also demonstrated the very high environmental and social impact achieved per dollar invested in venture-stage cleantech.

Strategic Orientations

IFC is now pursuing an innovative new vehicle in order to support some cleantech ventures in frontier regions, IDA countries and Sub-Saharan Africa, or ventures with strong potential impact but very high risk profiles. A \$60 million investment facility would leverage donor funding alongside IFC's balance sheet in a 1:3 ratio to allow IFC to support these riskier projects. This proposal is pending submission to IFC's Board.

PROJECT HIGHLIGHTS

Shuoren Energy Hi-Tech Co. – China

In FY10, IFC made an investment of \$8 million in Shuoren, a company that dehumidifies combustion gases for the blast furnaces of major steel manufacturers in China. This technology improves energy efficiency, reduce carbon emissions. There are already over 1,000 blast furnaces in Chinese steel production, which is the biggest industrial source of CO₂ emissions in China and is expected to grow 6% annually in the next 5 to 6 years. Further, the technology can be applied to other heavy industries, such as petrochemicals, pulp and paper. The company expects 11 million tons of CO₂e avoidance over the next eight years. In this case, for each annual ton of emission avoidance projected, IFC has invested less than \$6, much below the going price for carbon.

Azure Power Private Ltd. – India

In FY10, IFC made a \$10 million investment in Azure Power, which designs, finances, owns, and operates solar power plants in India. Its two megawatts Punjab facility is the first and only private, utility-scale solar power plant in India. The facility provides electricity to 32 villages and 20,000 people in the Amritsar District of Punjab. The company is a first mover in on-grid solar in India with a vision for an off-grid micro-utility approach as well. Azure Power has received approvals to commission over 22 megawatts across several Indian states and proposes to install 100 megawatts by the end of June 2015. It is expected to avoid emissions of more than 10,000 tons of CO₂e per year.

SUSTAINABLE ENERGY FINANCE

In developing nations across the globe there are a growing number of opportunities in energy efficiency, renewable energy, and cleaner production initiatives that can significantly benefit the environment. Nevertheless, there is a lack of engagement from the private sector in financing these projects. There is a significant need for sustainable energy finance, with nearly \$100 billion in investments required annually through 2020 in the developing world.

IFC uses advisory and investment to increase access to local sources of financing, by strengthening the capacity of financial institutions to develop and manage sustainable energy portfolios. The IFC Sustainability Business Innovator supported the development of these services and in FY10 mostly funded their knowledge management. As the services mature, they are transferred to the IFC team promoting access to finance and this is the last year that we will report on this work under sustainability advisory services.

In FY10, our programs worked with 62 financial institutions in more than 10 countries and attracted \$1.8 billion of sustainable energy investment. Loans disbursed by IFC partner institutions helped to avoid 15.7 million MWh in energy use and to build new renewable energy capacity that will produce 245,000 MWh annually.

We deployed programs with new client banks in Africa and Latin America. In Europe and Central Asia, where the sustainable energy investments market is estimated at \$20 billion annually, we started residential energy efficiency programs in Russia and Ukraine. Lessons from an industrial energy efficiency program in Russia where the return on investment from energy savings on the portfolio is 18.5%, informed the pricing strategy of new programs in Ukraine, Armenia, and Belarus. We plan further activities to better reach small and medium sized enterprises.

To share lessons learned with our partners, we held a global workshop in Prague on the topic in April 2010 and invited representatives of other international finance institutions, showing how we can work together to rapidly expand sustainable energy financing globally. More than 60 advisory and investment practitioners discussed overall strategy as well as pilot and current programs.

Lessons of Experience

Globally, sustainable energy finance faces barriers in three key areas: awareness, tariff and regulatory regimes, and delivery capacity in both financial institutions and technical service providers. IFC tackles these challenges with a comprehensive advisory approach aimed at financial institutions, market players, and policy makers that generates synergistic private and public good outcomes.

IFC initially began carrying out sustainable energy trade finance transactions as an anti-crisis financial instrument, as part of its Global Trade Finance Program. This initiative helped banks regain confidence in this market segment and, in the case of a major Russian bank for small and medium enterprises, was the first step to a longer-term engagement on sustainable energy finance. This Russian bank, one of our most active partners in Russia, is now in the final stage of negotiations over a long-term credit line for sustainable energy supported by IFC advisory services.

Sustainable energy trade finance is now offered as a standard element of a joint advisory and investment package. As most of the projects financed help to avoid greenhouse gas emissions, these advisory services are now one of the crucial elements of IFC's global climate change strategy.

"The sustainable energy lending is a major innovation for BPI Corporate Bank. With the support that we are getting from IFC in terms of capacity building, technical assistance from consultants, and network development, I am confident that we will make a difference in this market and earn for ourselves the distinction of being the "green bank" of the Philippines."

Aurelio R. Montinola III
President, Bank of the
Philippine Islands

Strategic Orientations

IFC will expand its work in sustainable energy finance in line with its goal to increase development impact. After going from eight to 16 programs in FY10, we aim at creating around four new programs in FY11. In countries where programs already exist, the focus will be on increasing the number of client financial institutions. We want to develop new interventions in the fields of residential, microfinance, small business, retail, project finance. In addition, we will improve our offering – including tools, training materials, informational resources – through standardization, quality control and local adaptation. We plan to build on the knowledge management events of FY10 with improvements to the web-based resources available to the global IFC practice group for sustainable energy finance.

PROJECT HIGHLIGHTS

The China Utility-based Energy Efficiency Finance Program (CHUEE)

The program facilitated \$1.5 billion in new loans, a 15% growth over last year for a total of \$12 billion of investment facilitated to date. These investments will lead to 1.2 billion MWh per year in energy savings and 16 million tons of CO₂ emissions avoided. Over 260 loan officers have been trained in energy efficiency and renewable energy finance. In all categories, CHUEE remains the largest IFC advisory program for sustainable energy finance with the greatest scale-up and impact. Responding to the recommendations of IFC's Independent Evaluation Group and other internal reviews, CHUEE is designing a new facility to better address energy efficiency finance in China's small and medium enterprises. IFC plans to launch such special program by the end of calendar year 2010.

Philippines Sustainable Energy Program

In FY10, IFC started to work with two local financial institutions in the Philippines and results are already showing. We provided advisory and training to the Bank of the Philippine Islands to help them disburse 13 loans amounting to \$15.7 million. The loans resulted in \$27.2 million of financing facilitated and are expected to reach \$1.43 million in private sector savings; 749 MWh energy avoided; 9,234 MWh renewable energy produced, all resulting in 46,097 tons of CO₂ emissions avoided. Banco de Oro that started to work with IFC only in March 2010 is currently under appraisal for a \$40 million risk-sharing facility for sustainable energy portfolio. IFC is assisting BDO in creating a strategy, structure, marketing program, loan process and approval including a detailed training program for the management and account officers. IFC will also advise the Philippine Department of Energy regarding registration procedures, licensing and permitting of renewable energy projects.

Reducing Biodiversity Loss

PORTFOLIO | Ongoing projects: 17 | Closed projects: 4 | Pipeline projects: 4 | Total: 25

The expansion of agriculture is the leading cause of habitat destruction and a major threat to global biodiversity. IFC works with the agricultural commodities industry to transform markets and reduce the risks to business and biodiversity.

ECO-STANDARDS AND SUSTAINABLE SUPPLY CHAINS

We completed a strategic shift this year to focus our biodiversity-related program on the expansion of agricultural landscapes, which has one of the largest effects on the increasing degradation of natural capital. This expansion is due to increasing global demand for food, fuel, and fibers. While increasing agricultural production reduces poverty, good management practices can ensure the maintenance of the natural assets (soil, water, biodiversity) and make this production sustainable.

IFC continues to support the development of voluntary standards set by industry-led, multi-stakeholder initiatives ('roundtables') and to promote related better practices as the most efficient and effective means of ensuring this outcome. Since the Roundtable on Sustainable Palm Oil (RSPO) began its certification system in 2008, there are now 15 growers, 52 mills, and 44 supply chain companies certified among its 348 members, resulting in 2.15 million tons of certified palm oil from 435,261 ha of land. The Round Table on Responsible Soy (RTRS) finalized its principles and criteria in June 2010, and certified soy should be available by the end of 2010.

This year has seen a growing demand for advisory projects that support the ability of small and medium-scale farmers to meet the demands of certified sustainable commodities production. In particular, the demand for disclosure of farming practices and traceability systems in supply chains is very high, which shows that markets are shifting from trading commodities to trading both commodities and knowledge.

Lessons of Experience

FY10 brought increased focus and energy to the agriculture sector globally. While agricultural development increases, the risks are becoming more evident. While we continue to focus on agriculture's role in managing the natural resource base, social issues like unclear land tenure rights are moving to the fore. While the pipeline grows, properly assessing and

accounting for these risks takes time, and is delaying the progress of development.

As we anticipated, the appetite for standards in the private sector is increasing, as companies realize their needs regarding their social and environmental risks and how standards are able to address those needs. The private sector is taking the lead in this area, as we have seen substantial growth in the participation in standard-setting initiatives, and this is in turn driving the development agenda in the public sector with regards to global supply chains.

Roundtables, due to their nature, may appear to not resolve divisive issues in a timely manner. Building consensus around these issues, such as the work being done by the RSPO's greenhouse gas working group, takes longer because the impacts will be more broad-reaching. We continue to participate on

these issues and leverage our experience in these settings in order to reach acceptable solutions.

Strategic Orientations

In FY11, we will continue to improve our results measurement by developing a land-based GHG indicator and defining better our chief metric of 'sustainably managed land.' We intend to have this work contribute to the global codification of these types of measurement, seeking recognition from other certification systems to reach a global consensus on impact measurement for standards. We have a substantial pipeline of potential projects in the regions that need to be developed.

We have started work on strengthening the biodiversity components of coffee certifications and to develop impact measurement in certification systems. Our focus on Latin America, Southeast Asia, and Sub-Saharan Africa will continue. Thanks to its new integrated approach to eco-standards and supply chains, IFC will increase its focus on smallholders' links to markets, broadening access to standards, and strategic alignment with the World Bank Group Agriculture Action Plan for 2010-2012.

"We consider IFC to be a critical participant in the roundtable process. It sends a signal to other banks that an initiative is legitimate and realistic."

Daniela Mariuzzo, Corporate Social Responsibility Manager, Rabobank Brazil

PROJECT HIGHLIGHTS

Zoological Society of London (ZSL)

IFC's Biodiversity and Agricultural Commodities Program (BACP, www.bacp.net) issued a \$216,000 grant to ZSL in FY09 for the development of a tool to evaluate the biodiversity impacts of oil palm plantations, in compliance with the RSPO's biodiversity principle and criteria. The project in Indonesia began implementation in FY10 in collaboration with Wilmar International, which provided matching funding of \$556,000 and use of plantations in Kalimantan and Sumatra to serve as the pilots for the development of the tool. You can read about oil palm cultivation and biodiversity at ZSL's website: <http://www.oilpalm-biodiversity.info/>.

Aliança da Terra

IFC has partnered with the Moore Foundation and Aliança da Terra, a producers' organization in Brazil, to encourage biodiversity friendly practices among cattle and soybean producers in the Legal Amazon, by providing economic incentives to preserve the forest land and linking them to companies willing to source from responsible farms. Through the Registry of Social-Environmental Responsibility (RSR), created by Aliança da Terra, it is possible to locate and quantify environmental assets that are then used to develop a roadmap towards better E&S practices. This tool provides a snapshot of the property using an integrated approach which includes maps, photographs, and satellite imagery. Aliança da Terra has recently obtained a BACP grant of \$497,000 to contribute to strengthening and expanding the RSR work as well as enhancing E&S practices. More information can be found at www.aliancadaterra.org.br

SUSTAINABLE FORESTRY

Forests are national assets, global public goods and critical to the lives and well-being of millions, including the vast majority of the world's rural poor. Recognizing the impact of this sector, IFC has declared it a strategic priority to drive the growth of sustainable forestry globally. IFC has been investing in the forestry sector for over forty years, growing a portfolio of over \$3 billion in investments. Building on this experience, IFC revised its forestry strategy in 2010, which necessitated the development of new advisory services to target the sector's sustainability issues.

As this is a new area of advisory work, our portfolio has few but impactful projects and our interventions are tailored to the challenges of the different types of forest. For instance, to monetize the carbon sequestration of productive natural forests and conservation forest, we are developing the Forest Industry Carbon Assessment Tool (FICAT), a measurement tool to better manage greenhouse gas emissions and associated carbon credit opportunities throughout forest product value chains.

These advisory services are meant to support the growth of a sustainable forestry sector to generate productive jobs, reduce the impact of climate change and promote private sector development.

Lessons of Experience

After decades of engagement with the forestry sector, the overarching lesson for these advisory services is that any successful engagement with the forestry sector has to apply a

holistic approach. This is why stakeholder consultations are fundamental to the implementation of successful projects. We also recognize that land use, tenure, and weak governance are significant challenges that necessitate work on the investment climate.

Because the time horizon for forest projects is long, identifying supplemental income streams, such as payment for ecosystem services, is vital to financial viability.

Capacity-building activities, particularly targeting community-based enterprises and SMEs, will be fundamental to almost any engagement with natural production forests.

Strategic Orientations

As IFC is increasing its resources devoted to sustainable forestry and the scope of its activities, we look at our portfolio for areas we can scale up our impact more quickly. We will also draw on IFC's expertise in investment climate and with financial institutions to create holistic projects. Africa is at the top of our agenda as we develop a sustainable forestry strategy including the pilot of an industry-wide approach to drive certification and improve the technical capacity of forest plantation companies. The development of tools and methodologies to measure and manage the impact of forestry activities around carbon sequestration will remain an important part of our approach to make forestry operations more valuable, ensuring the financial sustainability of the sector.

PROJECT HIGHLIGHTS

Sustainable Forestry in Indonesia

IFC's Sustainable Forestry Program in Indonesia supports the creation of viable forest plantations on degraded lands. In November 2009, IFC organized the Forestry Executives Roundtable on Sustainable Plantations to discuss the challenges of increasing investment in sustainable forest plantations. The event was attended by 75 participants, including top representatives from the Ministry of Forestry of Indonesia, Indonesia's forest concession companies, forestry association, and forestry NGO communities. The key recommendations that emerged from the event included promoting deregulation to accelerate development of sustainable plantations, establishing a dialogue forum to involve all related stakeholders, and focusing on capacity building. IFC will incorporate these recommendations and leverage their preliminary experiences as they enter the first cooperation agreement with a forest plantation company, formalized in May 2010.

Brazilian Amazon Initiative

The Brazilian Amazon Initiative uses market forces and economic incentives to slow deforestation and greenhouse gas emissions in the Amazon region of Brazil. At the firm level, IFC promotes corporate governance, wood waste co-generation, and reducing emissions from deforestation and forest degradation (REDD). At the sector level, IFC explores critical factors to success, market failures and characteristics that affect competitiveness. IFC recently completed the Competitiveness Study for the Forest Sector in Brazil, looking at four key states: Pará, Amazonas, Acre, and Rondônia. This study included a workshop to validate the findings of the study and engage key stakeholders in a roundtable discussion. This study helped the sector identify the business case for sustainable forest management. In FY11, IFC will focus on building a pipeline of investible sustainable forestry projects and tapping into existing carbon markets.

Leveraging Social Capital

PORTFOLIO | Ongoing projects: 23 | Closed projects: 13 | Pipeline projects: 3 | Total: 39

Precarious employment, unhealthy working conditions, exploitation and discrimination can be worsened during financial crises. IFC develops innovative, market-based solutions to enhance the competitiveness of the private sector while working towards the creation of equal and decent employment opportunities.

COMMUNITY INVESTMENT

Firms increasingly realize that enhancing development outcomes in the communities where they operate is a business issue. As this area develops, better strategies are needed for firms to assess what impact their investments can have, both to address the risks to their business, as well as to expand into new opportunities. Consequently, in FY10 IFC published the *Good Practice Handbook on Strategic Community Investment*, based on a review of global practice with IFC clients, leading companies, and expert practitioners across industries and regions. The Handbook gives companies a tool for building and managing a portfolio of community investments that are aligned with their business strategy and the development priorities of local stakeholders. The goal is to help companies shift away from ad hoc

"The business case for community investment and corporate responsibility is deeply rooted in the core of our organization's business model, and in the belief that organizations have the innate power to propel triple bottom line value creation, within the communities where they operate."

– Michael de Soyza, Head of Public Policy and Corporate Responsibility, Dialog

South Africa. An estimated 1,300 people, representing private, public, and non-profit organizations, have been reached through these events.

Lessons of experience

At the 2010 IFC Corporate Responsibility Forum, private sector and civil society professionals discussed ways in which companies can maximize the positive impact of their community investments. Building on these experiences and IFC's own lessons learned in providing community development advisory services to clients, a number of the key themes and lessons emerged:

- 1) As expectations increase for corporations to address development challenges, the measure of success has

practices and donations to a more strategic model that creates shared value.

To date, close to 1,500 copies of the Handbook and its 32-page quick guide have been disseminated via a dedicated website and a series of regional launch events. The latter included the United National Global Compact Regional Conclave meeting in New Delhi, the Ethos International Conference in Sao Paulo, and the African Mining Indaba event in

shifted from dollars spent to the quality of impact achieved.

- 2) Strategic companies focus investments on a few key areas where they can make the biggest impact and create shared value for their stakeholders and shareholders.
- 3) Key to the strategic approach is to have a clear business case that aligns community priorities with business objectives.
- 4) Multi-stakeholder processes that engage communities and government – and build capacity along the way – are essential for building a successful community investment strategy.
- 5) In terms of the challenges, 38 percent of participants thought that internal processes were one of the biggest obstacles to taking a more strategic approach to community investments. Two-thirds also felt that coming up with appropriate indicators was preventing their company from accurately measuring the results of their community investments.

Strategic Orientation

Going forward, IFC will be rolling out its strategic community investment framework and guidance in Latin America, East Asia, and Africa. The goal is to build the capacity of client companies to effectively translate and implement this framework in their operations. Dissemination efforts will be ongoing, and will continue to rely on collaboration with various partners. These include the United Nations Global Compact with a network of over 5,300 businesses, as well as the Global Oil and Gas Industry Association for Environmental and Social Issues (IPIECA), and the International Council on Metals and Mining (ICMM). Combined, IPIECA and ICMM represent a total membership of approximately 49 world's leading companies and 42 associations that reach another 1,900 companies in their respective sectors.

In FY11, IFC will pilot the application of the framework beyond the oil, gas, and mining industry. Potential projects have been identified in infrastructure and forestry. An additional focus will be on building local consulting capacity in this area through regional capacity-building workshops. The objective of these will be to build the capacity of local consultants to provide strategic advice to companies on their community investment strategies, in line with IFC's methodology.

PROJECT HIGHLIGHT

Global Launch of IFC Good Practice Handbook on Strategic Community Investment

IFC hosted a 3-day Corporate Responsibility Forum in Washington, DC in June 2010 that brought together over 200 private sector and civil society professionals to discuss how companies can optimize the positive impacts of their community investments and contribute to long-term economic growth in developing countries. IFC used the Forum to launch its Good Practice Handbook on Strategic Community Investment. During the second day of the Forum, participants shared their lessons on ways to create shared value from corporate community investments. Leading companies such as Nestle, Chevron, and Rio Tinto participated in the event.

COMPETITIVENESS THROUGH LABOR STANDARDS

The global economic crisis has highlighted the vulnerability of many groups – including women, children, the unemployed, and low-income workers – as they bear the brunt of the downturn. Workers continue to need decent jobs, safe working conditions, and protection from discrimination and exploitation. Families, even extended families, rely upon support from those who have formal employment. This is why IFC contributes to ensuring decent and safe working conditions as part of its efforts to improve the competitiveness of enterprises.

IFC's Performance Standard 2 on labor and working conditions ensures that our investments promote the fair treatment of workers and that our clients comply with national labor and employment laws. In the advisory space, we started working on labor standards in 2008 with a project addressing child labor in supply chains. We are also developing practical tools for companies to identify and manage human rights issue in their business.

Our most notable effort at the moment is our partnership with the International Labour Organization on the Better Work program (www.betterwork.org), which aims to improve both compliance with labor standards and competitiveness in global supply chains. In place of a fractured global system of buyer-based standards and enforcement, Better Work sets benchmarks based upon national and international law, and then implements those benchmarks with programs based on transparency, training, and improved industrial relations. In FY09, the first phase of the program established the Better Work Global platform and data tools, as well as individual country programs in the garment industries of Haiti, Jordan, and Vietnam. In FY10, Better Work developed new training tools and established a country office in Haiti. ILO and IFC are currently focusing

the efforts of Better Work on improved management systems, selecting new countries, and studying opportunities to diversify into additional industries.

Lessons of Experience

Better Work relies on the influence of international buyers to expand the program's outreach, yet the buyers' lack of forceful commitment can be an issue. IFC has learned that buyers should commit both to the overarching objectives and concrete actions to support implementation, including vocal support in dealings with other stakeholders. To address this, Better Work established the Buyer Principles, a set of guidelines that buyers sign to indicate their own pledge to support the program through specific measures (e.g., end auditing where Better Work operates and no termination of participating factories for compliance problems). This pledge has helped strengthen commitment to the program and set the basic expectation for active buyer participation.

Strategic Orientations

In FY11, we will better position our labor advisory services to serve agriculture and other supply chain needs. We are already building labor components into other advisory services, using our global expertise. The labor advisory also received clearance and funding support to undertake research in the construction industry in India's power sector.

The Better Work partnership will be maintained with support for buyer engagement, studies on new industry expansion, and improvements to the business model through better pricing and marketing. Better Work will expand to Indonesia and Nicaragua and consider adding new sectors such as footwear manufacturing and agriculture.

PROJECT HIGHLIGHTS

Better Work

In September 2009, Better Work launched its Advisory Council of experts in supply chain management and labor, meant to advise the Management Group on strategic direction and key developments in the field. November of 2009 marked a successful stakeholder meeting of approximately 200 persons in Washington, DC, resulting in pledged support of a total of one million dollars by five of the biggest U.S. apparel companies: Gap, Disney, Levi's, Wal-Mart, and Nike. International buyers agreed to stay actively engaged and vocal in their support of the program by signing onto a set of Buyer Principles. A new country was added to Better Work's portfolio, with Lesotho joining Haiti, Jordan, and Vietnam. Planning and stakeholder meetings took place in Indonesia and Nicaragua, the next two countries slated to open in the program. A major impact assessment study is continuing, as a research team from Tufts University gathers baseline data for a controlled experiment on the development impact of Better Work in Vietnam and Jordan.

Guide to Human rights Impact Assessment and Management

IFC worked with the International Business Leaders Forum and the United Nations Global Compact to develop the Guide to Human Rights Impact Assessment, a practical tool for companies to identify human rights risks associated with their business activities and manage their impacts. After testing and wide consultations, the Guide was launched at a side event of the Global Compact Leaders Summit in June 2010. It is available online (<http://www.guidetohriam.org>) and will be referenced in the revised IFC's Sustainability Framework as a good practice tool to help companies carry out their human rights due diligence process.

WOMEN IN BUSINESS

IFC supports the participation of both women and men in business as an important part of its mission. Recognizing the economic potential of aspiring business women, IFC is committed to creating opportunities for women in business through the integration of women-targeted initiatives in IFC's investment and advisory services work. In FY10, IFC's Women in Business (WIN) team continued to help IFC track its development impact by gender. IFC also started reporting how women benefit from IFC's investments and advisory services in its 2010 Annual Report.

Promoting Access to Finance for Women in Business

IFC's approach to date has been to expand access to credit for women-owned small and medium-sized enterprises (SMEs) through targeted initiatives that involve collaborating with financial institutions to enhance the delivery of financial services and business support to women entrepreneurs. Since 2004, IFC directly contributed over \$73 million through financial institutions in loans and advisory services to women entrepreneurs through women-targeted interventions. This experience shows that banking on women entrepreneurs is a profitable business: women have excellent repayment rates, are good savers, and contribute positively to the well-being of their community. Based on IFC's women targeted lending advisory services programs in eight countries, it is estimated that the share of women entrepreneurs at the SME level benefiting from such programs is anywhere between 5 and 10 percent. Building on the experience of IFC's targeted program, the aim is to mainstream gender in IFC's overall SME lending operations and increase its outreach to the women's market.

Through nine targeted initiatives in eight countries in Africa (Ecobank Benin, Ecobank Cote d'Ivoire, Rawbank DRC, Ecobank Niger, Access Bank Nigeria, Ecobank Nigeria, DFCU Uganda, Exim Bank Tanzania and NBS Malawi), women-owned small and medium enterprises received 13.5 million in new loans in FY10, a 15% increase from a year ago to a total of 170 new loans. With support from IFC advisory services, these IFC clients also trained 409 new women entrepreneurs over the same period, for a total of 1559, and an increase of 26% from the previous year. Moreover, with the goal of sharing best practice knowledge globally, IFC continued to support the Global Banking Alliance (GBA) for Women, a group of financial institutions that strive to accelerate the growth of women in business. Their 9th Annual Summit took place in Singapore in November 2009 and witnessed an increase in membership to now 24 members. Moreover, the GBA launched its first regional office in Kampala in March 2010. The GBA office in Uganda will allow other member banks in Africa the opportunity to share knowledge and experience through a streamlined exchange of information, research and

"Working with IFC will increase Rawbank's capacity to make long-term loans to smaller businesses and women, an important part of the Congolese economy. Reaching underserved segments of the financial market will enable Rawbank to help create employment and reduce poverty in the Democratic Republic of Congo."
Michel Notebaert, Vice President, Executive Committee of Rawbank.

resources. It will also enable a better adaptation of products and services provided by commercial banks to African women entrepreneurs.

Lessons of Experience

Last year's project reach proved that it may be more efficient to offer women-targeted advisory services as part of a standard menu for MSME clients at the regional level – as compared to taking the "client-by-client" approach. This model is likely to be particularly effective when the client has branches in different countries and knowledge gained may be more easily transferred: Last year, a multi-country Women In Business program agreement was signed with ETI Africa which has branches in 29 countries of which 4 countries are part of the pilot target group.

Strategic Orientations

Based on our experience in Africa and in response to demand from East Asia & the Pacific as well as the Middle East and North Africa, targeted access to finance programs for women SMEs are currently being planned with financial institutions in these regions. IFC remains committed to adding a gender perspective to its advisory services, starting with its work on leasing for SMEs

and its support for credit bureaus and collateral registries. This is in line with the general objective of including gender perspectives across all of IFC's financial market services: investments and advisory.

IFC's Development Goals include increasing access to finance for women-owned businesses. A major constraint for commercial banks interested in the women's SME sector is the lack of data regarding the financial performance of women-owned SMEs and the size of this market. With financial support from the World Bank Group Gender Action Plan, a new project was launched that will result in a global baseline study about the financial performance and market size of women SMEs in various countries that will help IFC further design and implement targeted access to finance programs for women-owned SMEs.

PROJECT HIGHLIGHTS

Rawbank Democratic Republic of Congo

In post-conflict DRC, IFC client Rawbank launched "Ladies' First" the women in business component of its SME program in March 2010. Through "Ladies' First" Rawbank aims to increase the capacity of Congolese women entrepreneurs to access banking services and enhance their ability to manage stronger and more profitable businesses. Implemented in collaboration with IFC's Africa Medium Small and Medium Enterprise, Business Edge and IFC's WIN business program, the "Ladies' First" program has already trained more than 50 business women and will include a series of financial literacy and business management skills training, as well as mentoring and networking activities for women entrepreneurs. Rawbank is also exploring specific products targeted specifically at Congolese women entrepreneurs.

DFCU Uganda

The DFCU Women in Business (WiB) program is a success story of how access to finance and skills development can drive the growth of women entrepreneurs. Since the program started in 2007, over 368 women have been trained in entrepreneurship and business & management best practices. As of December 2009, DFCU had disbursed close to USD 16.1 million in term loans, working capital loans, mortgages, leases, and land loans to 300 women entrepreneurs in the small and medium enterprise sector. The women's SME portfolio has shown a lower default rate (1.5%) relative to men borrowers (2.5%). DFCU Bank developed new products better aligned with the needs of women entrepreneurs, such as the Savings and Credit Cooperative Societies Loan (SACCO) which is a medium term facility targeting registered associations/groups whose members have overcome the start-up phase of business but lack conventional securities needed for individual business loans and prefer to borrow through a group approach. Another new product, the Investment Club connects women entrepreneurs with similar aspirations with each other to achieve a shared goal by saving together. DFCU has also opened over 1,800 new deposit accounts through the program. Since the introduction of DFCU's WiB program, other commercial banks in Uganda have also ventured into the women's market: Standard Chartered Bank launched a DIVA account, offering a range of services from checking accounts to loans for women only, and Bank of Africa launched Super Kikapu, a service exclusively tailored to women in business.

Improving the Investment Climate for Women in Business

Improving the investment climate for women is one of the most critical driving forces behind economic growth and the fight against poverty. Women's participation in the economy as entrepreneurs, employees and community leaders is recognized as a measure of a country's dynamism and viability.

In line with its objective to support legal, regulatory and policy framework to foster women's entrepreneurship, IFC promotes gender-sensitive regulatory reforms that equally benefit women and men. In this regard, IFC works closely with the World Bank to help governments and private sector understand the how business laws, regulations and institutions can affect women's ability to start and operate businesses. The approach is to provide the operational foundation for integrating gender into investment climate reforms and to include gender reform indicators in monitoring and evaluation frameworks.

Lessons of Experience

In March 2010, IFC's Practitioner's Guide "Gender Dimensions of Investment Climate Reform" was launched at a high level event by World Bank Group President Zoellick in Washington DC (see www.ifc.org/genderIC). The guide highlights the economic rationale for reform and provides operational guidance. A step by step process gives the reader guidance on (i) business start-up and operation, (ii) business taxation, (iii) trade logistics, (iv) special economic zones, (v) alternative dispute resolution, (vi) investment policy and promotion, and (vii) secured lending. As a result of numerous deep-dive training sessions and dissemination efforts, the Guide already found operational applicability in 7 countries (Bangladesh, Burkina Faso, Cambodia, Egypt, Morocco, Pakistan, Yemen) of 4 regions and is currently being applied in 8 new IFC operational projects². Moreover, donor partners

² Alternate Dispute Resolution Egypt, Alternate Dispute Resolution Burkina Faso, Yemen Bus Start Up Phase II, Gender and Special Economic Zones, Alternate Dispute Resolution Morocco Phase II, Investment Climate in the Caribbean, Business Enabling

including CIDA, DFID, USAID (funders of the Guide) and the OECD commented on the practicality and applicability of the Guide in their organization's work.

Having learned from past experience in gender results measurement, IFC has begun collecting data around indicators that will help IFC capture the impact of policy reforms on women entrepreneurs. For instance, IFC now collects information on whether business women's voices were included in the policy dialogue, how many women have used the new alternate dispute resolution system, and how many female mediators have been certified.

"I was indeed very impressed with IFC's detailed work and publication of the Gender Dimensions of Investment Climate Reform, A Guide for Policy Makers and Practitioners. It is an excellent step-by-step guide for integrating gender analysis into our economic growth programs."

C. Stuart Callison, Ph.D., Sr.
Development Economist, USAID

Strategic Orientations

IFC will continue to work closely with the rest of the World Bank Group to promote gender-sensitive reforms and investment climates that equally benefit women and men. For example, one topic that has experienced demonstrated demand from clients is special economic zones where IFC will take a private sector perspective on gender and sustainability issues to make these zones safe and attractive for female workers. In addition, in the area of business start-ups, IFC is piloting an initiative in Yemen where the policy framework vis-à-vis women entrepreneurs in the formal and informal sector is being analyzed to a) identify gender-specific issues that women may be facing; and b) make policy recommendations to the governments to facilitate business start-up processes for women and men. The goal is

Environment Cambodia PSFS and, Pakistan Alternate Dispute Resolution).

to build on these practical lessons-learned for eventual replication elsewhere.

New investment climate gender indicators will also help IFC capture the impact of policy reforms on women entrepreneurs. For example, the indicators will allow a project team to report on the inclusion of business women in the policy dialogue and whether laws that hindered women's ability to start up or operate a business, such as the

requirement to get a male relative's permission to enter into a contract, have been eliminated. Joint capacity building activities with client country counterparts and practitioners (including from the donor community) will help ensure that lessons and advice compiled in IFC's recently published Guide for Policy Makers and Practitioners ("Gender Dimensions of Investment Climate Reform") are applied on the ground.

PROJECT HIGHLIGHTS

Gender and Investment Climate Reform Assessments

On a daily basis, women in the Pacific Islands face serious hurdles in doing business. Information on how to register businesses is often hard to obtain, while accessing land and gaining credit are equally difficult. These are some of the findings from IFC's Gender and Investment Climate Reform Assessments, a series of six reports detailing the constraints hindering women's economic progress in the region. The reports found that Pacific businesswomen often lack a say in regulatory reforms and feel frustrated that they are not involved. IFC recommended that women strengthen their voice in the dialogue by: a) Ensuring women are represented in public-private dialogue (PPD) structures; b) Forming a Gender Working Group that includes public and private sector representatives if existing PPD groups lack the capacity to address gender constraints; c) Starting and strengthening local Women in Business associations; d) Participating in training on regional investment climate issues, and e) Mentoring other women who seek economic opportunities.

Pakistan Alternative Dispute Resolution

This year's IFC CEO Gender Award was presented to the Pakistan Alternative Dispute Resolution (ADR) project team in recognition of its initiatives to support women's participation in business, alleviate their legal issues, and promote their business rights. The institutionalization of gender indicators was an integral part of the project performance measurement framework. Twenty-five percent of the program's mediators and 38 percent master trainers are women. In August 2009, Mediation Week offered assistance to build the confidence of women, their lawyers, and the judiciary in the mediation mechanism. As a result, \$1,400,472 tied up in family business cases involving women litigants was released in three days on average rather than 10-15 years of litigation process.

Crosscutting initiatives

PORTFOLIO | Ongoing projects: 5| Closed projects: 5| Pipeline projects: 0| Total: 10

SUSTAINABILITY STRATEGIES

Companies are now more likely to incorporate environmental and social sustainability factors into their business model. Many, however, lack adequate information to make decisions about which sustainability issues are most critical to their business. To fill this gap, IFC provides tools specially designed to help businesses establish a strategic approach to sustainability that is aligned with their business priorities.

In FY10, IFC started including sustainability strategies in its engagement discussions with investment clients and piloted the approach in China and Brazil. These high-level discussions help to secure the deep understanding, buy-in, and resources that make sustainability initiatives cost-efficient and generate business value for clients.

A key output during this cycle was the refinement of a Company Diagnostic Tool, successfully tested in Brazil, that can guide the development or refinement of a corporate sustainability strategy. Through a set of questions, the tool helps managers to identify the environmental and social risks and opportunities that they face. The main benefit of the tool is to quickly inform the company about its position with regard to sustainability issues in its country, sector, and among its peers. IFC's role as an interlocutor increases the confidence that company executives have in the recommendations, including hiring the best local consulting firms, and increases their willingness to allocate sufficient resources to the strategy implementation.

Executives told IFC that it is difficult for their company to go beyond compliance unless there is a reward for a corporate social responsibility (CSR) investment. Nevertheless, they were motivated to review their strategy because an investor such as IFC could help them identify the business opportunities related to their most relevant environmental, social and governance issues.

Lessons of Experience

IFC's has a unique role as interlocutor: Our experiences in China and Brazil confirmed that most sustainability teams and executives need some additional reputational support to

engage their companies' leadership. Business executives do not commonly expect strategic insights to emerge from sustainability teams and initiatives, either inside or outside the company. After IFC's interventions, the same business executives were surprised to find strategic value in the sustainability strategy approach, were more interested to implement, and were better placed to obtain greater value from their engagement with local CSR and sustainability service providers.

Communicating valuable practices: During our assessments, we noticed that companies are, in fact, carrying out relevant sustainability initiatives in their operations - but these are commonly not recognized as such. This demonstrates the importance of promoting a combination of effective measurement and communication to recognize and disseminate existing good practices with social impact.

Strategic Orientations

We will continue to test the approach in new sectors such as aluminum, oil and gas, and infrastructure, while also expanding in more Latin America countries and India. Our challenge will be to build on our experience with individual clients to work with a much larger number and variety of companies and increase our development impact. This means, for instance, working with market aggregators such as financial institutions, government agencies, media, civil society organizations, and industry associations.

IFC will focus on investors because of the potential of sustainability strategies to make companies more attractive for investments. Among other things, this will require improvements in company data collection and disclosure. It also means for

IFC to align its sustainability methodologies and tools to create a common language that can help companies to articulate, investors to recognize, and markets to reward sustainable and inclusive business practices.

"Sustainability assessment results were based on rich information, tailored to the company context and communication practices, bringing examples from companies operating in the region and internationally. This is going to contribute to practices improvement and engage the company to rethink its communication." Aparecida Calixto Pereira Denadai, Cikel CSR Director

PROJECT HIGHLIGHTS

Cikel Brasil Verde Madeiras

IFC is supporting Cikel, the largest timber exporter of FSC-certified products in Brazil, to develop a sustainability strategy that goes beyond certification. The strategy will improve sustainability management and reporting and increase the business value generated by the company's sustainability activities. IFC also wants to influence this environmentally sensitive sector by showing the case for a responsible and competitive business model. To date, IFC has completed a sustainability assessment through the Company Diagnostic Tool and presented the results to senior executives. The latter engaged in discussions with IFC on how to move forward in key areas such as corporate governance, cleaner production, and biodiversity valorization.

Guangzhou Development Industry Holding (GDIH), China

During FY09 and FY10, IFC assisted Chinese energy utility company GDIH in preparing and launching its first Corporate Sustainability Report in April 2010 and establishing a system for ongoing reporting. The project helped GDIH prepare for reporting to the Shanghai Stock Exchange under the new CSR reporting requirements for certain listed companies. IFC and GDIH worked together to leverage the reporting process as a means to build an integrated approach to corporate strategy and continuous improvement in the company's group-wide environmental and social management system. The company has been ranked No. 1 for its 2010 Sustainability Report among companies in the power, coal, and gas sector in China³. GDIH also ranked fourth among all companies listed only in China domestic market (A share companies).

IFC-GRI Good Practice Note to Enhance Business Value through Sustainability Reporting

IFC and GRI launched a joint publication in June 2010 that aims to make it easier and more profitable for companies in emerging markets to adopt sustainability reporting. "Getting More Value out of Sustainability Reporting", part of IFC's Good Practice Note series, links GRI's internationally recognized Framework for Sustainability Reporting and IFC's Sustainability Performance Standards for private sector investment. It emphasizes the value of integrating sustainability into core business strategy and management, a trend emerging as a new frontier for business competitiveness and a way to attract sustainability-oriented investors. The publication was released as a "road test" draft to solicit feedback from companies and stakeholders. A revised version will be published in 2011.

³ The annual rankings are compiled by third-party ESG evaluation organization "Rankins CSR Ratings, RKS" <http://www.rksratings.com/>.

Regional Strategies and Portfolio

EUROPE AND CENTRAL ASIA

In FY10, IFC has refocused its regional strategy in the region so that all programs intervene across entire sectors by design with a clear focus on climate change. Amongst the efforts launched, the region will promote renewable energy in Russia in partnership with the Global Environment Facility and in the Balkans in partnership with Austria, and will train Armenian financial institutions to provide financing for sustainable energy projects.

The first climate adaptation project has been launched: a water efficiency project in the agricultural sector that accounts for 90 percent of Uzbekistan's water consumption. The program will improve water usage in a country where water withdrawals greatly exceed supply.

Partnerships with the European Bank for Reconstruction and Development and the UN Industrial Development Organization have been developed where cleaner production and renewable energy programs in Russia, Albania, and Bosnia will be coordinated.

The region has also become the global pilot for testing and implementing IFC's emerging process to set targets and measure greenhouse gas reductions. This includes a review of the carbon footprint of IFC's investments and a look at how IFC can account for climate change impacts through investment and advisory services.

Strategic Orientations

After a year of project development, focus will be on implementation in FY11, with the objective of creating investment opportunities through the advisory programs. Project development will be limited to areas of climate change mitigation and adaptation such as waste management, utility efficiency, renewable energy, and water efficiency in the agricultural sector.

In addition, the pilot project to measure greenhouse gas reductions will be finalized and experience and lessons learned will be shared with other regions that will implement the new methodologies.

SUB-SAHARAN AFRICA

In Africa, IFC's sustainability work focuses on helping firms address the risks and effects of climate change, and on supporting development projects that target the base of the economic pyramid.

In Kenya, for example, IFC is working with financial institutions to create a commercial lending market for sustainable energy projects. In FY10, we trained more than 70 bankers and energy consultants in the country, and signed an agreement with a major bank to pilot sustainable energy finance and project development.

We also help improve the competitiveness of IFC clients by supporting industry adoption of cleaner production practices that reduce energy, water, and raw material use.

Working across sub-Saharan Africa, where up to 30 percent of household income is spent on hazardous, low-quality, fuel-based lighting, we are helping develop sustainable markets for modern, off-grid lighting products. In May 2010, we held the second Lighting Africa conference and trade fair in Nairobi (www.lightingafrica.org), where a stakeholder association was launched. It was also announced that prices for off-grid lighting products had fallen by 50 percent since 2008.

Strategic Orientation

Going forward, we want to help increase the amount of financing available for sustainable energy projects so more businesses can access clean energy technologies. We also recently launched a project to help African private equity fund managers adopt cleaner production practices and technologies, including renewable energy. IFC will seek to identify and support the adoption of market-based approaches to water and sanitation service delivery that benefit consumers at the base of the pyramid. IFC will also expand its market-based approach to sustainability in Africa to agriculture, forestry, manufacturing, mining, and information and communications technologies clients.

EAST ASIA AND THE PACIFIC

In a region with some of the largest emitters of greenhouse gases, climate change is one of IFC's priorities. To reduce emissions, we develop the market for energy efficiency finance by working with banks in China and the Philippines. As of FY10, IFC has approved nearly \$130 million in loan guarantees, which, together with IFC's advisory services to banks and energy management companies, have helped facilitate more than \$1.5 billion in energy efficiency financing. Estimates suggest that this financing translates into 16 million tons/year of GHG emissions expected to be avoided – more than the total annual emissions of the 25 lowest-emitting countries – with about 800,000 tons/year in GHG reduction achieved in FY10.

IFC also seeks to address the impact of globalization where it has increased rural-urban migration and disparities in economic opportunities and livelihoods. In the Philippines, we helped banana farmers get certified by the Rainforest Alliance to gain access to export markets. This has improved their practices and product quality, which helps them generate a more reliable and growing income. In export-oriented countries such as Vietnam and Cambodia, we partner with the International Labour Organization on the Better Work program to demonstrate the business case for sound labor practices that improve working conditions and firm competitiveness.

Strategic Orientations

In FY11, IFC wants to promote good environmental and social practices by working with stock exchanges, fund managers and institutional investors to influence their practices. Our Performance Standards outreach will be extended to regional and local banks in parts of East Asia. We will also expand our energy work in selected partner countries to mitigate climate change, building on our experience in China and Eastern Europe.

To address degraded land areas, we see high potential in sustainable forestry initiatives that will involve community outreach, a consultative process and private sector investment. IFC will also promote sustainable management practices for agricultural commodities such as oil palm, coffee, and cocoa.

MIDDLE EAST AND NORTH AFRICA

In FY10, IFC stepped up its commitment to sustainable private sector development in the region. We launched a cleaner production program starting with a pilot project in Lebanon to promote the adoption of resource-efficient practices in the building sector. The project will start by establishing a National Green Building Rating System, stimulate demand for resource-efficient practices in the building sector, and build the local capacity to deliver relevant technical services in Lebanon. We started to integrate gender dimensions into existing advisory services programs across the region, beginning with business registration and licensing in Yemen; alternative dispute resolution in Pakistan, Egypt and Morocco; business and management training in Yemen and Afghanistan; and a corporate governance project in Jordan and Pakistan to enhance board effectiveness through better gender diversity. We have also signed a cooperation agreement to establish the first sustainability index in the Middle East and Northern Africa market to track listed firms performance on environmental, social, and governance fronts.

Strategic Orientations

In FY11, we will focus on our climate change strategy by exploring opportunities for at least 7 investment clients to adopt cleaner production practices and technologies across groups of companies or their value chains, targeting replication in additional 7 to 10 companies across the region. We also plan to promote renewable energy by supporting the private sector to develop projects, working with financial institutions to provide sustainable energy financing, and engaging governments to address regulatory barriers. Finally, we will continue to deepen and expand our work to integrate gender dimensions into existing advisory programs across the region by incorporating lessons learned into ongoing projects and launching new projects covering additional countries and/or programmatic areas.

LATIN AMERICA & THE CARIBBEAN

FY10 was a year of growth for sustainability in the region. IFC added resources at a time when climate change was generating a lot of interest from IFC investment clients, leading to an increase in new projects. During the year, three new projects were approved, and two more were given the green light for development. The emphasis was on cleaner production, sustainable forestry, and eco-standards. In this year alone, IFC conducted six cleaner production scoping missions in the region and three assessments are now underway. We also made important advances on the development of monitoring and evaluation tools for carbon emissions, which will help IFC understand opportunities for the voluntary and regulated carbon markets.

Strategic Orientations

In the coming year, the cleaner production program will expand from construction materials to agribusiness. The program will also benefit from IFC's work on access to finance for sustainable energy to develop sector-wide approaches and help slow carbon-based economic growth at a larger scale. IFC will also grow its share of forestry projects thanks to an increase in resources in the region. The approach in this sector will shift from individual projects to country programs, focusing first on Mexico, Brazil, and Peru. Brazil will continue to be a center of sustainability activities, with further support to the agricultural commodities roundtables in their efforts to develop and implement eco-standards. IFC will also help clients improve land management practices in their supply chains, as part of our Brazil Amazon Initiative and efforts to promote sustainable production in frontier regions.

SOUTH ASIA

In FY10, IFC's advisory work on climate change expanded considerably in South Asia with roughly one-fifth of all new advisory projects in the region related to climate change. Cleaner production and sustainable energy were two main focus areas. We assisted six individual clients to carry out cleaner production assessments over the last two years. In Bangladesh, we entered in a partnership with the industry association and international buyers to reduce energy and water use and improve sludge management of local washing and dyeing units in the nation's textile supply chain, a major export of the country. In India, IFC works with a local bank to introduce cleaner production assessment and financing for their clients. On sustainable energy, IFC is providing concessional financing and technical assistance towards the development of India's first 5 megawatts grid-tied solar-photovoltaic power plant, and will advise banks in Sri Lanka and Nepal in financing renewable energy and energy efficiency projects.

Strategic Orientations

Sustainable energy will continue to be an area of focus in FY11, particularly in distributed generation – such as waste-to-energy, biomass, rooftop solar, off-grid lighting – and energy efficiency, specifically on green buildings in India and energy efficiency finance. A new area of growing interest in the region is access to clean water and the promotion and scaling up of drip irrigation in agribusiness. IFC is also assisting rice farmers in the coastal areas of Bangladesh who are at-risk from increasing soil salinity, to expand their adoption and use of stress-tolerant rice seeds.

GLOBAL AND MULTI-REGIONAL INITIATIVES

In FY10, IFC's global and multi-regional initiatives, through development of innovative business models and knowledge gathering and sharing, aim to support regional adoption and scale up of the sustainability agenda in our three areas of focus: climate change, biodiversity and social capital. This included developing business models for access to water for both household use and irrigation, supporting renewable energy developers, promoting the application of eco-standards in agricultural sectors, considering human rights in business, and encouraging equity investors to invest in companies with strong sustainability agendas. In line with the creation of the new Sustainability Business Advisory department, our focus areas in FY11 and going forward will emphasize addressing both mitigation and adaptation aspects of climate change, improving access to sustainable energy and water, and promoting environment, social and governance standards.

Mobilizing Finance for Sustainability

PORTFOLIO | Ongoing projects: 10 | Closed projects: 7 | Pipeline projects: 1 | Total: 18

We know the opportunities for working with the private sector in developing countries are far greater than we can provide for on our own. So we work with others who have means greater than our own to achieve large-scale impact.

INSTRUMENTS FOR SUSTAINABLE INVESTING

In 2009, global capital markets provided in excess of \$50 trillion of funding for companies worldwide, greatly surpassing IFC's own \$15 billion in new investments per year. Although portfolio equity flows to emerging markets are increasing, sustainable investment that includes environmental, social and governance factors into financial research and investment processes still only accounts for approximately 10% of total investments in emerging markets. IFC seeks to increase this proportion through policy and advocacy work, capacity building and product development.

In FY10 we have been active on all these fronts. We completed six major research pieces, including market analyses

"We were delighted by the high level of interest from fund managers and institutional investors and believe that this is truly the beginning of a greater dialogue on sustainability being incorporated into the private equity process."

Jennifer Choi, Director of Research, EMPEA after a webcast introducing the environmental and social toolkit

of India and China, as well as three major sector-based studies that were undertaken with the World Resources Institute. Together with Mercer and 14 of the world's largest pension funds, IFC is also working to develop a framework for considering climate risk in the asset allocation process.

The focus for our capacity building work in FY10 was the development of a web-based toolkit that helps private equity fund managers to integrate sustainability analysis into their investment process. The initial launch has been well received, with over 200 private equity funds using the tool.

The highlight of our product development activities during the first half of the year was the launch at the climate conference in Copenhagen in December 2009 of an innovative Carbon Efficient Equity Index. The index, which is now operational, is being considered as a benchmark by a number of different funds.

During the second half of the year, our focus swung towards private equity with the completion of some work to develop an innovative structure to help blend public and private

capital in equity funds. This work is now used in a project led by UK's Department for International Development, the Asian Development Bank, and IFC to develop a climate change fund platform that can attract and direct capital at scale to low carbon projects in emerging markets.

Lessons of Experience

Over the last couple of years IFC has refocused its sustainable investing advisory services on actively stimulating capital flows. Advocacy and capacity building work has been targeted towards specific investment opportunities and greater attention has been spent on developing new investment products. However, closer alignment is needed with IFC's investments to support catalytic investments that send a signal to the market. By way of example, market response to the carbon efficient index has been slower than hoped, but an investment on IFC's part may have helped stimulate parallel investments. Coordinating advisory projects with investment pipelines is a key takeaway from this phase and part of our future direction.

Strategic Orientations

In FY11, we will increase our focus on private equity, targeting small and medium enterprises and climate change funds. We will develop our advisory services by hiring a private equity specialist and capitalizing on IFC's funds expertise and its new Asset Management Company. We will also work with IFC's investment business, since they can make catalytic investments that support our efforts to transform markets. Finally, we want to combine the index work, the advocacy activities with pension funds, and our engagement with companies to take a more holistic approach to promoting sustainable and inclusive investment markets. By using IFC's Performance Standards as the basis for each intervention, we aim to help companies to identify opportunities and articulate them in a manner that the market can understand and value. By using a common approach for both companies and investors, we aim to reduce the information gap and stimulate capital flows to more sustainable companies.

PROJECT HIGHLIGHTS

Environmental and Social Toolkit for Private Equity

The ES Toolkit is an on-line tool to help private equity fund managers identify and manage environmental and social risks and opportunities in their portfolios, from the investment screening phase through to management and exit. The toolkit was designed to be a comprehensive resource, to help the private equity industry better understand the environmental and social risks potentially facing their investments but also to highlight the opportunities for proactively addressing these challenges while expanding their business options. The toolkit also will help private equity fund managers report on their environmental and social activities to investors. It has been distributed to approximately 250 companies in the private equity industry, worldwide, and 200 people have used it to date. It can be accessed at www.estoolkit.com

Carbon efficient index

In December 2009, IFC and Standard & Poor's launched the world's first carbon efficient index for emerging markets. The new index provides investors with an emerging markets benchmark portfolio that delivers the same return as the well-established S&P/IFCI index with a 28% lower carbon footprint by overweighting allocations to more carbon efficient companies. IFC provided technical and financial support in the product development process, also convening a number of large institutional investors to help shape the index. This support was coupled with financial assistance to the Carbon Disclosure Project to reach over 400 companies listed in emerging markets for the first time, encouraging them to publicly disclose their greenhouse gas emissions.

FINANCIAL MECHANISMS FOR SUSTAINABILITY

Climate change is a global development challenge that can be addressed through both public and private activities. IFC deploys donor funded concessional financing through investment instruments to catalyze climate change projects that would not naturally happen in the market as a result of market barriers preventing sponsors or other financiers from making those investments. IFC uses donor funds for investments to address those market barriers and these funds can serve a catalytic role by providing softer financing to enable those projects to move forward. Projects are meant to demonstrate to markets the viability and actual risk level of similar projects that will then be financed on commercial terms.

IFC itself has a growing pipeline of commercially viable climate change projects in all areas, including financial markets, infrastructure and manufacturing. IFC has also witnessed a number of investments that require concessional, or softer, financing in order to make those projects happen. For these, IFC uses donor funds to provide concessional financing alongside IFC financing to enable climate change investments. IFC uses these funds to address market barriers preventing sponsors or other financiers from making those investments. IFC also deploys, alongside these investment, donor supported advisory services to address systemic barriers preventing private sector investment. IFC has 15 years of experience managing donor funds for investments and advisory services in the climate change field. Traditionally, these funds have been channeled through multilateral funds, such as the Global Environment Facility (GEF), and more recently the Climate Investment Funds (CIF).

IFC's use of donor funds is meant to have a catalytic effect by enabling projects to move forward, that are otherwise not being financed by the market. For instance, advisory services can fill information gaps where the

perceived and actual risks differ, while softer financing can make projects financially attractive. Projects eligible for concessional financing are meant to demonstrate to markets the viability of similar investments, and in many cases show that actual risk level is lower than perceived. The objective is that subsequent and similar projects will be financed on commercial terms based on the success of the donor-funded intervention. This is why it is crucial to adjust the concessional funding in ways that demonstrate to the markets that these investments can be commercially viable.

IFC's Financial Mechanisms for Sustainability team (FinMech) manages concessional funds given to IFC by donors, be them multi-donor facilities, such as the GEF and CIF, or bilateral donors. FinMech has two main functions: (i) managing IFC's engagement with donors placing funding for deployment in concessional financing to catalyze climate change projects, and (ii) appraising and structuring concessional into the financing package, and submitting for approval donor-funded investments within IFC, where IFC projects are using concessional funding.

During FY10, FinMech reviewed over 30 projects, and facilitated the approval of nine of them for a total of more than \$50 million in donor funds. These projects mobilized more than \$380 million in co-financing, and spanned both investment and advisory.

All these projects are meant to address climate change. The 6 investments include 3 projects that provided financing to financial intermediaries for on-lending to energy efficiency projects in Turkey and Vietnam, one wind farm in Latin American and the Caribbean, and one solar farm in Central Europe. The advisory services include a global cleaner production facility, an infrastructure advisory project in the Middle East, and the development of an information tool to enable institutional investors to invest in emerging markets climate change sectors.

Where does the money come from?

FinMech manages more than \$300 million from two main multilateral sources:

The Global Environment Facility

- The Environmental Business Finance Program (\$20 million) supports financial intermediaries to develop financing programs for small and medium enterprises involved in climate change and biodiversity activities.
- The IFC Earth Fund (\$40 million) supports market transformation through the testing or scaling-up of new technologies, financial products/structures and business models, with priority given to those projects with the highest potential to reduce greenhouse gas emissions or biodiversity loss.

The Climate Investment Funds

The IFC allocation is expected to be in excess of \$800 million over the next three years.

- The Clean Technology Fund scales up clean technologies that show significant potential for long term GHG emissions savings.
- Strategic Climate Fund consists of three sub funds:
 - The Pilot Program for Climate Resilience pilots and demonstrates approaches for integration of climate risk and resilience into development policies and planning
 - The Forest Investment Program supports efforts to reduce emissions from deforestation and forest degradation by financing investments that address drivers of deforestation and forest degradation.
 - The Scaling Up Renewable Energy Program encourages low income countries to exploit small scale renewable energy potential to move toward low carbon energy paths.

Lessons of Experience

Investing donor funds together with IFC's own funds can in some cases result in conflicts of interest when the risks need to be distributed among the investors. IFC's management structure through FinMech addresses these concerns since FinMech is independent from IFC's mainstream investment arm. IFC has a policy for donor-funded investments to address conflicts and ensure that donor funds are invested with the same standard of care as if they were made with IFC's own funds, and that donor funds are processed in accordance with IFC's investment practices. Conflicts of interest vary by

project depending on the function of the financing and its structure vis-à-vis the IFC financing. In some donor-funded investments where the donor funding is *pari passu* to IFC in all or most respects, conflicts may be minimal (although the ability to provide concessionality may also be minimal); but in instances where donor funding is significantly different in structure, conflicts are likely to be present, and the obligation to manage these is higher. In order to mitigate conflicts of interest, the processing and supervision of donor-funded investments are done by a separate team, FinMech, operating at arm's length from the staff responsible for processing and supervising any related investment for IFC's own account. Investment decisions involving donor resources are approved by a designated Investment Review Committee comprised of IFC Senior Management members who are also free from conflicts related to the investments they approve.

Strategic Orientations

During FY11, FinMech will continue to engage throughout IFC advisory and investment departments to develop a pipeline of climate change projects that require concessional funding, and will continue to engage with donors to bring in additional funding that can be used to catalyze climate change projects that may not be happening in the market. This will include working closely with the GEF to replenish their private sector window, including the IFC Earth Fund, as well as continued coordination to develop the country investment plan for the three sub funds of the Strategic Climate Funds.

In addition, FinMech will be working with IFC investment and advisory departments to continue developing a robust pipeline of projects eligible for concessional finance.

PROJECT HIGHLIGHTS

Wind Farm in Mexico

In Mexico, IFC is investing \$24 million of its own funds alongside \$15 million from the Clean Technology Fund to help construct a wind farm in Oaxaca State in southern Mexico. The CTF is providing a subordinated loan at concessional rates to offset some of the "early market" entrant costs and demonstrate to other financiers that wind projects in Mexico can sustain more debt and risk than currently believed, thereby encouraging larger debt flows to future wind projects. The project will displace fossil-fuel generation, help reduce local air pollutants, and improve air quality for the local population. IFC expects the project to generate around 295 gigawatt hours of clean, renewable energy and allow Mexico to avoid over 156,000 tons of greenhouse gas emissions a year.

Climate-Friendly Leasing in Turkey

In Turkey, IFC is adding \$15 million in Clean Technology Fund funds to its own \$60 million investment in two local Turkish leasing companies, Finans Leasing and Yapi Credit Leasing. The funds will help finance many small climate-friendly leases, upgrade or replace equipment, and support small-scale renewable energy projects, which will slash energy costs and avoid greenhouse gas emissions by some 120,000 tons per year. The CTF is providing financing at concessional rates to help address barriers that currently prevent the companies' entry into the sustainable energy market. The funds from the Clean Technology Fund will also support advisory services to help build the capacity of the leasing companies.

DONOR PARTNERS

Given the magnitude of the sustainability challenges in emerging markets, no institution can succeed alone. IFC seeks partnerships, notably with donor partners, to increase its impact. These partnerships are especially important in a resource-constrained environment. By pooling resources and expertise, the partners can concentrate on their comparative advantage and make the most of their respective strengths.

IFC's direct partnerships with donor governments to promote sustainability started in 2002 and by FY10, IFC had counted on the support of more than 20 donor partners and around \$75 million in funding since FY07 alone.

In FY10, 15 donor partners committed close to than \$29 million to sustainability advisory projects. This includes contribution from the Global Environment Facility of about \$15 million, the rest coming mostly from donor governments. The business line also received its first contribution from a

private company when Disney committed \$200,000 to the Better Work program. The Sustainability Business Innovator received about \$11.7 million from donor partners, while IFC's regional facilities received the remaining \$17.2 million.

Strategic Orientations

To reinforce its partnerships with donors, IFC will hold its first donor meeting on sustainability advisory in November 2010, in Frankfurt. Current and potential donor partners will be invited to discuss how to mobilize private sector investments to promote sustainability in emerging markets. It will also be an opportunity to discuss the nexus between sustainability and inclusivity, as IFC is bringing these two themes under one roof that will include the existing activities of the sustainability business line.

PROJECT HIGHLIGHT

IFC and Italy to Deliver Access to Clean Energy

IFC and Italy entered a five-year partnership in July 2010 to facilitate access to off-grid energy to 10 million low-income people in emerging markets. "The main goal of this program is to create market conditions that will make off-grid technologies affordable to local populations," said Stefania Prestigiacomo, the Italian Minister for the Environment, Land, and Sea. Rachel Kyte, IFC VP for Business Advisory Services, explained the energy challenges facing the world's poor. "There are 1.6 billion people without access to electricity and 2.5 billion that rely on dirty fuel," she said. "These are markets that can be sustainably transformed." The immediate focus of the program will be on off-grid lighting, building on the World Bank Group's existing Lighting Africa program. The partnership will then transpose the market transformation approach to other regions and eventually to other energy-related sectors, such as electrification, cooking, and heating.

Portfolio of Projects

This is the complete projects portfolio of IFC Advisory Services in Environmental and Social Sustainability as of June 30, 2010. It includes ongoing projects, projects closed during FY10 and the pipeline of considered projects.

Definitions

Geographic Focus	The region or the countries in which the project is implemented.
Donor funding	The amount of donor funding that the Innovator has committed to the project.
Donors	The donors that have provided funds for this project or projects of this type. <ul style="list-style-type: none">• Donors are mentioned under every project eligible to their funding even if the project did not charge their trust fund.
Practice area	The theme under which a project is managed in the Innovator.
Project cost	The total cost of a project when contributions from partners other than the Innovator and its donors are included.
Start date	The date at which the project has started spending donor funds.
Description	The description of the project and its objectives
Status update	The recent developments in an active project.
Results	The results of a project that was completed during this fiscal year.

Legend

Ongoing	Completed	Pipeline
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The projects are grouped by region, then by status, then by practice area

- The ongoing projects were active and not closed during the fiscal year 2010.
- The completed projects were closed during the fiscal year 2010.
- The pipeline project had an early description approved internally as of the fiscal year 2010.

PORTFOLIO OVERVIEW

These tables report the distribution of the portfolio of ongoing, closed and designed projects of the environmental and social sustainability business line in FY09 and the total cumulative projects since the beginning of these activities.

IFC's fiscal year runs from July 1 to June 30th.

The ongoing projects were active and not closed during the fiscal year 2010.

The closed projects were operationally and financially closed during the fiscal year 2010.

The pipeline project had an early description approved internally as of the fiscal year 2010.

Table 2: Regional Portfolio by Status

Information on projects from the environmental and social sustainability business line of IFC for the fiscal year 2010 running from July1, 2009 to June 30, 2010.

	Global and multi-regions	Sub-Saharan Africa	East Asia and the Pacific	Europe and Central Asia	Latin America and the Caribbean	Middle East and North Africa	South Asia	Total
Ongoing	32	21	9	12	8	7	14	103
Closed	16	10	4	4	5	1	3	43
Pipeline	2	2	6	1	1	1	2	15
Total	50	33	19	17	14	9	19	161

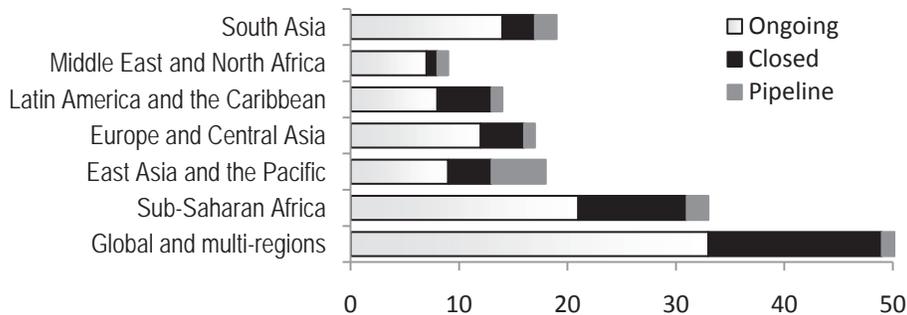


Table 3: Regional Portfolio by Advisory Services

Information on projects from the environmental and social sustainability business line of IFC for the fiscal year 2010 running from July 1, 2009 to June 30, 2010. Projects in the paler-colored rows of each theme will be transferred to another business line in FY10, except in the case of *Nature-based products and services* for which IFC will be phasing out its activities and *Gender in the value chain* for which the global team will support regional projects but will no longer originate projects.

	Global and Multi-Regions	Sub-Saharan Africa	East Asia and the Pacific	Europe and Central Asia	Latin America and Caribbean	Middle East and North Africa	South Asia	Total
Climate Change	15	13	5	12	5	2	17	69
Sustainable Energy Market Transformation	8	6	2	4	1	1	8	30
Cleaner Production	2	5		4	4	1	7	23
Sustainable Water	2	1		1			1	5
Sustainable Energy Finance	1		2	2				5
Clean Tech Investments	2	1	1	1			1	6
Biodiversity	6	3	7	2	6	1	1	26
Sustainable Forestry			2		2			4
Eco-Standards and Sust. Supply Chain	5	1	1	1	2			10
Nature-based Products and Services		1		1				2
Biodiversity-Other	1	1	4		2	1	1	10
Social Capital	13	15	4	0	1	5	1	39
Competitiveness through Labor Standards	6	1	2		1			10
Women in Business - Access to Finance	1	11	1			1		14
Women in Business - Investment Climate	1							1
Women in Business - Others	1	2	1			4	1	9
Community Investment	1							1
Sustainability Strategies	2							2
Gender in the Value Chain	1	1						2
Corporate and Social Responsibility								0
Sustainable Investing	10	2	2		2	1		17
Other	6		1	3				10
Total	50	33	19	17	14	9	19	161

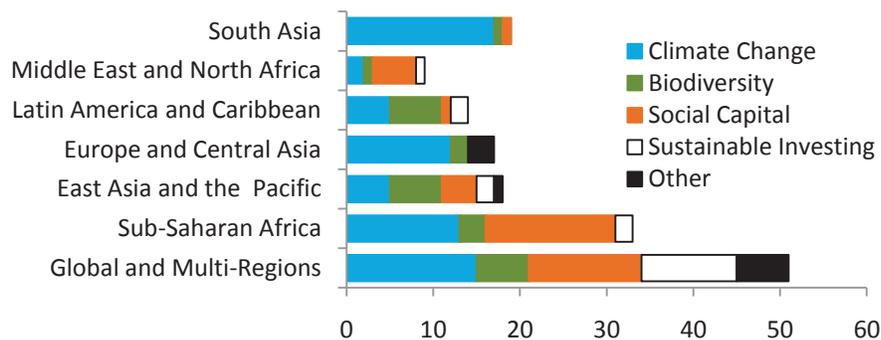
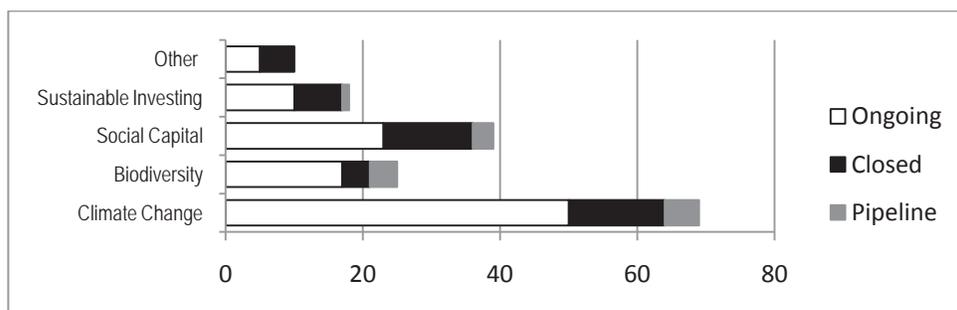


Table 8: Status of Portfolio by Advisory Services

Information on projects from the environmental and social sustainability business line of IFC for the fiscal year 2010 running from July1, 2009 to June 30, 2010. Projects in the paler-colored rows of each theme will be transferred to another business line in FY10, except in the case of *Nature-based products and services* for which IFC will be phasing out its activities and *Gender in the value chain* for which the global team will support regional projects but will no longer originate projects.

	Ongoing	Closed	Pipeline	Total
Climate Change	50	14	5	69
Sustainable Energy Market Transformation	22	6	2	30
Cleaner Production	18	3	2	23
Sustainable Water	2	2	1	5
Sustainable Energy Finance	4	1		5
Clean Tech Investments	4	2		6
Biodiversity	17	4	5	26
Eco-Standards and Sustainable Supply Chains	6	2	2	10
Sustainable Forestry	1		3	4
Nature-based Products and Services	2			2
Biodiversity -Other	8	2		10
Social Capital	23	13	3	39
Competitiveness through Labor Standards	5	5		10
Women in Business - Access to Finance	7	4	3	14
Women in Business - Investment Climate	1			1
Women in Business - Others	8	1		9
Community Investment	1			1
Gender in the Value Chain		2		2
Sustainability Strategies	1	1		2
Corporate and Social Responsibility				0
Sustainable Investing	9	7	1	17
Other	5	5		10
Total	104	43	14	161



GLOBAL AND MULTI-REGIONS

Geothermal World				Ongoing
Advisory Services	Sustainable Energy Market Development	Start Date	07/15/09	
Geographic focus	World	Project Cost	\$443,000	
Donors	IFC	Donor Funding	\$443,000	
		Project ID	561498	
Description	This project aims to enhance Knowledge Management (KM) for geothermal energy projects in both advisory and investment. This project will gather structure and disseminate information about market barriers in the geothermal market and potential IFC interventions in four regions with significant geothermal potential. Geothermal power plants are characterized by high capital investment for exploration, drilling wells, and plant installation, but low cost for operation and maintenance.			
Status update	The Geothermal World project has conducted a scoping strategy exercise and an analysis of the global geothermal potential. It identified focus regions and barriers for the development of geothermal energy. This analysis has been communicated to the IFC regional teams of East Asia, and Latin America and Caribbean, where the greatest opportunities exist, in order to enhance the direction of the Geothermal World project. Geothermal technical experts carried out country-market scoping studies to identify market barriers to geothermal technology adoption and propose recommendations to address these country/region specific barriers. It was found that Latin America is a region with high geothermal potential, and in the coming months regional teams will continue exploring the opportunities.			

Photovoltaic Market Transformation Initiative (PVMTI)				Ongoing
Advisory Services	Sustainable Energy Market Development	Start Date	07/01/98	
Geographic focus	World	Project Cost	3,540,000	
Donors	GEF	Donor Funding	3,540,000	
		Project ID	502223	
Description	PVMTI's primary objective is to help PV businesses and projects to grow towards financial viability particularly in India, but also Kenya and Morocco. PVMTI represents a strategic intervention to stimulate PV business activity in selected countries and to demonstrate that quasi-commercial financing can accelerate its sustainable commercialization and financial viability in the developing world. It is based on the premise that private sector project design and management will result in more sustainable ventures than government or donor financed PV procurements alone could provide.			
Status update	The initiative has used the power sector to contribute to sustainable economic growth and accelerated poverty alleviation, a goal that has been identified by the Government of India. While the initiative is drawing to a close, the Moser Bauer subproject (567207) was active during FY10 and has is expected to be completed by the end of 2012. The next steps will be to continue monitoring and supervising projects in the portfolio, and to effectively apply the lessons learned from the PVMTI initiative in the broader Sustainable Energy Market Development South Asia program.			

Fuel Cell Financing for Distributed Generation Application-Phase 1				Ongoing
Advisory Services	Sustainable Energy Market Development	Start Date	08/29/01	
Geographic focus	World	Project Cost	\$350,000	
Donors	GEF, IFC	Donor Funding	\$350,000	
		Project ID	507107	
Description	The goal is to catalyze the creation of sustainable markets for fuel cells in suitable stationary power applications. The objective of stage 1 is to help 3 selected companies increase their supply of fuel cells, reach a critical mass, reduce the fuel cell manufacturing and installation costs, and demonstrate the viability of the technology for certain applications. The objective of stage 2 is to achieve economies of scale so the fuel cell technologies can continue the commercialization process and effectively compete with other climate friendly technologies.			
Status update	Due to the slow development of the fuel cell market and a lack of appropriate sub-project applications submitted by fuel cell companies, the involvement of IFC in the fuel cell market is being re-evaluated. For fuel cells to have a sustained impact, they must be economically sustainable. When IFC first began its involvement in fuel cells it was expected that the price of fuel cells would drop precipitously in a few years. Unfortunately, the cost points and manufacturing thresholds that were predicted did not come to pass and this is still the case. The program has highlighted the risk involved in implementing projects to promote technologies that have not yet been fully commercialized.			

Sustainable Energy Knowledge Hub				Ongoing
Advisory Services	Sustainable Energy Market Development	Start Date	11/01/08	
Geographic focus	World	Project Cost	\$1,457,000	
Donors	Austria, IFC, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$1,457,000	
		Project ID	561389	
Description	The project will help catalyze the growth of knowledge on sustainable energy market development through the creation of a central internal knowledge hub, improving IFC's institutional capacity, and further expanding its global scope and knowledge through the creation and dissemination of discreet knowledge products and implementation of outreach events such as conferences and workshops.			
Status update	During the period, the project successfully deployed an IT platform and database to internally disseminate knowledge management products and information on sustainable energy market development. The project supported the development of knowledge products to capture market intelligence and lessons learned from implementation of sustainable energy engagements which would not otherwise be funded			

Green Initiative for Telecommunications				Ongoing
Advisory Services	Sustainable Energy Market Development	Start Date	07/20/09	
Geographic focus	World	Project Cost	\$370,000	
Donors	GEF, Netherlands	Donor Funding	\$370,000	
		Project ID	567769	
Description	The project aims to encourage 2 mobile network operators to use renewable energy technologies to power 50 of their off-grid base stations within 2 years of this project's completion. To encourage the switch from diesel generators to Renewable technologies, IFC, working with the GSMA under their Green Power for Mobile (GPM), will: conduct 8-10 feasibility studies, publish industry reports, create a database on the performance and cost of such Renewable Energy installations, train mobile operators, and design financial products for financing these installations. The installation of 50 "green" technologies to displace diesel generators is expected to avoid the emission of 2,600 MT/yr of greenhouse gases. Ultimately, however, IFC hopes that this project will demonstrate the commercial viability and reliability of Renewable Energy technologies for off-grid base stations, leading to widespread industry replication and a significant reduction in greenhouse gas emissions			
Status update	The program has shown key milestones over the past 6 months including: 1) Creation and distribution of the Homer Training Guide - a tool that can be used for the optimization of the energy source mix utilized for powering telecom towers (http://www.gsmworld.com/documents/homer_training_guide_210X297.pdf) 2) Securing a multi-country project in Latin America, a region where GPM has not had a major presence in the past 3) Released 3 new case studies (Digicel Haiti, Zantel Tanzania, MTN Uganda) 4) Published the second Bi-annual report (http://www.gsmworld.com/documents/GPM_Bi-Annual_Report_June_10.pdf) 5) Completed a multi-country project with Econet across Burundi, Zimbabwe & Tanzania. The program will complete an additional 9 feasibility studies, and will publish a replication guide as well as the third Bi-annual report.			

Cleaner Production Technical Assistance Rapid Response Pilot				Ongoing
Advisory Services	Cleaner Production	Start Date	06/01/07	
Geographic focus	World	Project Cost	\$225,000	
Donors	Denmark, Norway, IFC, Italy, Luxembourg, Netherlands, New Zealand, Norway	Donor Funding	\$200,000	
		Project ID	556245	
Description	The project will provide rapid deployment of technical assistance to identify Cleaner Production improvement opportunities for at least 2 IFC clients or prospective pipeline client within the project period. Ultimately, the desired impact is that these 2 clients will achieve at least 50% of possible resource savings within 2 years of their receipt of the Cleaner Production audit reports			
Status update	Two programmatic Cleaner Production audits were conducted. The Office Building sector in Morocco and the Hospital Sector in the Philippines, were identified as a key sector of focus moving forward.			

Global Cleaner Production Facility				Ongoing
Advisory Services	Cleaner Production	Start Date	08/03/09	
Geographic focus	World	Project Cost	\$6,410,000	
Donors	Earth Fund, Japan, Netherlands.	Donor Funding	\$6,410,000	
		Project ID	568587	
Description	The overall objective of the Global CP Facility is to assist the regions in ramping up their cleaner production activities through: (a) providing technical expertise and co-funding for Cleaner Production audits and to identify cleaner production investments that IFC can help its clients finance, and (b) scaling up the Cleaner production offering through financial institutions in collaboration with the FMS team (the Financial Markets Sustainability group).			
Status update	Substantial progress continues to be made by the global CP team in several key areas. Some of the specific activities undertaken during the period include (i) Advice by the Cleaner Production Headquarters team to regional teams on program design and structuring, strategy development, and resource planning (ii) Coordination and engagement with different departments on Cleaner Production pipeline development and on promoting Cleaner Production through client banks (iii) Continued project screening and quality assurance (iv) Visits by Cleaner Production specialists to the regions (v) practice group meetings in January, March, and May 2010 to review the global results measurement framework, share lessons of experience and (vi) Participation by HQ cleaner production specialists in a workshop focused on cleaner production opportunities in the construction industry held in Colombia in April 2010;			

Global Microeconomics of Water				Ongoing
Advisory Services	Sustainable Water	Start Date	03/14/09	
Geographic focus	World	Project Cost	\$5,500,000	
Donors	IFC	Donor Funding	\$1,500,000	
		Project ID	568687	
Description	The objective is to advance the understanding of water issues by producing a fact base for the water sector thus enabling informed economic development decision-making on initiatives that involve water/land/labor/energy tradeoffs. The effort is a three-way partnership between IFC, McKinsey and a group of private sector companies interested in playing a substantial role in the broader water sector. The fact base will constitute a global public good and serve as a tool to provide clear problem definition on what is the economically relevant "target" to reduce water scarcity and to identify the most cost-effective way to meet specific target.			
Status update	The Creating Our Water Future report has established a new framework for managing water as an economic resource. "Water Cost Curves" were developed for several key "deep dive" countries including India, China, South Africa and the Sao Paulo state of Brazil. During FY10, the 2030 Water Resources Group successfully launched the "Charting Our Water Future" report on November 23, 2009 at the World Bank with introduction by Robert Zoellick and Lars Thunell. The event received world-wide press coverage and succeeded in highlighting IFC's thought leadership in the water Sector.			

Sustainable Energy Facility (REEF II)				Ongoing
Advisory Services	Sustainable Energy Finance	Start Date	12/02/97	
Geographic focus	World	Project Cost	\$20,264,389	
Donors	GEF	Donor Funding	\$20,264,389 including \$14,000,000 in investment	
		Project ID	502222	
Description	The objective of the project is to enable E+Co to commit \$14 million in financing to 44 small and medium sized enterprises that operate in the area of sustainable energy and improve their financial strength.			
Status update	To date the program has been catalytic in helping to develop the clean energy market in SMEs, given the role of IFC being a strategic partner to E+co. E+co continues its efforts in Asia and Latin America with investments in Cambodia, Thailand, Philippines, Singapore, China, Guatemala, Honduras, Nicaragua and El Salvador. E+Co now has a total of 34 investments in 28 enterprises.			

Water Health International			Ongoing
Advisory Services	Clean Tech Venture Investments	Start Date	02/17/04
Geographic focus	World	Project Cost	\$1,267,190
Donors	Denmark, Netherlands, IFC	Donor Funding	\$1,267,190
		Project ID	521702
Description	Water Health International (WHI) provides clean drinking water to underserved rural and peri-urban populations in emerging markets. WHI has an innovative ultra-violet disinfection technology and innovative "water store" or "micro utility" business model. At this project's inception, WaterHealth International (WHI) had operations in only one developing country market (Philippines). By providing and catalyzing financing to WaterHealth International (WHI), this project will enable WHI to launch and grow commercial operations in three new country markets by project end, thus enabling it to have operations in four country markets. The ultimate goals are: (i) to provide access to clean, affordable water to people who currently lack this access; and (ii) to demonstrate to investors the commercial viability of cleantech companies operating in developing countries, thereby increasing these companies' access to financing.		
Status update	WHI has raised \$49.45 million in co-investment with IFC and subsequent financing rounds. This figure includes \$15 million from IFC's mainstream investment operations (Infrastructure Department) including loan commitment of \$10 million committed in February 2009 and \$5 million in equity (converted from debt) invested in June 2010. In terms of development impact, the WHI investment has led to delivery of clean water at an EOF investment cost of approximately \$0.56 per person (and a cost to its approximately 2.16 million consumers of about \$14.50 per annum for 8 liters/person/day).		

Cleantech Transition Knowledge Management			Ongoing
Advisory Services	Clean Tech Venture Investments	Start Date	08/26/09
Geographic focus	World	Project Cost	\$220,000
Donors	Italy, Luxembourg, Netherlands, Norway.	Donor Funding	\$220,000
		Project ID	570689
Description	The Cleantech Transition Knowledge Management (CTKM) project aims to maximize the impact of IFC's work in Cleaner technology investment by helping to mainstream IFC investment. This will be achieved by preserving and making accessible the operational know-how and knowledge gained and continuing to be accrued from the advisory team's previous engagement in Cleantech investments.		
Status update	The Cleantech Practice Group now numbers 177 members, of which 85 are investment officers, including manager and director-level staff (compared to baselines of 128 and 45). A Cleantech Practice Committee has been established whose members have provided input on matters related to investment program collaboration, strategy and knowledge management across departments. A lessons learned thought piece and a business developer's toolkit, synthesizing the experience in large part developed through the prior donor-funded Cleantech investment program, have been useful tools in awareness raising / training events with over 50 staff. Several speaker events have been organized and also a Cleantech Workshop, which created a lively exchange between 10 established Cleantech venture funds, 10 IFC client fund managers and 30 IFC staff. Through CTKM staff's advocacy, IFC's cleantech venture investment program was invited to speak at 6 leading Cleantech conferences (Boston, Beijing, Paris, Berlin, Hong Kong, New York). Staff presented a Cleantech strategy to management and achieved inclusion of Cleantech for the first time in IFC's corporate strategy. The most significant outcomes of the CTKM, however, have been the closing of four growth stage Cleantech investments for a total of \$34 million committed; Shuoren, an energy efficiency company in China; Husk Power, a distributed biomass-fired generation company in India; and Azure Power and Applied Solar, two solar energy companies in India. As this report goes to press, a new team dedicated solely to Cleantech investment has been established and a knowledge management point person has been appointed by IFC to help further scale up IFC's work in supporting Cleantech innovation through investments. The CTKM team is now drafting a project completion report to review the results of the project.		

Better Management Practices in Sugar Cane				Ongoing
Advisory Services	Eco-standards and Sustainable Supply Chain	Start Date	05/03/10	
Geographic focus	World	Project Cost	\$275,000	
Donors	South Africa, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$275,000	
		Project ID	549330	
Description	The overall goal of the project is to improve the sustainability of the sugar cane supply chain. Specifically it aims to develop a knowledge management tool for the the Better Sugarcane Initiative (BSI) in the form of a Better Management Practices (BMP) Manual that documents the business case and state-of-the-art practices used around the world to manage and mitigate environmental and social risk within the sugarcane industry. The generation and sharing of information contained in the manual would be achieved through a process of consultations and meetings with BSI members in three knowledge sharing events reaching 150 participants			
Status update	A contract was signed with the South African consulting company and a revised timetable which aims to develop a Final BMP Manual Approved by Feb 28th 2011. The consulting team and literature review contributors met in South Africa in June to discuss specific details of chapters of the GMP Manual and to discuss possible site visit countries. The literature review is ongoing.			

Biodiversity and Agricultural Commodities Program				Ongoing
Advisory Services	Eco-standards and Sustainable Supply Chain	Start Date	07/01/04	
Geographic focus	World	Project Cost	\$21,656,705	
Donors	GEF, Japan, IFC, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$8,794,705	
		Project ID	523359	
Description	By supporting global market transformation efforts and the adoption of biodiversity related Better Management Practices (BMPs), the Biodiversity and Agricultural Commodity Program (BACP) will increase biodiversity protection in the production landscapes. This is the initial 5 year first phase of a 10 year program. Over five years, and working with initially 2 target commodity sectors, (palm oil, and soy beans). BACP seeks to achieve the following outcomes: 1) A strong enabling environment that supports the integration of cost-effective biodiversity preservation opportunities at all levels of the value chain, 2) The implementation of biodiversity-friendly practices into production and on-farm processing, leading to a measurable decrease of the farm's impact on biodiversity of global significance 3) A significant increased mainstream demand from purchasers for commodities produced using biodiversity-friendly techniques, 4) The recognition by financial institutions of the economic benefits of biodiversity-friendly production methods and practices, and the subsequent integration of this factor in their investment procedures and 5) The availability of a simple methodology to link the use of a given commodity certification system to its actual impact on biodiversity.			
Status update	Work with Palm Oil grantees during the period included the following: 1) Paneco Foundation-developed a High Conservation Value (HCV) forest map of Tripa, prepared some awareness raising activities, and developed a participatory smallholder training plan and rehabilitation plan for 100 ha of degraded land to be rehabilitated for palm oil plantation 2) Flora and Fauna International (FFI) -organized a Geographic Information System (GIS) planning training for Kapua Hulu district government officials. Building awareness amongst local government officials of the importance of spatial planning processes 3) A roundtable for Sustainable Palm Oil-Biodiversity Technical Committee (RSPO-BTC) contributed significantly to the accreditation process of HCV-assessment auditors and accredited 50 assessors. Numerous BACP partners participated in the globally wide palm oil sector stakeholder workshop consultations conducted by the World Bank Group (WBG) in May/June, providing input for the formulation of a global level strategic approach to guide WBG's future engagement in the sector. In the area of Soy bean production 3 Soy Grant Agreements in Brazil, were signed during this period to 1) support evaluations on the impact of various land use management systems-involving soy production-on mammal species and freshwater biodiversity 2) to expand the reach and scope of social and environmental responsibility (RSR) among soy producers and 3) develop a HCVA mapping methodology.			

Business and Biodiversity Offsets Program				Ongoing
Advisory Services	Eco-standards and Sustainable Supply Chain	Start Date	12/07/07	
Geographic focus	World	Project Cost	\$493,062	
Donors	IFC, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$493,062	
		Project ID	550585	
Description	The goal of the program is to strengthen the development of an international market-based mechanism for biodiversity conservation based on "caps and credits". The objective of this project is to define standards and create methodologies to be tested in 10 pilot sites. The project will contribute to the international dialogue on, and acceptance of, biodiversity offsets as a valid and legitimate action to compensate for residual and unavoidable damage to biodiversity that may occur as a result of an investment project. A biodiversity offset is defined as "a conservation activity intended to compensate for the residual, unavoidable harm to biodiversity caused by development projects".			
Status update	The project was successful in achieving its objective of developing a methodology and set of principles to guide the design and implementation of biodiversity offsets. The methodology and lessons learned by this project are serving as guidance and support for IFC and other international financial institutions, including Equator Banks when dealing with biodiversity offsets. They are also providing a clear option for other industry and standard-setting groups that promote sustainable activities. During the last year of the project, BBOP completed a scoping study on aggregated offsets and conservation banking opportunities in developing countries. For this, BBOP interviewed experts, and conducted workshops, in 13 countries: Brazil, Cambodia, Ecuador, Ghana, Liberia, Madagascar, Malaysia, Mexico, Mongolia, Papua New Guinea, Peru, South Africa, and Uganda. The satisfaction and success of these workshops are evidenced by the fact that 9 of these countries' governments have submitted formal letters of request seeking BBOP assistance as they develop policy on biodiversity offsets.			

Bio-Trade Program				Ongoing
Advisory Services	Eco-standards and Sustainable Supply Chain	Start Date	05/15/08	
Geographic focus	World	Project Cost	\$3,918,450	
Donors	Netherlands, Denmark, IFC, Italy, Luxembourg, Norway	Donor Funding	\$2,350,000	
		Project ID	557585	
Description	The goal of the Biotrade Program is to contribute to the reduction of poverty and the conservation of biodiversity through the development and growth of the bio-trade market, including its enabling environment, and private sector entrepreneurs. It aims to support the institutional development and financial consolidation of the Union for Ethical Biotrade (UEBT) as the vehicle to develop and validate the Principles and Criteria that define bio-trade and a verification framework to differentiate sustainable biodiversity based products from the rest of the market.			
Status update	UEBT has continued to make good progress toward its objectives. To date, 27 companies have gone through an external verification bringing total membership to 43, with 63% Trading Members. Additionally, UEBT has made significant strides in improving and increasing the services it provides to its members such as market data through its annual Biodiversity Barometer report and member-level guidance around Access and Benefits Sharing. Moving forward, UEBT will have to continue to pursue greater efforts to secure members and fund-raise in order to achieve financial sustainability and have incorporated these priorities into their strategic plan.			

Conservation International 2- Conservation Finance Program				Ongoing
Advisory Services	Biodiversity-Other	Start Date	02/23/05	
Geographic focus	World	Project Cost	\$990,000	
Donors	GEF	Donor Funding	\$990,000 including \$750,000 in investment	
		Project ID	532744	
Description	The project promotes Conservation International's (CI) Verde Ventures conservation finance program with the objective to invest in at least 15 SMEs that will conserve and protect biodiversity and provide employment and social benefits to their communities. IFC had originally loaned \$1 million in 1998 to CI's Conservation Enterprise Fund to support investments in 5 ventures. That initiative proved to be successful and is now being scaled up and modified through the Verde Ventures initiative.			
Status update	As of April 2010, VV has financed 12 out of 15 SMES, and has established monitoring and evaluation systems. Overall, the borrowers have performed acceptably, and none have defaulted on their loans. Conservation International will continue to improve monitoring and evaluation systems in order to better assess actual environmental impacts.			

Human Rights Impact Assessment Road-Testing and Voluntary Principles Scoping				Ongoing
Advisory Services	Competitiveness through Labor Standards	Start Date	04/01/08	
Geographic focus	World	Project Cost	\$772,000	
Donors	IFC, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$425,000	
		Project ID	558085	
Description	The objective of this project is to develop practical tools and processes for IFC clients and emerging market companies to identify human rights issues associated with their business operations, manage human rights risks and impacts and seize opportunities to go beyond compliance requirements with a view to improve their economic and social performance. The intended impact is to encourage market transformation through awareness-raising and capacity-building of leading emerging market companies willing to engage pro-actively in this area. This will be undertaken through two main activities: (1) Road-testing of the draft Guide to Human Rights Impact Assessment and Management (HRIAM), and (2) Development of a new tool that will assist companies in the implementation of the Voluntary Principles on Security and Human Rights (VPs).			
Status update	The draft Guide to Human Rights Impact Assessment and Management was launched in April 2008. In this period, 3 companies from 3 different industry sectors (Telecommunications, Energy, and Oil and Gas) officially participated in the testing process, and have received advice on how to implement findings in their own business operations. The revised online version of the Guide was launched at the UN Global Compact Leaders Summit on June 25, 2010 and is publicly accessible for free, upon registration at: www.guidetohriam.org .			

Better Work I Global Training Product				Ongoing
Advisory Services	Competitiveness through Labor Standards	Start Date	07/01/08	
Geographic focus	World	Project Cost	\$570,000	
Donors	Ireland, Japan, Disney, IFC, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$570,000	
		Project ID	565128	
Description	The Better Work Global Training Product project aims to develop a set of standardized training products for Better Work factory advisors and training partners within two years. The training products will focus on increasing industrial competitiveness in labor intensive global supply chains by improving working conditions and labor/management relations. It will be used to support the implementation of Better Work country projects.			
Status update	The project has developed a total of 20 training products for use in Vietnam and to be replicated in other countries. During the reporting period, (i) the translation for the Negotiation Skills training was finalized (ii) the 3 days Production Training for garment industry was piloted and completed by June 2010.			

Gender and Investment Climate				Ongoing
Advisory Services	Women in Business-Investment Climate	Start Date	9/5/2007	
Geographic focus	World Region	Project Cost	\$700000	
Donors	IFC, United Kingdom	Donor Funding	\$700000	
		Project ID	557548	
Description	The objective of the project is to bring about legislative and regulatory reforms that will enable women's greater participation in private sector development by: a) developing methodological guidelines for replication, and providing implementation support for identified recommendations in partnership with IC BL b) analyzing gender-based barriers to private sector development, providing implementation assistance to ensure women as well as men benefit from legal and regulatory reforms. Toolkit will provide cutting-edge thinking on the gender dimensions of private sector development with a view of providing implementation-oriented, practical, replicable, and scalable tools to mainstream a gender perspective in broader IC work.			
Status update	In line with project objectives, a methodological Guideline "Gender Dimensions of Investment Climate Reform" has been developed, identifying gender issues, providing solutions and establishing M&E tools in all IC products. In addition, in collaboration with WIN-IC team, the IC BL introduced a new set of M&E gender reform indicators for each product to facilitate setting targets for gender issues in projects. The indicators were launched on June 30, 2009. The Toolkit is currently being applied and implemented in 18 projects in 5 regions. The Toolkit has been disseminated in 6 deep dive events, reached to 1500+ people; featured by 18 media outlets and had 5000+ online readers views.			

Knowledge Management- Gender Entrepreneurship				Ongoing
Advisory Services	Women in Business-Other	Start Date	07/01/09	
Geographic focus	World	Project Cost	\$898,000	
Donors	Sweden, IFC	Donor Funding	\$898,000	
		Project ID	570627	
Description	This knowledge management project aims to support IFC's Women in Business project in deepening and expanding its product outreach through t (1) capacity building - including the training of IFC staff (at times jointly with GEM Financial Institution clients); (2) research - including the commissioning of case studies and the development of toolkits; and (3) communication - including dissemination of gender-know-how, including quarterly newsletter, among other tools.			
Status update	<p><u>Access to Finance:</u> IFC continued its support to the Global Banking Alliance (GBA), since the knowledge that is gained through this organization is critical to IFC's Women in Business access to finance (A2F) program. The first GBA Africa study tour took place in Kampala-Uganda in March 2010. IFC's Development Goals, core of IFC's overall strategy, now include "Access to Financial Services" targets for women-owned businesses.</p> <p><u>Investment Climate:</u> The practitioner's guide "Gender Dimensions of Investment Climate Reform" was launched at a high profile event by the World Bank Group. Several deep dive training events have taken place in the area of Gender and Investment Climate Gender and Public Private Dialogue, and the role of Partnerships in Gender Inclusion. Importantly, the practitioner's guide already found operational applicability in 7 countries of 4 regions and is currently being applied in 8 new IFC operational projects With the financial support of Swedish SIDA, a consultant team was contracted to produce a "climate change and gender" relevance paper .The analysis focused on four specific sectors – agribusiness, forestry, energy, and water – which jointly account for over 80% of Green House Gas emissions. This assignment has reinforced the need for more broad-based survey data that would, among others, further help articulate whether women entrepreneurs in various markets operate indeed differently than their male counterparts. As part of the ongoing review of the IFC Sustainability Policy and the Performance Standards on Social and Environmental Sustainability, a Gender Review as one of 4 thematic cross-cutting areas took place. As a result, IFC will now be more explicit in requirements and suggestions of how our clients can better incorporate the gender dimension in their businesses.</p>			

Community Investment Good Practice Guidance				Ongoing
Advisory Services	Community Investment	Start Date	11/20/08	
Geographic focus	World	Project Cost	\$804,258	
Donors	IFC, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$804,258	
		Project ID	564207	
Description	To enhance the capacity of IFC staff to offer and deliver the community investment product in a consistent and high-quality manner to clients by the end of FY09 through a standardization process that includes: 1) Development of a standardized product framework that combines multiple components into a single, integrated product offering with greater emphasis on strategy; 2)Development of a standard M&E framework for all projects mapped to this product; 3) Development of a web-based Good Practice Guide to provide how-to guidance, methodologies and tools for IFC staff and clients; 4) Delivery of peer review and workshop events in Africa + HQ; 5) Coaching and technical assistance for regional AS staff, and quality review of CI projects (Phase II); and 6) Creation and maintenance of an internal community of practice.			
Status update	During this reporting period, the Community Investment Product team has completed the two major deliverables 1) The Quick Guide on Strategic Community Investment (35 pages) and 2) the Good Practice Handbook on Strategic Community Investment (140 pages). The handbook was launched as part of a 3-day IFC conference on Corporate Responsibility held in Washington, DC from June 15-17, 2010. The quick guide was uploaded and disseminated in the external website, and it has been downloaded mostly by private sector companies across the globe. Next steps will include further disseminating good practice guidance and to develop a standard training module of Community Investment strategy for IFC's clients.			

Sustainability Strategy				Ongoing
Advisory Services	Sustainability Strategies	Start Date	02/01/08	
Geographic focus	World	Project Cost	\$3,747,565	
Donors	IFC, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$1,480,000	
		Project ID	559446	
Description	The objective of this project is to develop and implement an advisory product that will promote a performance-based approach to corporate social responsibility (CSR) among emerging market companies. The project will do this by building the capacity of companies to adopt strategies and practices to improve their social, environmental and economic performance, as well as accountability and transparency to stakeholders, in line with their business priorities. The product aims to show the business benefits of sustainability by helping companies be more strategic about the CSR activities that they choose to undertake and to achieve the greatest benefits of these through effective communication.			
Status update	To scale up the advisory the Company Diagnostic (first module) has been adapted to a web based solution that provides to staff, guidance, frameworks and tool to successfully apply Sustainability Strategy approach in all emerging markets. The web application called Company Diagnostic Tool, developed jointly with AccountAbility was issued in May 2010. The Sustainability Strategy Guide was reviewed by peers in November 2009 and finalized in January 2010. On the reporting side, our partnership with GRI culminated in June 2010, achieving the result of 38 certified training partners, 23 still in process. 30 countries were covered by trainings representing 190 GRI courses given and 2927 participants attending. We are now evaluating new implementation and development opportunities in regions such as China and India.			

Sustainable Investment Country Reports				Ongoing
Advisory Services	Instruments for Sustainable Investing	Start Date	07/21/08	
Geographic focus	World	Project Cost	\$381,000	
Donors	Canada, South Africa , IFC, Italy, Luxembourg, Netherlands, Norway,	Donor Funding	\$381,000	
		Project ID	564127	
Description	The objective of this project is to gather and publish data on the state of the sustainable investment industry in five important markets by December 2010- (Brazil, India, China, Sub-Saharan Africa and Turkey). The data gathered in these studies will serve two purposes: (a) to inform the public and relevant market players about the state of sustainable investments in the markets studied, including the opportunities those markets present; and (b) to inform IFC on the specific market failures to be addressed and the feasibility of potential interventions to address such failures and stimulate each of these markets. The output of this project will be five reports including recommendations for projects in the countries studied, with target actions in each country (or otherwise the recommendation not to intervene in that country). Increased levels of publicity and interest received on the project are also expected outputs.			
Status update	The Brazilian report was successfully published in 2009, outlining the success of the IFC-supported Corporate Sustainability Index (ISE) and recommending further support for a new growth phase of sustainable investing in Brazil. Activities in Brazil are now focused on an impact evaluation of the Bovspa sustainability index, which will hopefully provide useful input to Bovespa and other relevant stakeholders regarding the necessary next steps. The India report was launched at a major capital markets conference in Mumbai. In China, two workshops were organized at which the report was promoted and disseminated. The first was organized by the Ministry of Environmental Protection and a second event was organized by ASrIA in Shanghai. The events were an opportunity to both promote the concept of Sustainable Investing but also to get feedback from the market on what needed to be done to increase sustainable investment in China. For Africa, interviews were undertaken with approximately 100 stakeholders working for pension funds, fund managers and industry associations in the region. All desk based-research has been completed and a final report is expected in late 2010. Finally, a consultant has just been selected to compile the Turkish research, and is expected to publish that report by end of December at which point the project will close.			

Sustainable Investing Tools & Training				Ongoing
Advisory Services	Instruments for Sustainable Investing	Start Date	05/01/07	
Geographic focus	World	Project Cost	\$550,000	
Donors	Switzerland, IFC, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$550,000	
		Project ID	554486	
Description	To help the private equity (PE) industry uncover value associated with addressing environmental and social (E&S) issues, IFC developed a toolkit to help PE fund managers identify and manage E&S risks and opportunities in their portfolios. The risk portion is based on IFC's performance standards and the opportunities portion covers the range of sustainability options, including cleaner production, carbon finance, biodiversity markets, and labor. These opportunities can help the PE fund manager identify cost savings, improve company reputation, highlight new markets to access for the investee company, and/or improve the investee company's position in the market. The toolkit is web-based and the current version (v1.0) is available for free. The toolkit is supported by webinars and in-person demonstrations to introduce the toolkit, answer questions, and obtain feedback in an efficient way. The toolkit and webinar combination is designed to increase the capacity of emerging market PE fund managers to integrate sustainability value-drivers into their investment decisions, improve their funds' value and performance, and increase investment in environmentally and socially sustainable companies.			
Status update	During the period, v1.0 of the toolkit was distributed to approximately 250 people (approximately 90% to Private Equity fund managers, 10% to institutional investors, consultants, etc.). Of these, 200 people have logged into the toolkit and 170 have received webinars or in-person demonstrations. In April, we worked with EMPEA, and reached out to its members. EMPEA is the preeminent business association for PE fund managers operating in emerging markets -- their members are the target audience of the project. We gave a webinar and provided instruction on the toolkit, via EMPEA's webinar series. Approximately 110 people attended the webinar, and 80% of the survey respondents said they would use the toolkit in their operations. Currently, the toolkit is in the process of being updated to include key E&S indicators, to help the PE fund manager report on its activities and tell its story. Once this information is incorporated, the team will "re-release" the revised toolkit. Webinars will continue to be provided upon request.			

Sustainable Investing Equity Market Policy				Ongoing
Advisory Services	Instruments for Sustainable Investing	Start Date	11/01/07	
Geographic focus	World	Project Cost	\$943,200	
Donors	Japan, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$713,200	
		Project ID	564867	
Description	To address market failures in Asia with respect to limited engagement between listed Asian companies and international institutional investors on sustainability issues, information inefficiencies in the market place challenging the environmental, social, governance (ESG) aspects of investing in Asian equities and absence of influential local leadership in sustainability issues from within the region's equity investment community, this project aims to 1) provide a set of comparable and quantitative key indicators that allow investors to properly analyze ESG drivers, which in turn will drive the disclosure of investor-relevant data; 2) launch this sustainability methodology through high-profiled Capital Market Events in Asia; and 3) enable a dialogue between market players on the validity of the criteria and stimulate local leadership around sustainable investments.			
Status update	Three sector reports were published in April and launched at CFA's regional Continuing Education Program. It was decided to produce a fourth report which should identify the types of challenges (organizational, perceptual, and technical) facing environmental risk integration into financial analysis in emerging Asia. The fourth report was also to gauge the CFA audience's thoughts on the reports and the methodology, as a "market test" of the methodology used by the sector reports and the challenges identified; to understand if the reports offered the industry some tools or techniques that could improve financial impact analysis. The fourth report was published in June as an electronic working paper. The report launch at CFA's Continuing Education Program in Asia attracted 240 investment analysts (or full houses) in five markets. Two of the participating analyst houses took to the methodology presented and included it in the newsletter to their clients. The reports have been broadly distributed to the investment community by direct mail, at events, CFA training and downloads from website (1855 reports were distributed/downloaded within the first two weeks of the launch). The reports are also published on PRI's and CFA's websites. The consultant has developed a revised business strategy and will continue its outreach work to increase its profile in the field of an Environmental Intelligence product. The Capital Market Days was put on hold due to the delays of the research. With the reports published, IFC and PRI are co-hosting Capital Market event(s) in Indonesia in November 2010, and possibly Vietnam early 2011. IFC also sponsors a series of sustainable investing roundtables in 5 markets in the region in the autumn 2010.			

Research and Engagement on Private Equity Investing in Climate Change Abatement				Ongoing
Advisory Services	Instruments for Sustainable Investing	Start Date	07/01/09	
Geographic focus	World	Project Cost	\$1,160,000	
Donors	United Kingdom, Earth Funds, Japan	Donor Funding	\$680,000	
		Project ID	565127	
Description	Addressing climate change will require large investment volumes across asset classes, sectors, and geographies. Investments in the low carbon/climate friendly sector take place through a number of vehicles. The PE industry in particular, is well positioned to address this investment challenge and move capital into this sector. This has yet to materialize in a significant way due to a variety of constraints, but this project was designed to leverage capital, both public and private, in a way that would have greater impact on climate friendly companies. This project includes two major tasks: 1) research and information, which will collect information on PE funds that invest in this sector, their needs, successes and challenges and identification of risks/incentives of renewable energy investments in three countries; and 2) development of public/private financial structures and marketing, which will construct financial models that blend public/private capital, and then do pilot tests against some actual funds that are in the process of raising capital. Through these efforts, this project seeks to stimulate approximately \$750 million of new institutional investments in climate friendly investment products in emerging markets, specifically through PE channels.			
Status update	Three consulting firms have been hired to support this project and work to date has included the following. Research and information on task 1, PE fund activity, has begun. Analysis has looked at PE fund performance to identify potential relationships between fund structure and returns. Initial work also has been done to model funding structures and support has been provided to E&Co to see if such a structure might potentially support their future fundraising efforts. Discussions with potential investors and other key parties have been initiated, to help better inform the structure and focus of the financial model.			

Sustainable Investing Portfolio Measurement				Ongoing
Advisory Services	Instruments for Sustainable Investing	Start Date	11/09/09	
Geographic focus	World	Project Cost	\$911,000	
Donors	Netherlands, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$556,000	
		Project ID	570147	
Description	The objective of this project is to launch the first global standard for measuring E&S performance at an aggregate level in equity portfolios within two years. The standard will be developed using the IFC Performance Standards as its initial framework. The standard will be a set of E&S indicators or criteria which will be made publically available to all portfolio investors. By using a common approach, investors (including IFC) will be able to benchmark performance against the market. By enabling comparison the standard will engender competition which over time will drive improved sustainability performance. It will also allow asset owners to set targets on sustainability as well as financial performance. The number of investors using the standard and the volume of funds following it will be the measurement of success for this project.			
Status update	Over the last six months, the project's Guidance Team has been shaping the scope of this project. The team decided to use the recently published IFC-GRI Toolkit as a framework of E&S indicators to be used in measuring and comparing the sustainability practices of companies against the market. The framework has been reviewed by a number of IFC specialists and reflects the Performance Standards. The Guidance Team also recommended focusing the project's analysis phases on manufacturing and financial companies initially, coming from the Brazilian, Indian, Russian, Chinese or Turkish markets. A competitive selection process was conducted, and negotiations are underway with the winning specialist research organization that will help IFC compile data on the sustainability practices of 300-600 emerging market companies to allow our comparative analysis to take place. The data is expected to be delivered to IFC in Q1 2011 and analysis will be conducted and summarized by the end of 2011. The project's Advisory Panel will then make recommendations based on the analysis results regarding the new sustainable investment standard.			

Carbon Efficient Index				Ongoing
Advisory Services	Instruments for Sustainable Investing	Start Date	01/05/09	
Geographic focus	World	Project Cost	\$1,793,957	
Donors	United Kingdom, Earth Fund, Netherlands, Luxembourg, Norway, Italy	Donor Funding	\$678,957	
		Project ID	565930	
Description	The project aims to incentivize listed companies in emerging markets to disclose and improve their carbon efficiency by (a) stimulating investment flows from passive investors through an index product allowing them to reduce their investment portfolio's total carbon footprint without compromising financial performance; and (b) engaging with companies to enhance the impact of the index on corporate behavior.			
Status update	The carbon efficient index was launched at the climate conference in Copenhagen in December. The index provides investors with an emerging markets benchmark portfolio that delivers the same return as the well-established S&P/IFCI index with a 28% lower carbon footprint by overweighting allocations to more carbon efficient companies. S&P continues to actively market the S&P/IFCI Carbon Efficient Index launched in December 2009, with some interest from asset owners and large asset managers still to materialize. IFC has been informally approaching institutional investors to request feedback on an index-linked bond structure, however demand has been limited. IFC will continue to support awareness-raising efforts around the index by helping Trucost in the creation of a new report looking at carbon exposure in emerging markets. The report is expected to highlight the index and its carbon efficient strategy, and is planned for publication in October 2010. In February 2010, a Carbon Disclosure Project Information Request was sent by mail to 4,700 companies, including the 782 constituents of the S&P/IFCI Carbon Efficient Index; 409 companies received this request for the first time. As of June 25th approximately 32% of these companies had either responded or indicated they intended to respond. A large number of workshops were held for companies in emerging markets, giving them a first-time opportunity to learn about carbon emissions measurement and public reporting. IFC also plans to measure the long-term impact of the Carbon Disclosure Project effort in two years' time by analyzing improvements in carbon emissions disclosure in emerging markets.			

Sustainable Investing Asset Owner Outreach				Ongoing
Advisory Services	Instruments for Sustainable Investing	Start Date	05/01/09	
Geographic focus	World	Project Cost	\$818,556	
Donors	IFC, Italy, Luxembourg, Netherlands, Norway, Sweden	Donor Funding	\$818,556	
		Project ID	570768	
Description	This project aims to develop and disseminate analytics on the risks and opportunities when ESG criteria are considered by asset owners in their investment decision. As such its objective is to demonstrate that outreach to and engagement with asset owners has the potential to increase sustainable investment flows in emerging markets. This increase is expected to materialize post-completion. A second objective is to support the regions to enable these to provide advisory service in the sustainable investing field.			
Status update	Together with 14 institutional asset owners from around the world, Mercer and Carbon Trust, a climate change strategic asset allocation study exploring the potential impact of climate change scenarios on asset allocation was launched. IFC has been actively engaged in the discussions on various climate change scenarios and their potential implications on asset allocation strategy. The final report is expected in January. In this context, IFC has also engaged in a dialogue with key pension funds on the financial architecture necessary to mobilize private capital to low carbon growth. An analytical research piece on sustainability indices has been added to this project. This study is to shed light on the long-term commercial viability of sustainability indices and the role of indices in the structuring/governing of asset allocation to sustainable investment. A RFP for this study was published in April, and incoming proposals are being evaluated. In line with the knowledge management and outreach component, IFC has participated in and presented its recent research and tools at a number of different events and a set of eight Issue Briefs on all Sustainable Investing current and past reports have been produced. To share and build knowledge on sustainable investing across the Corporation, a virtual community platform was created on the Sustainability Knowledge Network. The platform is populated with sustainable investing tools, market news and initiatives. In addition, the sustainable investing team has provided support to the regions on project design, pre-implementation and execution.			

Advisory Strategy for Climate Change Related Interventions				Ongoing
Advisory Services	Other	Start Date	01/12/09	
Geographic focus	World	Project Cost	\$200,000	
Donors	IFC	Donor Funding	\$200,000	
		Project ID	565613	
Description	The objective is to develop and test an analytical framework for assessing and prioritizing advisory services that address climate change issues. The initial framework will be developed based on desk research using the most extensive portfolio of advisory work to date in Central and Eastern Europe. It will then be tested in two different regions based on an analysis of data available, interviews with regional facility staff as well as Investment Officers and Advisory Services product champions. The framework will look at opportunities to incorporate climate change elements into programs' work e.g. policy advice in investment climate, or access to energy services in Infrastructure. It is anticipated that the work will lead to a more holistic approach to developing climate change projects at the regional level; enhanced understanding of potential and ability to capture mitigation and adaptation opportunities; and new projects having more accurate GHG reduction/impact projections.			
Status update	The framework was applied to develop climate change strategies at the regional level. Five follow-on projects have been developed in the regions based on enhanced understanding of climate change issues. Furthermore, Direct and Indirect GHG impact guidance notes were finalized. An IFC-wide workshop explored (with private sector client consultations) the role of the private sector to address climate change adaptation. Based on this work, we developed an IFC Advisory Business Roadmap which provides the framework for IFC's approach to supporting climate resiliency through the private sector. Next steps for the project will involve continuing to refine product guidance on adaptation, and supporting regions on the next phase of their climate change strategy refinement. This latter will look at both mitigation and adaptation opportunities at the regional level, with the aim to support development of robust climate change investment and advisory portfolios for all regions.			

Climate Risk and Adaptation Case Studies				Ongoing
Advisory Services	Other	Start Date	02/02/09	
Geographic focus	World	Project Cost	\$2,000,000	
Donors	Norway, TFESSD	Donor Funding	\$2,000,000	
		Project ID	562756	
Description	The proposed Project aims to undertake an assessment of climate risks and adaptation options for specific private sector investment projects. The projects will be selected according to their sectoral and regional representativeness, as well as climate and IFC related strategic characteristics and projects' availability. One of the focus sectors will be infrastructure, due to specific climate sensitivities and project timeframes. A case study approach is proposed as the most effective way to explore these issues with specific climate change data and management focus.			
Status update	Final Reports are being created in Colombia and Zambia, and Final external reports and peer reviews have been conducted in Ghana, Nepal, and Pakistan. The completed studies have been disseminated in Climate Change workshops and forums.			

Environmental Business Finance Program (EBFP)				Ongoing
Advisory Services	Other	Start Date	05/23/00	
Geographic focus	World	Project Cost	\$4,000,000	
Donors	GEF, IFC	Donor Funding	\$4,000,000	
		Project ID	504446	
Description	The Environmental Business Finance Program (EBFP) is a ten-year GEF (Global Environment Facility)-funded program that seeks to grow the market for commercially-viable GEF-eligible SMEs and GEF-eligible projects, thus generating global environmental benefits. EBFP has three primary components, each with specific objectives: (i) Increase the access to finance of market players engaged in GEF-eligible activities. (ii) Build technical capacity and raise awareness among "participating" market players (iii) Monitor and evaluate the performance and impact of "participating" market players and of EBFP's operations, and disseminate lessons learned regarding how to develop the market for GEF-eligible activities.			
Status update	Since approval by the GEF in 2005, EBFP has approved 4 advisory projects, and several more are in pipeline status. The team continues to work in identifying projects in which these resources can encourage Financial Institutions to expand operations into the SMEs energy efficiency and renewable energy space.			

Efficient Lighting Initiative (ELI) Tranche I & II				Closed
Advisory Services	Sustainable Energy Market Development	Start Date	08/06/97	
Geographic focus	World	Completion Date	04/21/10	
Project ID	502238	Project Cost	\$17,115,000	
Donors	GEF	Donor Funding	\$17,115,000	
Description	The initiative aims to achieve the development of the efficient lighting market in 7 country markets by over 5 years during the 3 year life of the program thus reducing greenhouse gas emissions associated with providing electric lighting services in those markets. Market development indicators include product availability, price per product, number of products sold, and impact indicators include electricity savings and greenhouse gas emissions reductions. Project seeks to generate energy savings of 2,000 GWh and greenhouse gas savings of 2 million tonnes of CO2 over the life of the project, with at least three times those amounts of net impact on the market over ten years post program.			
Status update	ELI's market interventions led to a decrease in prices, increased product availability, increased demand, and increased quality. These outputs led to an increase in Compact Fluorescent bulbs (CFLs) sales that generated 26,635,000 MWh of electricity savings and 22,711 tons of avoided CO2 emissions, in the period 2000-2010. Across the board, ELI demonstrated substantial market impact with product prices falling (eightfold in Argentina), sales climbing (twentyfold in Peru), and sales of traditional incandescent lamps tumbling (by 9 percent in South Africa, in a market undergoing widespread electrification).			

Knowledge Management-Sustainable Energy				Closed
Advisory Services	Sustainable Energy Market Development	Start Date	07/01/07	
Geographic focus	World	Completion Date	06/03/10	
Project ID	564447	Project Cost	\$400,000	
Donors	Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$400,000	
Description	The objective of this project is to strengthen IFC's global capacity to deliver advisory services in the area of sustainable energy by aggregating best practices and by sharing lessons learned. The project will deliver approximately 10 learning products and events, including training sessions, printed materials, and strategic engagements with regions and industry departments to support scale-up of IFC's sustainable energy business			
Status update	The project delivered more than 10 learning products and events, including training sessions, printed materials, and strategic engagements with regions and industry departments to support scale-up of IFC's sustainable energy business thereby enabling IFC to increase sustainable energy investments per year.			

Global Water Access				Closed
Advisory Services	Sustainable Water	Start Date	06/16/08	
Geographic focus	World	Completion Date	04/30/2010	
Project ID	561569	Project Cost	\$239,000	
Donors	IFC	Donor Funding	\$239,000	
Description	The objective of this project is to complete a diagnostic report in order to identify an approach to IFC's deeper involvement and potential leadership in a growing segment of the water sector. It would cover: 1) a market review of players (both businesses and commercializing NGOs involved in technology and/or distribution) providing access to water for the underserved, and build IFC's knowledge capital; and 2) a diagnostic of financial institutions and financing mechanisms of water delivery models. Based on the results of the report, the project will then develop an informed approach to assess/design financial instruments (such as a risk sharing facility) that would enable IFC to become a leader in this sector.			
Status update	The project's delivered beyond its original objectives, both in terms of dissemination and also for leading to additional projects. The change in project strategy halfway through project implementation required the report to be of far better quality for public dissemination than what had been originally envisaged. It required significant editing, peer reviews by representative internal and external stakeholders, and time for design and printing. Therefore, the project completion took longer than anticipated and required significant time commitment. The project has achieved its objective of delivering a diagnostic survey of safe-water landscape in key emerging markets. It has also been widely disseminated as a public document.			

Better Management Practices & Commodities - Phase 2				Closed
Advisory Services	Eco-standards and Sustainable Supply Chain	Start Date	01/01/04	
Geographic focus	World	Completion Date	01/12/10	
Project ID	521708	Project Cost	\$322,832	
Donors	Norway, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$238,032	
Description	Markets for selected agricultural commodities (cotton, sugar, and soy) have defined a set of Better Management Practices (BMPs) that are being used by the financial community, institutional purchasers, producers and others to inform and guide production practices. These BMPs will have widespread endorsement and acceptance from a range of stakeholder groups			
Status update	The project provided strategic support in the identification and promulgation of Better Management Practices (BMPs) and new standards for internationally traded agriculture commodities (cotton, palm oil, soy, and sugar). This project promoted the formation of IFC's involvement in multi-stakeholder processes including the agriculture commodity roundtables. The project also supported development of two studies (Certification costs in the banana industry and Evaluation of agriculture commodity certification programs to a benchmark standard) which were designed to help improve the business case for the adoption of BMPs and certification systems.			

Labor Opportunities Assessment				Closed
Advisory Services	Competitiveness through Labor Standards	Start Date	05/26/09	
Geographic focus	World	Completion Date	03/23/10	
Project ID	570007	Project Cost	\$300,000	
Donors	IFC, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$300,000	
Description	The project aims to assess the feasibility of developing business models that leverage broad sector interest to use higher labor standards to access export markets. These business models may involve interventions at one or all of the following three levels: (a) global/regional sector-wide interventions; (b) country/sub-regional sector wide interventions; and (c) company based interventions (best practice testing, advisory on adoption of better standards, etc). This objective will be carried out through a series of presentations to IFC management regarding the business potential and relevance for IFC advisory services in the context of labor standards.			
Status update	The team received a final report on the research stage of the assessment, which included sector sizing and FDI investment, sector analysis of labor issues, a review of IFC advisory and investment portfolio and pipeline, and an analysis of other ongoing initiatives in labor. The assessment outcomes and top three options from the regional consultations were presented to key IFC decision makers on July 14. Feedback was provided to strengthen the proposal in a number of key areas, including with regard to retrenchment advisory needs/opportunities and the specific relevance to regional investment portfolio, strategies and priorities.			

Better Work I (Global product development and pilot country scoping)				Closed
Advisory Services	Competitiveness through Labor Standards	Start Date	09/01/06	
Geographic focus	World	Completion Date	10/08/09	
Project ID	547829	Project Cost	\$4,759,514	
Donors	Japan, IFC, Ireland, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$1,174,866	
Description	The objective of the Better Work Program is to improve, in partnership with the International Labor Organization (ILO), the working conditions in global supply chains in various industries including garment/footwear, plantations, electronic equipment and light manufacturing. The objective of this specific project, as part of the Better Work Program, is to (i) develop a global labor monitoring system based on ILO's existing system, and tailoring it to suit global demand, and (ii) design three country pilot roll outs, forming part of a larger process combining discussions with labor authorities, capacity building services for official labor inspectors and independent labor auditors, and training on best labor practices, including remediation support, for enterprises in the global supply chain of international buyers			
Status update	This objective has largely been achieved through the completion of the global platform and tools and the implementation of the Jordan and Vietnam programs, with the recent addition of Haiti			

Better Work Impact Assessment Tool and Advisory Board				Closed
Advisory Services	Competitiveness through Labor Standards	Start Date	06/01/07	
Geographic focus	World	Completion Date	01/08/10	
Project ID	554906	Project Cost	\$768,352	
Donors	Norway, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$393,000	
Description	The main objective is to develop a comprehensive monitoring and evaluation framework for the Better Work program. This framework will constitute the main instrument to assess the impact of Better Work in three country pilots (Jordan, Lesotho, and Vietnam), as well as of future program roll outs in Africa and other regions. The ultimate goal is to assess the impact of Better Work on (i) individual company performance, (ii) country/sector macro economic performance and (iii) general human indicators in the target countries. Furthermore, it aims to support the establishment of a Better Work Business Forum which will establish access to multinational companies in various industries - as is the case for garment today - and establish regular convening platforms among local and international stakeholders involved in Better Work.			
Status update	The project has been instrumental in developing the knowledge management and stakeholder engagement components of Better Work which will be crucial to proving the program's success and capturing knowledge. IFC contracted Business for Social Responsibility (BSR) to establish the Global Better Work Buyers' Forum. This Forum has helped IFC develop financial sustainability mechanisms for the long-term success of Better Work.			

Business and Human Rights Institute				Closed
Advisory Services	Competitiveness through Labor Standards	Start Date	03/17/08	
Geographic focus	World	Completion Date	09/11/09	
Project ID	561630	Project Cost	\$290,000	
Donors	IFC, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$120,000	
Description	The objective of this project was to make a clear and comprehensive assessment of the role and functions of a potential global centre of excellence and expertise on the relationship between business and human rights standards through regional consultations with relevant local and international stakeholders.			
Status update	Following three regional consultations (Bangalore, Nairobi, and Delhi), and two thematic roundtables (London and Washington) the Institute for Human Rights and Business was formally launched at the International Seminar on Business and Human Rights held in Paris in December 2008, and co-organized by the UN Global Compact, individual companies, business associations, academia and NGOs. For more information about the mission and activities of the Institute, see www.institutehrb.org .			

Gender and Sustainability Reporting Project				Closed
Advisory Services	Sustainability Strategies	Start Date	5/1/2008	
Geographic focus	World Region	Completion Date	12/31/2009	
Project ID	561827	Project Cost	349,000	
Donors	Iceland, IFC	Donor Funding	275,000	
Description	The objective of this project is to promote gender and sustainability reporting at the global level with the intended impact that more companies (including IFC investees) understand the business case for gender inclusion and implement appropriate best-practices to increase and optimize the contribution of women in their organizations. Over a one-year time frame, this project has the following components:(i) Research on existing CSR gender initiatives/data and case studies on CSR gender projects;(ii) Multi-stakeholder consultations to a) promote ownership/support for a global sustainability reporting gender set of indicators among the various stakeholders and b) raise awareness of sustainability and gender work; and, 3) Development of a 'Gender and Sustainability Reporting' Resource Document.			
Status update	This project was a successful partnership between the Global Reporting Initiative (GRI) and IFC. The project resulted in a Gender and Sustainability Reporting Practitioner's Guide that was based on multi stakeholder consultations in Brazil, India, South Africa, the UK, and the US as well as an online survey. As a result of the Guide, GRI received support from the German Development Agency (Gesellschaft für Technische Zusammenarbeit, GTZ) to undertake a working group process to formulate a series of formal recommendations to GRI's Technical Advisory Committee of gender related updates to the GRI Sustainability Framework (also known as the G3 Guidelines). Gender-updates to the G3 Guidelines are expected to have been formally approved by GRI by December 2010. Moreover, the project has already successfully informed global sustainability reporting standards: The recently developed GRI Reporting Supplement for Electric Utility Companies; GRI's Media Sector Supplement; GRI's Construction and Real Estate Guidance; and GRI's Mining and Metals Sector Supplement already include gender performance measurements. Given the demand for gender guidance and sustainability reporting in India and China, the Practitioner's Guide was translated into Hindi and Chinese with the financial support from GTZ. Itaipu, the Advisory Group member from Brazil, translated the report for global usage into Spanish and Portuguese.			

Gender and Knowledge Management Products			Closed
Advisory Services	Gender in the Value Chain	Start Date	12/01/06
Geographic focus	World	Completion Date	09/22/09
Project ID	552126	Project Cost	\$445,746
Donors	IFC	Donor Funding	\$445,746
Description	The objective is to produce, publish and disseminate a variety of research materials and tools on gender issues in private sector development, to inform policy makers, women entrepreneurs, donors, and IFC staff, and provide them with the tools to design appropriate interventions targeting women entrepreneurs. This will enable dissemination of new knowledge with the aim of replication (with appropriate modification) across regions.		
Status update	Activities under the Knowledge Management Project have helped increase external and internal stakeholder awareness on gender as it relates to the private sector: Internally, there has been more demand for IFC's gender work as evidenced by requests from IFC regional departments and facilities. The increased gender awareness has also further advanced IFC's commitment to the gender agenda internally. As a result, an institutional gender assessment - conducted by CIDA in 2009 - rated IFC as a "promising" institution. b) Externally, IFC has been able to position itself as a leader on gender and private sector development. Moreover, IFC's leadership on gender knowledge in the private sector is evidenced by the high number of visits to IFC's gender resource website. At times, "gender" was also among the most popular stories on IFC's homepage. On the Access to Finance (A2F) front, the approach to promote women's access to finance at the SME level has developed into an IFC product that is offered by the A2F business line to clients globally. Regarding the investment climate, the "Gender and Growth Assessment" as well as the "Voices of Women Entrepreneurs" publications and their dissemination have resulted in internal demand to integrate gender in various investment climate products. Within the context of the World Bank Group, the knowledge generated & awareness raised on gender issues in the business enabling environment resulted in the "Doing Business and Gender" initiative implemented by the Doing Business and World Bank Gender colleagues.		

Small and Medium Enterprises Sustainable Opportunities - Aureos GTAA			Closed
Advisory Services	Instruments for Sustainable Investing	Start Date	04/01/07
Geographic focus	World	Completion Date	12/31/09
Project ID	537945	Project Cost	\$1,389,490
Donors	IFC, Italy, Luxembourg, Netherlands, Norway, Switzerland	Donor Funding	\$904,490
Description	This initiative has the objective to provide financial assistance to Aureos Capital Limited, a private equity fund management company, to implement health, safety, environmental and social improvement projects at its small and medium-sized portfolio companies. The intended impacts of the project are to:(i) strengthen the Recipient's capacity to evaluate E&S risks and opportunities in its portfolio companies in emerging markets; (ii) improve the overall operations of the SMEs through E&S improvements; (iii) demonstrate that financial performance is positively correlated to E&S performance; (iv) promote the replication of positive E&S practices by other private equity fund management companies, including those that manage funds in which IFC has invested.		
Status update	The project has resulted in financing for Environmental and Social (E&S) improvement opportunities for 3 companies (Scaw, Portland Paint Nigeria Limited, and Athie River Steel) as well as creating an E&S data monitoring system at fund level. The Aureos E&S portfolio data monitoring system was finalized during the reporting period, and all portfolio managers in all regions were trained on what the new indicators are and how to collect them from investee companies. The projects encountered some delays throughout its implementation, and as such, it has no Impact Data available as of yet, but will be reported 1 year post project completion.		

Gender Investment Index			Closed
Advisory Services	Instruments for Sustainable Investing	Start Date	04/14/08
Geographic focus	World	Completion Date	10/30/09
Project ID	561707	Project Cost	\$162,512
Donors	IFC	Donor Funding	\$162,512
Description	The project aims to explore the business case that companies that empower women have a superior stock performance, and thus deliver greater financial returns. This will be done by conducting a scoping exercise to prove this case in one or two developed markets. We will also establish indicators as well as an index prototype which could help construct a gender investment index. The expectation is that the results of this project will validate the feasibility of building a gender investment index in developed markets, potentially replicable in emerging markets at a later date.		
Status update	A literature review covering 30 studies mainly from North America, Europe, and Asia, shows a strong correlation between gender diversity and a company's business performance. A prototype of the Global Women Investment Index (GWI) was established, which measures the performance of a theoretical portfolio constructed on the basis of companies' gender diversity policies, management systems and performance, as well as company size. The GWI is expected to increase interest among corporations and investors in gender empowerment with the ultimate goal of measuring the long term financial performance of companies that empower women and encourage gender diversity.		

Investor Outreach-Who Cares Wins Initiative				Closed
Advisory Services	Instruments for Sustainable Investing	Start Date	03/19/07	
Geographic focus	World	Completion Date	06/30/09	
Project ID	553005	Project Cost	\$576,000	
Donors	IFC, Italy, Luxembourg, Netherlands, Norway, Switzerland	Donor Funding	\$575,000	
Description	The objective of this project is to engage with mainstream institutional investors and fund managers to raise awareness about the investment case for integration of sustainability value-drivers into investment processes and better understand the systemic barriers and the different methodologies and investment vehicle currently available to them. This will help IFC and other market actors to identify areas of intervention.			
Status update	The Who Cares Wins Initiative (WCW) has resulted in 5 reports that remain among the top scores of downloads from IFC's website. The final report "Future Proof? Embedding environmental, social and governance (ESG) issues in investment markets" sums up and evaluates the strategic outcomes overall and broken down by the various actors in the investment supply chain, and make recommendations taking the Initiative forward. It concludes that the awareness and understanding of ESG issues by the industry have advanced since 2004, but the knowledge and methodology are still not widely applied by the industry, and the report points to the asset owners as the weak link in the investment supply chain as they are not seen to commit to evaluating ESG capabilities systematically when formulating mandates and selecting managers..			

Knowledge Management, Quality Assurance and Capacity Building Work Program				Closed
Advisory Services	Other	Start Date	02/02/09	
Geographic focus	World	Completion Date	10/08/09	
Project ID	566787	Project Cost	\$500,000	
Donors	IFC	Donor Funding	\$500,000	
Description	IFC's program supports: 1)capacity building efforts (via strategy sessions, trainings, individual immersions and joint missions) for region-based staff who would scale up sustainability products, 2) product-level tools and KM necessary for the move of ESS products towards maturing (i.e., each product with a portfolio of consistently replicated projects across several regions, with robust M&E framework and growing aggregated results of the product portfolio), and 3) the introduction of a structured quality assurance by global product leads to further encourage consistent product replication.			
Status update	In the course of implementation of the Program, the regions solidified strategies/work plans, started to design 15 flagship projects (status as of 30-Jun-09: pipeline/pre-pipeline) and took on project management of 10 existing projects formerly managed from HQ. This project signifies a strategic shift of the sustainability business line from funding individual projects to programmatic support for the sustainability two-pronged strategy.			

Global Market Assessment of Electronic Waste Management				Closed
Advisory Services	Other	Start Date	05/01/08	
Geographic focus	World	Completion Date	10/16/09	
Project ID	561502	Project Cost	\$266,973	
Donors	IFC, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$266,973	
Description	The project consists of undertaking a global market assessment of electronic waste generated from production and post consumer waste. The project will potentially contribute to formulating a proactive approach and a strategy vis-à-vis the sector, and identification of investment and advisory opportunities for IFC. This would ultimately lead to identification of means to reduction of ecosystem degradation and contamination of soil and underground water resulting from incineration and dumping activities of electronic waste in landfills.			
Status update	A presentation of the electronic waste market survey findings was carried out in two organized events; one for the Telecom Dept. and a second one sponsored by IFC's Climate Change Unit. The presentations triggered a lot of interest and questions from staff. The reports was disseminated and shared with investment staff.			

Carbon Productivity (IF-GHG-Impact Model)				Closed
Advisory Services	Other	Start Date	04/10/08	
Geographic focus	World	Completion Date	11/15/09	
Project ID	561547	Project Cost	\$230,000	
Donors	IFC	Donor Funding	\$230,000	
Description	The objectives of this project are to: i) develop statistical measures for carbon productivity applicable in the context of IFC investments and consistent with IFC metrics for economic development, ii) demonstrate the practical applicability and implications of using the Index as an investment criterion across and within IFC sectors, consistent with existing sectoral scenarios and, iii) analyze the factors driving Index results and the investment decisions most influential in promoting increased carbon productivity.			
Status update	IFC jointly prepared a study with external consultants to explore the global challenges and IFC-specific opportunities for achieving low carbon development. The study shows that low carbon development is only possible if a country improves its "carbon productivity" (= a country's GDP divided by its tons of GHG emissions). The study's findings and recommendations, will inform IFC how to achieve greater positive impact on climate change and development initiatives.			

Utility Efficiency Umbrella Program				Pipeline
Advisory Services	Sustainable Energy Market Development	Expected Cost	\$1,900,000	
Geographic focus	World	Project ID	571567	
Description	The goal of the overall program is to support the sustainable delivery of services by utility distribution companies and thereby reduce green house gas emissions through provision of advisory services and follow-up investment in efficiency and total loss reduction activities. The product will allow to identify, finance and implement loss reduction investments, and will catalyze additional replication across utility markets through demonstration, knowledge management and capacity building activities. The objectives of the global program are to support the regions in identifying and closing financing packages for at least three efficiency investments within the next three years.			

Gender Baseline				Pipeline
Advisory Services	Women in Business- Access to Finance	Expected Cost	\$2,000,000	
Geographic focus	World	Project ID	575107	
Description	The project aims to understand the usage patterns and behavior of women owned SMEs. This will be done by collecting and analyzing data and information on women clients of 50 regional Financial Institutions. The baseline data will be focused on products and services usage, financial habits, behavior and loan performance of women clients. This information will help to identify access to finance challenges for this segment in each region. The project aims to provide IFC client banks with a clear understanding of the women's segment in their respective markets and a basis upon which to address the barriers to accessing finance for the women SME segment.			

SUB-SAHARAN AFRICA

Lighting Africa (IFC-World Bank Joint Initiative)				Ongoing
Advisory Services	Sustainable Energy Market Development	Start Date	05/01/07	
Geographic focus	Regional	Project Cost	\$1,350,000	
Donors	GEF, IFC, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$1,350,000	
		Project ID	521198	
Description	The project's objective is to increase access to affordable modern off-grid lighting services. The Project will catalyze and support African and international lighting companies to enter the African market with modern, and affordable off-grid lighting products that can commercially compete against and displace traditional lighting technology (kerosene, paraffin, candles, firewood), which currently is the only option to a large part of households and small businesses. The Project impact will be to create a private sector-based and self-sustaining market for modern and affordable off-grid lighting products that will directly benefit very low-income households and small businesses.			
Status update	The off-grid lighting market is developing rapidly in Sub-Saharan Africa, now entering a new growth phase that is being driven by entrepreneurs. Sharp decreases in the price of solar components, LEDs, and batteries are expected to make off-grid lighting products even more affordable, projected to contribute to a 40% decrease in the global manufactured costs of today's median lantern within 5 years. Altogether, Lighting Africa has supported companies in selling 112,000 products in 2009, reaching 500,000 people in Africa with improved energy services. As part of its quality assurance program, Lighting Africa conducted a product awards competition which identified 5 new products that combine product quality with affordability. Continuing collaboration with manufacturers and ongoing product tests are aimed at increasing the number of high performing products available in the market.			

Lighting Africa -Kenya				Ongoing
Advisory Services	Sustainable Energy Market Development	Start Date	05/01/07	
Geographic focus	Kenya	Project Cost	\$2,765,000	
Donors	GEF, IFC, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$2,765,000	
		Project ID	555905	
Description	The Project's aims to mobilize and provide support to the private sector to supply quality, affordable, clean and safe lighting to 1 million people by facilitating the sale of 200,000 off-grid lighting units by 2012 .The Project will catalyze and support African and international lighting companies to enter the African market with modern, and affordable off-grid lighting products that can commercially compete against traditional lighting technology (kerosene, paraffin, candles, firewood), which currently is the only option to a large part of households and small enterprises..			
Status update	The low cost off-grid market in Kenya has registered significant growth in the last year as evidenced by the growing number of importers and distributors of these range of products. From a very limited variety of solar products available in the market in May 2009, the latest retail audit from AC Nielsen from a sample size of 1,182 retail channels provides an increased product range of up to 37 solar/ renewable energy lighting products now available in the retail market. Lighting Africa expanded the range of distributors and importers of off-grid products currently receiving its capacity building programs from 25 to 42. The program in addition in the last reporting hosted the Lighting Africa Conference and Business Trade Fair that attracted 40 exhibitors and 600 participants from over 50 countries.			

Lighting Africa-Ghana				Ongoing
Advisory Services	Sustainable Energy Market Development	Start Date	05/01/07	
Geographic focus	Ghana	Project Cost	\$2,765,000	
Donors	GEF, IFC, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$2,765,000	
		Project ID	555906	
Description	The Project's main objective is to assist in the establishment of a competitive low cost, high quality, environmentally sustainable off-grid lightingmarket in Ghana. It aims to mobilizing and provide support t to the private sector to to supply quality, affordable, clean and safe lighting to 500,000 people by facilitating the sale of 100,000 off-grid lighting units by 2012. It is expected that the project can avoid up to 10,000 metric tonnes of Greenhous gases through the conversion to clean lighting.			
Status update	Lighting Africa is engaged in discussions to link 3 local distributors that have demonstrated potential in their ability to take up and expand the distribution of off-grid lighting with international manufacturers. In the last reporting period the program conducted an evaluation of innovative business models and marketing strategies to effectively reach Base-of-the pyramid consumers in Ghana, The new models will provide local distributors with a platform to expand distribution networks and increase access to better lighting. The project will continue with the ongoing process of introducing manufacturers of quality products to the Ghana market and establishing new distribution and collaboration models.			

Lighting Africa Web Portal				Ongoing
Advisory Services	Sustainable Energy Market Development	Start Date	07/01/07	
Geographic focus	Regional	Project Cost	\$500,000	
Donors	Norway, GEF, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$500,000	
		Project ID	557685	
Description	The project objective is to accelerate the entry of companies in the African off-grid lighting market by reducing transaction costs for companies to access relevant business intelligence, and to form business partnerships between local distributors and service providers and international manufacturers. In particular, the project aims at providing a web-based platform to facilitate participation, collaboration and information sharing on the market for off-grid lighting products amongst all parties in the modern lighting manufacturing and distribution chain that intends to pursue business opportunities in Sub-Saharan Africa			
Status update	The current website traffic statistics show that it is a vibrant and dynamic platform to a growing business network. The web portal provides a central hub to aggregate industry players, fosters linkages between businesses, responds to entrepreneurial needs, supports knowledge sharing and information dissemination, and cultivates collaboration across the industry. During the reporting period, 503 new organizations have joined the portal, indicating a growing interest in the Lighting Africa initiative. The project will seek to transfer the website content management to a Nairobi-based team, and will also be carrying out surveys in order to capture user feedback, which can lead to an enhanced platform.			

Fuel Cell Financing for Distributed Generation				Ongoing
Advisory Services	Sustainable Energy Market Development	Start Date	12/14/05	
Geographic focus	South Africa	Project Cost	\$3,275,000	
Donors	GEF	Donor Funding	\$3,275,000	
		Project ID	541666	
Description	The objective is to promote the use of fuel cells in South Africa through the installation of over 1MW of fuel cell capacity by project's end. Plug Power/IST have been chosen by the IFC to be a recipient of funding under stage 1 of the fuel cell financing initiative for distributed generation applications (FCFI). The overall objective of FCFI is to help in the reduction of GHG emissions in GEF eligible countries, by supporting the creation of sustainable markets for fuel cells in suitable stationary power applications.			
Status update	Plug Power/IST team has not installed any prime power units (used as baseload power for telecommunication towers) in South Africa, citing a lack of market demand. There is a risk that they are unable to find a suitable market for the prime power units, which has not allowed room to move forward. Plug Power/IST have installed around 85 backup power units so far. However, the cost estimate for backup power units from alternate manufacturers is much higher than the original GenCore units provided by Plug Power. This is an indication that the market still has a ways to go before this product is successfully commercialized in emerging economies. After all, one of the objectives of our program was to chart the downward trend in fuel cell prices. Given this development, we are taking a long hard look at the program to evaluate whether this is the right time for an intervention such as ours, and whether we can realistically achieve the ultimate goal of the program.			

Kenya PV Capacity Project – Photovoltaic Market Transformation Initiative				Ongoing
Advisory Services	Sustainable Energy Market Development	Start Date	2005-06-08	
Geographic focus	Kenya	Project Cost	\$494,797	
Donors	GEF	Donor Funding	\$356,000	
		Project ID	537003	
Description	The objectives of this project is to: (i) develop a standard technical training curriculum for technicians and entrepreneurs for adoption by the PV industry as the base-line training requirement, (ii) provide a range of courses to boost technical skills at all levels of the PV delivery chain (iii) encourage good solar system performance in quality assurance, and (iv) disseminate awareness information on PV technology and assist in the enforcement of quality standards and (iv) disseminate awareness on PV technology and quality standards.			
Status update	Through the support provided under the project, Kenya Renewable Energy Association has been able to set up an industry association that currently consists of 56 members, summarized major existing standards for use by industry players, and successfully completed testing of Amorphous Silicon (A-Si) Panels dominating the Kenyan market. Overall, the Kenya Renewable Energy Association has been established as a key player in the Kenyan renewable market and is involved in a number of activities going forward, including hosting a business conference, policy lobbying etc. It is also being involved in IFC's Lighting Kenya project as one of the key stakeholder groups represented in its local advisory group. Under the Kenya PV Capacity Program, a business plan is being supported to put Kenya Renewable Energy Association on a financially more sustainable footing.			

Karsten Farm Ltd- Cleaner Production				Ongoing
Advisory Services	Cleaner Production	Start Date	11/01/08	
Geographic focus	South Africa	Project Cost	\$50,000	
Donors	Austria	Donor Funding	\$45,000	
		Project ID	564048	
Description	IFC is helping Karsten Farms Ltd, South Africa's largest table grape exporter, to introduce cleaner and more energy efficient production systems across its operations. The objective of the project is to support this client to undertake a cleaner production assessment of its farming operations. This assessment will result in the introduction of energy efficiency and other resource conservation measures in the following areas: housing for farm workers, water pumping, and refrigeration. These combined interventions would potentially lead to targeted energy savings of 5000 MWh per year. This energy saving could translate into water savings of some 6,800m ³ /y and cost savings of 50% (\$950K. If this project is successful it may encourage other farms in the Karsten Group, in South Africa, and in other countries, to adopt cleaner production practices in their operations.			
Status update	The Cleaner Production audit reports were delivered to the client in November 2009. Since the coordination meeting with the client in February 2010, the project team was in constant touch with Karsten Farms Ltd, to negotiate the financing for the potential Cleaner Production project. Karsten Farms Ltd has decided to implement the recommended measures in 3 phases, envisioning the implementation of phase one in late 2010, which aims to improve cold storage rooms, lighting efficiency, and solar water heaters.			

Sao Hill Industries-Cleaner Production				Ongoing
Advisory Services	Cleaner Production	Start Date	07/10/08	
Geographic focus	Tanzania	Project Cost	\$335,453	
Donors	Japan, IFC, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$217,093	
		Project ID	563729	
Description	The proposed project will allow Sao Hill Industries to undertake a cleaner production assessment at its saw mill operation in Tanzania. This will result in: (i) implementation recommendations for design and installation of a waste-wood fired Combined Heat and Power plant (CHP), which would potentially lead to savings in energy consumption and cost, and (ii) an IFC investment of \$0.5 to \$2.0 million.			
Status update	The consultant submitted the final conceptual design and engineering, procurement and construction tender documents on December 2008. The objective of the study was to determine the configuration of the new heat and power plant system including wood fired boiler and generator, fuel logistics, grid interconnection requirements, preliminary engineering and budgetary costs, and preparation of tendering documents. Sao Hill has decided to install a 15 MW heat and power plant system which is 100% of the cleaner production assessment's recommendations. The estimated cost for the heat and power plant will be around \$26 million. IFC's \$18 million is 100% dedicated for the heat and power plant and the plantation for the additional fuel source to sustainably operate the CHP. In March 2010 IFC disbursed the first \$5 million tranche of the loan and the project is advancing.			

PhytoTrade Technical Assistance Biotrade				Ongoing
Advisory Services	Eco-standards and Sustainable Supply Chain	Start Date	07/21/08	
Geographic focus	Regional	Project Cost	\$6,279,000	
Donors	Denmark, Netherlands	Donor Funding	\$1,185,000	
		Project ID	563087	
Description	The objective of this project is to support PhytoTrade's activities to develop 3 new products harvested using the standards of the Union for Ethical Biotrade, and increase the commercialization of the existing ones, generating over \$5 million from their sale, and benefiting approximately 30,000 rural producers by the end of its implementation. PhytoTrade offers support to poor rural communities in Southern Africa to generate supplementary incomes through the sustainable exploitation of natural products with the end goal of creating tangible incentives for rural poor to invest in sustainable resource use and management.			
Status update	PhytoTrade continues working towards the constitution of a Research and Development Fund for natural ingredients. PhytoTrade will launch the Fund with a detailed concept description, proposed structure and a business plan at the Convention on Biological Diversity (COP X) in Nagoya, Japan during the month of October. While the global economy has not bounced back to levels before the financial crisis, the market for natural ingredients appears stable and Phyto Trade's commercial performance is expected to improve in the second half of the year.			

Save Valley Wildlife Services Limited				Ongoing
Advisory Services	Nature-Based Products	Start Date	05/18/99	
Geographic focus	Zimbabwe	Project Cost	\$567,000	
Donors	GEF (EBFP)	Donor Funding	\$567,000 including \$500,000 in investment	
		Project ID	532411	
Description	The objective of the project is to provide Save Valley Conservancy (SVC) with a loan to operate an eco-safari enterprise. The operation will assist in the re-establishment (in ten years) of degraded land over approximately 33,600 has of the ecological balance lost as a result of years of cattle ranching. Over the same time frame, the project will also develop a potentially replicable model for sustainable wildlife based management in semi-arid regions of Africa. The sustainability of the venture is addressed along three dimensions, ecological sustainability, economic sustainability and socio-political sustainability. Ecological sustainability will be promoted through the engagement of WWF, who will participate in a Technical Advisory Committee that will guide the biodiversity management. Economic sustainability will derive from tourism revenues (safaris). Socio-political sustainability will be promoted by creating a trust that will create income-generating opportunities for local communities.			
Status update	The project was completed and closed during this fiscal year. The existence of the IFC loan and grant has been one of the most important factors contributing towards the survival of the Conservancy. For reasons beyond the control of the IFC team and the client, the crisis in Zimbabwe, which started in 2000, has made financial sustainability of the Conservancy precarious and notable social benefits for surrounding communities through profit-sharing in SVC Trust impossible. The loan and grant incentivized SVC to continue its monitoring and adaptive management of the area's biodiversity to the highest extent possible despite the political crisis. To date, the conservancy structures put in place in the early years remain intact and ranch owners have now gained experience in managing consumptive tourism. According to the client and the MTR, the SVC will survive in the years following the project, and the Community Trust Fund is ready to function as soon as the situation permits practice and the funds start flowing in.			

Boundary Hill Lodge Limited				Ongoing
Advisory Services	Biodiversity-Other	Start Date	01/04/01	
Geographic focus	Tanzania	Project Cost	\$235,500	
Donors	GEF (EBFP)	Donor Funding	\$235,500 including \$200,000 in investment	
		Project ID	532509	
Description	The objective: is to provide a \$400,000 loan to build an 8-room eco-tourist lodge, located in the area at the edge of Tarangire National Park, in Arusha, Tanzania. The overall benefit expected was to create a sustainable livelihood source for the local community (ecotourism), in order to conserve bio-diversity			
Status update	The implementation phase of this project has been completed. While no additional major developmental impacts are expected in the future, a post completion monitoring will continue until the project is financially and legally closed.			

Africa Micro Small Medium Enterprise Program -Nigeria				Ongoing
Advisory Services	Women in Business- Access to Finance	Start Date	06/01/09	
Geographic focus	Nigeria	Project Cost	\$2,626,456	
Donors	IFC, Gender Action Plan	Donor funding	\$1,721,382	
		Project ID	564527	
Description	<p>This project strives to improve access to finance for MSMEs through developing EBN's and Eco - Cam capacity to serve MSME customers, including women entrepreneurs. The objectives are to a) increase EBN's operating efficiency; b) improve EBN's service and product offerings; c) enhance the sustainability of EBN's profitability (sustainability of the services/ products provided to MSMEs), and d) create intangible asset quality. This will lead to a greater number of MSMEs qualifying for, or having easier access to finance (thus encouraging economic development and poverty alleviation) as well previously unbanked enterprises, especially women and micro enterprises, getting access to finance. The two year Program aims to create better access to finance for MSMEs overall in Nigeria by working with the Client. The goal is to deepen and broaden the Nigerian financial sector by implementing best banking practices.</p>			
Status update	<p>Ecobank Nigeria's "Women in Business" officer was identified, and the strategy and action plan for the Women in Business program were developed and approved by the bank senior management. To enhance the bank's understanding of the Women's market and increase its ability to profitably and sustainably address it, a series of training sessions were organized for Ecobank Nigeria staff. Notably, in March 2010, the SME Head and Women In Business Program Officers participated in the first Global Banking Alliance Africa (GBA) study tour which provided an opportunity for Ecobank Nigeria to see firsthand and hear directly from other banks how a "Women in Business" program has been implemented, and how profitable it has been for a commercial bank. As a result, of the study tour the bank's team has finalized its Women in Business strategy, and identified champions within the bank taking tips directly from lessons learned from the study tour. For the training of Women Entrepreneurs, Ecobank Nigeria has chosen EDS in Nigeria to conduct the training which will start once Ecobank's Women in Business program has been launched (expected to take place in the last quarter of 2010).</p>			

Africa Micro Small Medium Enterprise Program -Benin				Ongoing
Advisory Services	Women in Business- Access to Finance	Start Date	9/1/2009	
Geographic focus	Benin	Project Cost	\$1,203,364	
Donors	IFC, Gender Action Plan	Donor Funding	\$674, 477	
		Project ID	564987	
Description	<p>The project strives to improve access to finance for MSMEs through developing/strengthening EBB capacity to serve MSME customers, including women entrepreneurs. The objectives are to a) increase EBB's operating efficiency; b) improve EBB's service and product offerings; c) enhance the sustainability of EBB's profitability (sustainability of the services/ products provided to MSMEs), and d) create intangible asset quality. This will lead to a greater number of MSMEs qualifying for, or having easier access to finance (thus encouraging economic development and poverty alleviation) as well previously unbanked enterprises, especially women and micro enterprises, getting access to finance. The two year Program aims to create better access to finance for MSMEs in Benin by working with the Client. The objective is to deepen and broaden the financial sector via the implementation of banking best practices.</p>			
Status update	<p>To enhance the bank's understanding of the Women's market and increase its ability to profitably and sustainably address it, a series of training sessions were organized for Ecobank Benin staff. Notably, in March 2010, the SME Head and Women In Business Program Officer participated in the first Global Banking Alliance Africa (GBA) study tour which was hosted by GBA member and IFC client, the DFCU Group. The study tour provided an opportunity for Ecobank Benin to see firsthand and hear directly how a "Women in Business" program has been implemented, and how profitable it has been for a commercial bank. As a result, of the study tour the bank's team has finalized its Women in Business strategy, and identified champions within the bank taking tips directly from lessons learned from the study tour. Following the study tour, Ecobank Benin's staff received gender sensitization training to enhance their capacity of attracting, selling but most of all retaining women entrepreneurs as clients of the bank. As a result of four successful training sessions, 34 staff received "Women in Business" segment training. The launch of Ecobank Benin's Women in Business program is scheduled for the last quarter of 2010.</p>			

Africa Micro Small Medium Enterprise Program -Senegal				Ongoing
Advisory Services	Women in Business- Access to Finance	Start Date	6/1/2009	
Geographic focus	Senegal	Project Cost	\$1,733,341	
Donors	IFC, Gender Action Plan	Donor Funding	\$953,822	
		Project ID	565010	
Description	The project strives to improve access to finance for MSMEs through developing/strengthening EBS capacity to serve MSME customers, including women entrepreneurs. The objectives are to a) increase EBS's operating efficiency; b) improve EBS's service and product offerings; c) enhance the sustainability of EBS's profitability (sustainability of the services/ products provided to MSMEs), and d) create intangible asset quality. This will lead to a greater number of MSMEs qualifying for, or having easier access to finance (thus encouraging economic development and poverty alleviation) as well previously unbanked enterprises, especially women and micro enterprises, getting access to finance. The two year Program aims to create better access to finance for MSMEs in Senegal by working with the Client. The objective is to deepen and broaden the financial sector via the implementation of banking best practices.			
Status update	During the inception validation workshop in October 2009, Ecobank Senegal's senior management informed IFC on their decision to postpone the implementation of the Women in Business component until 2011.			

Africa Micro Small Medium Enterprise Program -Cote d'Ivoire				Ongoing
Advisory Services	Women in Business- Access to Finance	Start Date	9/1/2009	
Geographic focus	Cote d'Ivoire	Project Cost	\$1,517,711	
Donors	IFC, Gender Action Plan	Donor Funding	\$702,369	
		Project ID	565011	
Description	The project strives to improve access to finance for MSMEs through developing/strengthening EBCI capacity to serve MSME customers, including women entrepreneurs. The objectives are to a) increase EBCI's operating efficiency; b) improve EBCI's service and product offerings; c) enhance the sustainability of EBCI's profitability (sustainability of the services/ products provided to MSMEs), and d) create intangible asset quality. This will lead to a greater number of MSMEs qualifying for, or having easier access to finance (thus encouraging economic development and poverty alleviation) as well previously unbanked enterprises, especially women and micro enterprises, getting access to finance. The two year Program aims to create better access to finance for MSMEs in Cote D'Ivoire by working with the Client. The objective is to deepen and broaden the financial sector via the implementation of banking best practices.			
Status update	Dedicated staff in charge of the Women in Business Program has been identified and the bank's strategy and action plan for the Women in Business segment developed and approved by Ecobank Cote D'Ivoire's senior management. In addition, several focus groups with Ivorian women entrepreneurs have been held in order to develop the most appropriate products for women entrepreneurs in Côte d'Ivoire. To enhance the bank's understanding of the women's market and increase its ability to profitably and sustainably address it, a series of training sessions were organized for Ecobank Cote d'Ivoire staff. Notably, in March 2010, the SME Head and Women In Business Program Officer participated in the first Global Banking Alliance Africa (GBA) study tour which was hosted by GBA member and IFC client, the DFCU Group. The study tour was an opportunity for Ecobank Cote D'Ivoire's staff to see firsthand how to profitably and successfully implement a "Women in Business" program. Ecobank Cote D'Ivoire's staff heard directly from several members of DFCU's management on how important the program has become for the bank, and from staff on how they surmounted different obstacles and continued to innovate to remain ahead of their competition. During the study tour the team also had the opportunity to exchange thoughts with other banks attending as well as with women entrepreneurs who discussed the impact of DFCU's program on themselves and their business. Following the study tour, Ecobank Cote D'Ivoire's staff received a gender sensitization training to enhance their capacity of attracting, selling but most of all retaining women entrepreneurs as clients of the bank. As a result of 2 successful training workshops, 25 staff were trained. The Women in Business launch is scheduled for the last quarter of 2010.			

Africa Micro Small Medium Enterprise Program -Niger				Ongoing
Advisory Services	Women in Business- Access to Finance	Start Date	9/1/2009	
Geographic focus	Niger	Project Cost	\$740,150	
Donors	IFC, Gender Action Plan	Donor Funding	\$679,639	
		Project ID	569268	
Description	<p>The project strives to improve access to finance for MSMEs through developing/strengthening EBNG capacity to serve MSME customers, including women entrepreneurs. The objectives are to a) increase EBNG's operating efficiency; b) improve EBNG's service and product offerings; c) enhance the sustainability of EBNG's profitability (sustainability of the services/ products provided to MSMEs), and d) create intangible asset quality. This will lead to a greater number of MSMEs qualifying for, or having easier access to finance (thus encouraging economic development and poverty alleviation) as well previously unbanked enterprises, especially women and micro enterprises, getting access to finance. The two year Program aims to create better access to finance for MSMEs in Niger by working with the Client. The objective is to deepen and broaden the financial sector via the implementation of banking best practices.</p>			
Status update	<p>Ecobank Niger's "Women in Business" officer was identified, and the strategy and action plan for the Women in Business program were developed and approved by the bank senior management. The bank has also identified 20 women "Ambassadors" who will assist in promoting the program and act as a "think thank" for Ecobank Women in Business program and provide additional knowledge for bank to better cater to the Nigerian Women's Market. To enhance the bank's understanding of the Women's market and increase its ability to profitably and sustainably address it, a series of training sessions were organized for Ecobank Niger staff. Notably, in March 2010, the SME Head and Women In Business Program Officers participated in the first Global Banking Alliance Africa (GBA) study tour which was hosted by GBA member and IFC client, the DFCU Group. The study tour provided an opportunity for Ecobank Niger to see firsthand how a "Women in Business" program has been implemented, and how profitable it has been for a commercial bank. As a result, of the study tour the bank's team has finalized its Women in Business strategy, and identified champions within the bank taking tips directly from lessons learned from the study tour. For the training of Women Entrepreneurs, Ecobank Niger has chosen to work with the Nigerian Chamber of Commerce. Together they have identified the business modules that will be most useful for the women entrepreneurs and cost share for their delivery to the women entrepreneurs. Ecobank Women in Business program will be launched in the last quarter 2010.</p>			

Africa Micro Small Medium Enterprise Program -Rawbank				Ongoing
Advisory Services	Women in Business- Access to Finance	Start Date	4/1/2009	
Geographic focus	Democratic Republic of Congo	Project Cost	\$1,598,088	
Donors	IFC, Gender Action Plan	Donor Funding	\$1,159,963	
		Project ID	553347	
Description	<p>The project strives to improve access to finance for MSMEs through developing/strengthening Rawbank's capacity to serve MSME customers, including women entrepreneurs. The objectives are to a) increase Rawbank's operating efficiency; b) improve Rawbank's service and product offerings; c) enhance the sustainability of Rawbank's profitability (sustainability of the services/ products provided to MSMEs), and d) create intangible asset quality. This will lead to a greater number of MSMEs qualifying for, or having easier access to finance (thus encouraging economic development and poverty alleviation) as well previously unbanked enterprises, especially women and micro enterprises, getting access to finance. The two year Program aims to create better access to finance for MSMEs in DRC by working with the Client. The objective is to deepen and broaden the financial sector via the implementation of banking best practices.</p>			
Status update	<p>In March 2010, Rawbank launched its Women in Business or Ladies first program. The Ladies First program aims to provide an opportunity for women entrepreneurs to build a stronger relationship with the bank and increase their eligibility to apply for loans. Through Rawbank's Ladies First program, women entrepreneurs will have access to business and financial management training provided through IFC's Business Edge program and mentoring opportunities which will be organized with successful women entrepreneurs current and potential clients of the bank. The women entrepreneurs will also have access to special services notably legal advice through "Rawconseils" a program set up specifically to assist women entrepreneurs who are looking to register and formalize their business in navigating through the Congolese legal system which can be very complicated for women. The launch event was attended by over 100 women entrepreneurs. Special guests included the Congolese Minister of SMEs and Rawbank's chairmen of the board. Since the launch of the Ladies first program, 50 new accounts have been opened, and many dormant accounts were re-activated. 1 million USD has been disbursed to 11 women entrepreneur clients of the bank, and deposits amount are over 1.8 million USD. In June, 42 Rawbank staff received gender sensitization training to enhance the bank's capacity in further attracting, servicing and retaining women entrepreneurs. The first set of training for women entrepreneur client also took place with 46 women having received</p>			

Diamond Trust Bank Burundi Advisory Services				Ongoing
Advisory Services	Women in Business- Access to Finance	Start Date	1/11/2010	
Geographic focus	Burundi	Project Cost	\$130,000	
Donors	IFC, Gender Action Plan, Canada	Donor Funding	\$90,000	
		Project ID	569207	
Description	The objective of this program is to work with a new bank in Burundi Diamond Trust Bank (DTBB) to ensure that women entrepreneurs form at least 20% of the total SME portfolio, from a baseline of zero female entrepreneurs and zero loans, by 2014. This translates to loan portfolio of \$1.9m to women entrepreneurs by 2014. To achieve this, the 2-year Women in Business program will a) train DTBB staff on market segmentation, product development, marketing strategies and client relationship management for the women's markets ;b)work with DTBB to develop products and services for women; c) build capacity of local consultants to provide business planning and financial management skills to women entrepreneurs during and after the program; and, d) Assist DTBB improve overall financial services in the women market through exposure to the Global Banking Alliance for Women and study tours to existing gender finance programs in the region to expose them to best practice.			
Status update	A diagnostic report and business plan were prepared to provide guidance on setting up the women's program. This involved meeting with the bank staff, mystery shopping with on other banks in Bujumbura and focus group meeting with women entrepreneurs in Bujumbura. The resulting report has been accepted by senior level management and was used to develop the strategy for the women's program at DTBB. Since the beginning of the program 4 new loans out of a total of 10 have been disbursed to women entrepreneurs. This number of loans is expected to increase in the next reporting period as the bank continues to expand its operations in Burundi.			

Alternative Dispute Program				Ongoing
Advisory Services	Women in Business-Other	Start Date	3/1/2010	
Geographic focus	Burkina Faso	Project Cost	\$435,400	
Donors	IFC, Gender Action Plan	Donor Funding	\$410000	
		Project ID	570207	
Description	The project's overall objective is to support the development and promotion of Alternate Dispute Resolution (ADR) practice and culture in Burkina Faso in order to improve efficiency and access to commercial justice. In this regard, the Project will help CAMC-O address the challenges that it is currently facing by implementing a number of activities designed to contribute to achieve the following specific objectives in 24 months (i.e., by March 1, 2012): a) Improve CAMC-O's capacities to handle an increased number of ADR cases (75 from a baseline of 16 cases) by developing a pool of 35 (including 10 female) well-trained mediators; b) Assist businesses to achieve aggregate savings of USD 500,000, (from a baseline of USD 106,000); and, c) Increase the value of funds released through ADR to USD 1,000,000 (from a baseline of USD 195,000).			
Status update	CAMC-O organized the first awareness campaign targeting women entrepreneurs on March 16, 2010 and an arbitration workshop from April 21- 24, 2010. to ensure enforceability of CAMC-O decisions, the Ministry of Justice issued the decision # 10-0094 MJ/CAB to all courts on February 16, 2010. A mediation training provider has been selected and the first training will be offered in September 2010. Development of CAMC-O brochures and rules booklet, website and a TV advertising piece are being developed.			

Thandi Land Reform Program				Ongoing
Advisory Services	Women in Business-Other	Start date	2/1/2007	
Geographic focus	South Africa	Project cost	\$1,365,877	
Donors	Denmark	Donor funding	\$1,365,877	
		Project id	540785	
Description	The 3-year program is sponsored by IFC in partnership with Capespan Group, focusing on the fruit industry, the Thandi Land project aims to develop a sustainable model for land transformation by building the capacity of emerging black farmers and farm workers to sustainably own and manage farms in the fruit export industry. The Program aims to support and transform at least 30 fruit farms and includes among many other components one that aims to improve the working environment for female farm workers.			
Status update	.This program has now been operationally completed. The programs activities supported IFC's focus on agribusiness development and capacity building of small farms and agribusiness firms. A platform was laid for further development work and to assist with long term sustainability of these projects. During the reporting period 616 participants were trained as part of the technical training program with high levels of satisfaction reported.			

Africa Financial Institutions Capacity Building Program				Ongoing
Advisory Services	Instruments for Sustainable Investing	Start Date	04/20/09	
Geographic focus	Regional	Project Cost	\$167,000	
Donors	Luxembourg	Donor Funding	\$167,000	
		Project ID	568507	
Description	The project aims to commission a market study to understand the business climate and market conditions for Financial Institutions and their clients, with particular focus on the environmental, social, health, and safety (ESHS) regulatory environment, and key drivers for financial institutions to take a more proactive role in ESHS performance, both from the perspective of risk management as well as the generation of sustainability-related business opportunities. The overall objective of the study is to gather baseline data for the development of an Africa-wide Financial Institution (FI) capacity building program that would be a comprehensive, scalable program to improve ESHS performance amongst FIs.			
Status update	A market study of the FI sector was completed, in order to establish a baseline of the current systems and monitoring of ESHS performance. The countries considered were: South Africa, Nigeria, Kenya, Senegal, Cote D'Ivoire and Ghana. The study identifies key areas for action and strategic local partners for a capacity building program. Based on the recommendations from the study, the next step is to develop the E&S Performance Market Development (EPMD) advisory services program. The E&S Performance Market Development (EPMD) program will be a 3-year program focused on creating an enabling environment for improved environmental and social performance of FIs and their clients through i) integration of E&S requirements into regulatory framework and ii) capacity building for local FIs and E&S consultants.			

Magadi Soda Ltd. – Cleaner Production				Closed
Advisory Services	Cleaner Production	Start Date	03/01/07	
Geographic focus	Kenya	Completion Date	05/06/10	
Project ID	561206	Project Cost	\$64,275	
Donors	Japan, IFC, Italy, Luxembourg, Netherlands Norway	Donor Funding	\$61,775	
Description	The objective of the project is to allow the company to undertake a pre-feasibility study for a potential of geothermal energy power generation. If the study confirms the potential, this would substitute a primary fuel source of heavy fuel oil with a clean energy source of geothermal waters of Lake Magadi.			
Status update	The consulting firm has submitted a final report on September 2008. The focus of the study was to find the potential of using geothermal resources around Lake Magadi area which could be later tapped to generate power/electricity and be used for operations at the Magadi Soda Plant where by replacing their heavy fuel based electrical generation sets and boilers. The geochemical study has been able to provide the client with concrete evidence that geothermal power plant is not something it should consider for alternative power and has probably saved them \$1.5 to \$3 million in exploration drilling.			

Industrial Promotion Services Ltd. – Cleaner Production				Closed
Advisory Services	Cleaner Production	Start Date	02/01/07	
Geographic focus	Kenya	Completion Date	05/06/10	
Project ID	550266	Project Cost	\$59,242	
Donors	Denmark, IFC, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$56,042	
Description	The proposed project will allow Industrial Promotion Services Ltd. (IPS) to undertake a cleaner production audit of five of its subsidiaries involved in manufacturing operations in Kenya. This will potentially result in introduction of energy efficiencies and water use saving measures at the five subsidiaries' operations and if successful, may encourage other manufacturers' and companies' management in East Africa to adopt cleaner production practices in their operations.			
Status update	The consulting firm submitted five cleaner production audit reports for IPS' subsidiaries: Premier Foods, Kenya Litho, Farmers Choice, Allpack, and Frigoken. The five audits identified significant saving opportunities including 28% or 78 million liters of water p.a., and 35% or 11.2 million Kwh of energy p.a., corresponding to \$723,000 in operating cost savings p.a. The total investment required to implement the audits' recommendations is estimated at \$1.3 million for a payback period of about 1.8 years. IPS is currently in dialogue with IFC to seek financing for the implementation of the recommendation.			

Tourism Promotion Services Ltd. – Cleaner Production				Closed
Advisory Services	Cleaner Production	Start Date	03/30/07	
Geographic focus	Kenya	Completion Date	05/06/10	
Project ID	550186	Project Cost	\$ 48,379	
Donors	Denmark, Bavaria, IFC, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$ 45,179	
Description	The project will allow the company to undertake a cleaner production audit of three hotel operations in Kenya. This will potentially result in introduction of energy efficiencies and water use saving measures at the company's operations and if successful, may encourage other hotel owners and management companies in East Africa to adopt cleaner production practices in their operations.			
Status update	According to the recent communiqué from the clients, they are interested in installing solar thermal /PV systems for the three audited hotels (also for two other hotels which were not audited). IFC is being asked to participate in the financing as well. The tourism promotion services team was also selected to implement measures to reduce the consumption of diesel in heating, improvement in lighting, room air conditioning, and reuse of water for irrigation. The recommended action plan was to be implemented in 3-5 years. The clients are being conservative with hampering guest activities and, therefore, decided to implement the action plan during the operational off-season, taking longer time to complete it.			

Global Forest Products				Closed
Advisory Services	Clean Tech Venture Investments	Start Date	02/01/04	
Geographic focus	South Africa	Completion Date	05/06/10	
Project ID	522778	Project Cost	\$147,128	
Donors	Denmark, IFC, Italy, Luxembourg, Norway	Donor Funding	\$147,128	
Description	As a leading producer of lumber and panel products on the African continent, the company would like to maximize value from its existing timber and land assets in South Africa by developing eco-system services and non-timber forest products (NTFP) product lines and businesses. The objective of this project is to develop new revenue streams from existing assets.			
Status update	The project was able to identify new business lines for the clients that would be complementary to their regular timber related work, aside from identification of these business ideas, business plans were submitted to the client for (i) Installation of Bio-mass co-generation plant, using NTFP and other bio-mass waste from its regular operation(ii) Develop an eco-real estate/ land development focusing on tourism and eco-system management			

Better Work Africa Agribusiness Scoping				Closed
Advisory Services	Competitiveness through Labor Standards	Start Date	01/09/08	
Geographic focus	Regional	Completion Date	08/26/09	
Project ID	553425	Project Cost	\$375,000	
Donors	IFC, IFC, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$375,000	
Description	The objective of this second round of Better Work Africa Agribusiness scoping (for first round information please see BTOR and previous PDS Approval) is to conduct an initial assessment from July 2008 to October 2008 of the need, local capacity, market advantage, and demand for improved labor standards compliance in agribusiness through implementing the innovative Better Work program in one to two recommended African countries and one to two industries. In addition, the scoping will assess how environmental standards compliance work can be incorporated into the Better Work approach.			
Status update	Two rounds of scoping were carried out to assess the need, market advantage, and demand for improved labor standards compliance in agribusiness in Africa. The first round occurred in collaboration with the Africa Investment Climate Team (AICT). The countries and crops were mangos in Mali, horticulture and essential oils in Madagascar, sugar and tea in Uganda, sugar and oil seed in Zambia in bananas across Africa. A strategy meeting following this first scoping was held in the IFC Johannesburg office for ILO and IFC to review the draft outcomes of the scoping research. At this meeting it became clear that these countries did not fit with Better Work and Private Enterprise Partnership (PEP) Africa's strategy. The second round looked at horticulture, floriculture and coffee in Kenya and floriculture and coffee in Tanzania and Uganda. These countries and industries supported PEP Africa's priority of providing direct support to clients and initially appeared to better fit Better Work's selection criteria. It was decided not to develop the project further until PEP Africa had a strong client base to work with.			

Gender Access Bank Nigeria Technical Assistance Program				Closed
Advisory Services	Women in Business- Access to Finance	Start Date	04/01/06	
Geographic focus	Nigeria	Completion Date	12/01/09	
Project ID	545765	Project Cost	912,358	
Donors	IFC	Donor Funding	412,358	
Description	In support of a \$15 million line of credit to Access Bank Nigeria for women entrepreneurs, the objective of this technical assistance project is to increase Access Bank's ability to service women customers, while at the same time up skilling women entrepreneurs to enable them access the line of credit. Project Components include a) Advisory Services to Access Bank both to develop their internal capacity to deliver to women entrepreneurs, and to design business support programs for their women clients. b) Capacity building for women entrepreneurs through Access Bank, which will include workshops on financial literacy, business planning and management training.			
Status update	Access Bank successfully established a separate program management unit for its Gender Empowerment Program which they named GEM. The program started in April 2006, with 3 staff working on increasing Access Bank's business with women entrepreneurs. The program is now staffed with 9 full time staff spread across three cities in Nigeria: Lagos, Abuja, and Port Harcourt. Access Bank was recognized as "Best Gender Responsive" Bank in 2008 by the Nigerian Bankers Association, and was also awarded the "Most Innovative Bank of the year" by the Global Banking Alliance for Women in the same year. In addition, at the Bankers Award ceremony, which is organized by African Banker magazine in the margins of the World Bank Group/IMF Annual Meetings, Access Bank was honored with the most Innovative Bank for its focus on women in October 2007.			

DFCU Technical Assistance – Gender				Closed
Advisory Services	Women in Business- Access to Finance	Start date	09/15/06	
Geographic focus	Uganda	Completion date	06/30/09	
Project id	548345	Project cost	\$228,303	
Donors	IFC	Donor funding	\$178,303	
Description	IFC made an investment of \$6m in DFCU Limited, at least \$2m of which will be used to establish an access to finance program for women entrepreneurs. This advisory services project complements the investment by enhancing DFCU Limited's capacity to lend to women entrepreneurs, with the objective of increasing their access to finance.			
Status update	DFCU established a separate unit for the women's program with a full time program manager and two support staff. 30 frontline staff received intensive customer care and gender awareness training. The bank launched a new product called the Land Loan in March 2008, to enable women borrowers to purchase and use undeveloped land as security. The rationale is to support women without collateral (the land forms the collateral until the loan is paid off), to acquire assets that can in future become revenue generating. Moreover, the bank partnered with IFC to develop a 3-day financial management training program in which 256 women clients participated. At program completion, the total volume of loans to women entrepreneurs including the baseline was 16.1m. This was an increase of 6.9m to 297 women.			

Exim Tanzania – Lending to women entrepreneurs				Closed
Advisory Services	Women in Business- Access to Finance	Start date	04/01/07	
Geographic focus	Tanzania	Completion date	06/30/09	
Project id	550969	Project cost	\$494,983	
Donors	IFC, Canada	Donor funding	\$234,983	
Description	IFC extended a \$5m line of credit to support Exim Bank of Tanzania's lending to women entrepreneurs. This advisory service project complements the investment, by enhancing Exim Bank's capacity to serve women clients - especially women entrepreneurs, with the objective of increasing their access to finance.			
Status update	A separate women's program unit was set up with two full time members of staff responsible for all aspects of the program including business development and loan processing. 26 staff from 10 branches participated in customer care and gender sensitivity training organized by IFC. As a way of reaching new women clients the bank developed two products to meet the needs of their women clients. The first product is the "Women Entrepreneurs Financing (WEF)" and is essentially a credit line facility with the benefits of a lower interest rate, more flexibility with collateral, and more personalized processing. The second product is the "Tumaini Savings Account" which allows the holder to borrow up to 110% of the value of savings and offers an attractive rate of interest. In total, 531 women clients participated in training designed to enable them to effectively handle financial matters in their enterprises. At the end of the project, the value of the Exim Bank women's portfolio surpassed the initial \$5m loan from IFC. As at August 2009 the total volume of loans disbursed to women entrepreneurs was \$6.8m to 174 women from various sectors including education, mining, food processing and trading.			

NBS Malawi – Access to Finance for Women Entrepreneurs				Closed
Advisory Services	Women in Business- Access to Finance	Start date	05/09/07	
Geographic focus	Regional	Completion date	12/31/09	
Project id	557786	Project cost	\$140,000	
Donors	IFC, Canada	Donor funding	\$140,000	
Description	The project aims to support NBS Bank Malawi to implement a women's lending program and reach a minimum target of 30% women borrowers within the Africa MSME portfolio. In particular, IFC advisory services will:(i).Help NBS Bank to improve its customer service to women and make its lending practices more responsive to the needs of women entrepreneurs (ii) Support women entrepreneurs so that they improve their financial literacy and are better positioned to approach the bank with loan applications, and to manage the loans they subsequently receive.			
Status update	NBS Bank developed the NBS Bank Women Entrepreneurs Program to advance the growth of women in business. Eight on-site training and consultations for 40 bank staff (SME loan officers, branch managers, credit heads and the marketing department) on how to effectively serve the women's market were held. Since program inception 258 women have been trained. Besides increasing the women entrepreneurs' financial literacy and business management skills, the training sessions have resulted in the creation of networking groups in the different cities. The program has thus far exceeded the target set in the IFC-NBS Advisory Services Agreement for at least 30% of their loans and volumes to go to women entrepreneurs. At project completion the total volume of loans to women entrepreneurs as of December 2009 was \$1.6 million to 468 women representing 39% of the total portfolio with a non-performing loan ratio of 0.08%.			

Newmont Ghana Gold Ltd.				Closed
Advisory Services	Gender in the Value Chain	Start Date	09/27/06	
Geographic focus	Ghana	Completion Date	04/21/10	
Project ID	547706	Project Cost	\$118,535	
Donors	IFC	Donor Funding	\$118,535	
Description	Accompanying an IFC investment in the operations of Newmont Ghana Gold Limited (NGGL), the Women in Business team will (i) Promote women's entrepreneurship through a gender inclusive approach in the Ahafo Linkage Program. Specifically, this involves a) tracking the amount of women who benefit from supply contracts and technical assistance training in the Linkage Program and b) targeting women entrepreneurs to benefit from the Linkage Program through training and capacity building.2. Provide advisory support to NGGL on issues relating to female employment in their operations, as per request of the company.3. Provide advisory support to NGGL on community consultation processes. The success of the community consultations will be measured by the number of new programs or activities conducted that benefit women in the community. The ultimate impact of these interventions lies in the goal of enhancing the development impact of NGGL's operations and IFC's investment. Enhanced growth and performance of MSMEs, including women-owned MSMEs, will strengthen the private sector in the area and contribute to poverty reduction and employment.			
Status update	A key activity in this reporting period was the launch of the Gender Evaluation Exercise. Given that IFC's women in business advisory services to the Newmont Ahafo project ended in December 2009, an evaluation was conducted to assess the outcomes and draw out lessons from the SME Linkage Program, the community consultative program and the workforce program. The results of the evaluation indicate that the program has tremendously enhanced women's entrepreneurship and employment, and provided increased income for women. The program has also enhanced women's capacity in local decision making and engagement in political processes. The Linkage program has included and tracked women entrepreneurs in the various components of its activities, showing a sustained commitment towards women entrepreneurs.15% to 20% of the 75 local vendors that received contracts from Newmont Ahafo between Jan-Jun 09 were women-owned enterprises. As for the community consultative component, the number of women targeted to receive business skills and training was 200 but 262 women received training by the completion of the program. Ten (10) women were trained as trainers to support the other women. Moreover, 80 women received critical business skills to enhance their income-generating and leadership capacities. Newmont Ahafo maintained the ratio of 18% women in the haul truck operator unit and 10% overall in its workforce. In addition, the company recruited 4 women for its 15-member Maintenance Apprenticeship			

Sanitation and Safe Water for All Program				Pipeline
Advisory Services	Sustainable Water	Expected Cost	\$1,340,000	
Geographic focus	Regional	Project ID	573907	
Description	The project aims to develop a replicable market development program that addresses market barriers to commercial scale up of private sector capacity to deliver safe water and sanitation services to the underserved. It will support private sector water/sanitation service delivery through point-of-use treatment, water refill stations, and sanitation services. Phase I will take place in Kenya.			

Private Equity Africa Climate Change Investment Support (PEACCHIS)			Pipeline
Advisory Services	Instruments for Sustainable Investing	Expected Cost	\$1,340,000
Geographic focus	Regional	Project ID	568567
Description	<p>PEACHIS is an extension of the Climate Change Investment Program in Africa and is focused on equity finance. The PEACCHIS project aims to 1) encourage the private equity sector to implement cleaner production methodologies that conserve resources and reduce costs for these companies while also reducing their GHG emissions. The target over the 2 year project life-time is to facilitate the implementation of minimum 10 cleaner production projects (based on work with 6 fund managers and 20 investee companies) leading to GHG emission reductions of 20,000 tons (based on 10 projects implemented with an average of 2,000 tons of CO₂e saved per project). 2) To enable increased investment by the private sector in renewable energy, thus increasing energy access and reducing GHG emissions. These objectives will be achieved by working with private equity fund firms to provide targeted support to fund managers to identify and finance cleaner production and renewable energy initiatives, as well as working with the industry associations and investors in PE, to create an enabling business environment.</p>		

EAST ASIA AND THE PACIFIC

SELCO - Vietnam				Ongoing
Advisory Services	Sustainable Energy Market Development	Start Date	09/28/98	
Geographic focus	Vietnam	Project Cost	\$782,000	
Donors	GEF	Donor Funding	\$782,000 including \$750,000 in investment	
		Project ID	532410	
Description	This project supports SELCO Vietnam, a solar energy services company, to expand its operations through the provision of financing to increase working capital and mobilize consumer finance. The ultimate objective of the project is to help grow the market for solar home systems in Vietnam.			
Status update	The company has been in default since October 2006 and went out of business in 2007. During FY09 IFC has negotiated and reached an agreement with SELCO Vietnam's parent company to settle the outstanding obligations under the loan agreement. As a result, IFC has operationally closed the project			

China Utility-Based Energy Efficiency Finance Program (CHUEE)				Ongoing
Advisory Services	Sustainable Energy Finance	Start Date	03/30/04	
Geographic focus	China	Project Cost	\$25,340,000	
Donors	GEF, Finland, IFC, Norway	Donor Funding	\$24,340,000 including \$15,680,000 in investment	
		Project ID	523295	
Description	The Project's development objective is to create effective, commercially sustainable delivery mechanisms for systematically developing, implementing and financing energy efficiency (EE) projects, via partnerships with: (i) private sector energy utilities to act as the lead marketing partners, facilitators and aggregators for EE projects; (ii) FIs to provide the local financing to EE projects; (iii) EE Suppliers to supply equipment and engineering services; (iv) end-users to purchase EE equipment and services. An additional objective of the Project is to develop the capacities of these key market actors -- utilities, EE Suppliers, and FIs -- to develop, implement and finance EE projects and replicate Project methods on an on-going commercially sustainable basis.			
Status update	The CHUEE program held its third Program Advisory Committee Meeting (PAC) in Beijing on June 8, 2010. Senior officials from the Ministry of Finance (MOF), National Development and Reform Commission (NDRC), China Banking Regulatory Commission (CBRC) and State Environment Protection Administration (SEPA) attended the meeting as PAC Members and provided practical advice to the CHUEE program. 25 new loans with value of USD100 million were newly approved by 3 partner banks, of which 5 loans with aggregate value of \$15 million were added to the reference portfolio. These investments could lead to CO2 emission reductions of 193 thousand tons per year and 241 thousand MWh/year energy saving.			

MBA Polymers-Electronic Waste Recycling				Ongoing
Advisory Services	Clean Tech Venture Investments	Start Date	12/16/04	
Geographic focus	China	Project Cost	\$164,077	
Donors	Denmark, IFC, Italy, Luxembourg, New Zealand	Donor Funding	\$164,077	
		Project ID	523558	
Description	The project funds China's first commercial plant to recycle mixed-stream plastic waste from electronics and will contribute to: (i) Reduction of particulates emissions in waste streams that would otherwise be incinerated; (ii) reduction in soil and underground water contaminations in waste streams otherwise destined for landfills; and (iii) reduction of GHG emissions as a result of energy efficiency savings comparing virgin resins and plastics recycling processing, and substitution effects of replacing petroleum based virgin resins with recycled plastics			
Status update	IFC has invested in two of the Company's last three rounds of capital raising with a total investment of \$1.56 million and controls approximately 2% of the Company. Since IFC's investment in the Company, the Company has never turned into a profit. From a developmental point of view, it does not bode well that the Company has not developed a sustainable operational model after all these years of development and many rounds of investment. Although the Company has shown signs of improved performance, continuing weak financial performance may potentially send out the wrong signal to other companies looking at entering into this market. MBA Polymers estimates that its plastics recycling operation avoid over 33,000 tons of CO ₂ e per year.			

Sustainable Forestry in Indonesia				Ongoing
Advisory Services	Sustainable Forestry	Start Date	08/16/09	
Geographic focus	Indonesia	Project Cost	\$3,961,806	
Donors	IFC, Netherlands, Finland	Donor Funding	\$3,761,806	
		Project ID	565611	
Description	The overall goal of this project is to increase the area of sustainable forest plantations on degraded lands in Indonesia. 1. Increase revenues for commercial forest rehabilitation of degraded grasslands through a combination of traditional and climate change revenue streams; 2. Reduce the costs of sustainable plantation management by streamlining best practices at the firm level, thus increasing the area under certified forest plantation management on degraded lands that presently contain no significant tree cover.3. Improve the land allocation process at the sub-national level (including social engagement to increase incentives for private sector investment in degraded lands plantation forestry.)			
Status update	During the period activities focused on screening and engaging lead firms, procurement of consultants, engagement with IFC global forestry activities, consultation with civil society, industry and government stakeholders, fundraising and interaction with other donors.			

Komodo Collaborative Management Initiative				Ongoing
Advisory Services	Biodiversity-Other	Start Date	12/01/99	
Geographic focus	Indonesia	Project Cost	\$17,775,000	
Donors	GEF	Donor Funding	\$5,000,000	
		Project ID	502468	
Description	The objective of this project is to support the Komodo National Park Collaborative Management Initiative (KCMi), and the private business joint venture, in the development and implementation of a collaborative park management plan involving the private sector, local communities, local government, NGOs, and Park Authority. By the end of the project Komodo National Park is expected to be a self-financed park, with its management costs being covered by tourism revenue.			
Status update	The project was scheduled to run through the end of 2012, and it was expected that the national park would shift from a subsidized model to a privatized market based model, were revenues are earned from tourism fees. Project implementation responsibility was given to PT Putri Naga Komodo (PNK)- a private joint venture company owned by The Nature Conservancy (TNC) and PT Jaytasha Putrindo Utama (JPU). The project achieved a sustainable financing mechanism based on a \$15 dollar entry fee, reconstruction of tourism infrastructure, improved marketing and branding of the Komodo establishment, and the establishment of a microcredit program through 3 village financial management units. Due to unforeseen challenges with local authorities, as well as managerial differences, TNC decided to transfer ownership, and thus it was agreed that the project be terminated earlier, which led to an assessment to ensure that no vulnerable group be negatively affected. Although IFC and TNC's role in this initiative have concluded, the transfer of PNK ownership to a recognized local business entrepreneur means that the model remains active and the Komodo National Park will continue to be supported by a viable private business model.			

Asian Conservation Company (ACC)- (Tranche I)				Ongoing
Advisory Services	Biodiversity-Other	Start Date	02/27/04	
Geographic focus	Philippines	Project Cost	\$13,000,000	
Donors	GEF	Donor Funding	\$1,600,000	
		Project ID	506048	
Description	<p>The ACC model is innovative because for each investment: (i) it will be implemented through an innovative partnership between a private equity investment company and a local NGO, and (ii) it includes its own built-in replication plan. Using GEF funds, this project will seek long-term conservation of globally significant marine and coastal biodiversity through conservation activities at sites included in the National Biodiversity Strategy and Action Plan, which will be sustained by revenues from the ACC's first investments and other private sector operators. The initial investment and sub-project of ACC concerns the marine portion of the El Nido-Taytay Managed Resource Protected Area (ENTMRPA), which covers 54,303 ha. The ACC project aims to demonstrate that conservation makes business sense; it can both promote beneficial public image for a company as well as secure the resource base upon which many companies depend for long-term success and profit. As the project is being implemented over a 5 year period (not counting pre-implementation phase), the ACC portfolio companies will channel some of their revenues into endowments to be managed by El Nido Foundation (ENF). After the GEF grant funds have been fully utilized, the local NGO should be able to sustain the conservation activities through ongoing contributions from the ACC portfolio companies and proceeds from the endowments</p>			
Status update	<p>Achievements includes establishment of core no-take zones in 2,111 hectares, establishment of marine patrols covering the fishing, tourism, and multiple use zones, completion of reef restoration activities, sharing of lessons locally and internationally, and conduct of community environmental education, and launch of sustainable livelihood activities. All these contributed to the cumulative expected impact of the conservation and sustainable management of 174,520 hectares, the support to 31 sustainable livelihood initiatives by the communities, and the current balance of the endowment managed by the NGO of \$524,725. All these are very satisfactory results. Three conservation finance mechanisms foreseen in the GEF project logframe have experienced varying degrees of success. First, a Congressional Act with an annual financial appropriation continued to languish in Congress. Second, a barangay-based user system was to be implemented; instead an Ecotourism Development Fee was used to generate revenues starting in late 2008. Third, a Conservation Trust Fund (CTF) has been operational since the beginning of the project. As the primary purpose of the CTF has been to maximize funds available in the post-project period, a deliberate effort has been made not to disburse from it while GEF funds continue to be received.</p>			

Cambodia Garment Sector Assistance Program				Ongoing
Advisory Services	Competitiveness through Labor Standards	Start Date	02/01/06	
Geographic focus	Cambodia	Project Cost	\$1,289,637	
Donors	Canada, Australia, Italy, Norway, Sweden, Switzerland	Donor Funding	\$1,029,637	
		Project ID	544484	
Description	<p>The overall goal of the IFC Cambodia garment sector program is to help increase the sector's export performance by (i) Improving working conditions for 75,000 workers from 44 factories through improved CSR practices on the production line (ii) Initiate change in energy management practices in the industry and support improvements in energy efficiency by December 2011</p>			
Status update	<p>In the past year efforts focused on finalizing BFC internal change management process and cost recovery based mechanism. IFC also worked on developing an appropriate institutional model for BFC going forward. The International Labor Organization (ILO) accepted IFC's recommendation to establish Better Factories Cambodia as a Non-profit Foundation and both organizations are jointly developing a time-bound plan for implementation, in consultation with the Ministry of Commerce. As of June 2010, buyers and factories have jointly contributed \$112,103 to cover the cost of the supervisory training, including \$6,153 from factories in this reporting period.</p>			

Better Work Vietnam				Ongoing
Advisory Services	Competitiveness through Labor Standards	Start Date	08/12/08	
Geographic focus	Vietnam	Project Cost	\$2,799,328	
Donors	Ireland, Netherlands, Italy, Japan	Donor Funding	\$1,938,328	
		Project ID	561550	
Description	<p>The Project aims to improve industrial competitiveness in Vietnam's garment sector through improving working conditions and labor-management relations, and fostering collaboration between buyers and suppliers through enterprise assessments, training and advisory; and stakeholder engagements. Through the M&E tracking, Better Work Vietnam aims to demonstrate the business case for good labor standards.</p>			
Status update	<p>60 factories have registered for assessment and advisory services meeting the target set in last PSR and 42 assessments are delivered to factories. External training: delivered training to 2,576 workers and supervisors at factories.. A total of 107 factories have participated in the program which is above the target set of 75 for the first year.</p>			

Pacific Gender Mainstreaming Program				Ongoing
Advisory Services	Women in Business-Other	Start Date	2/1/2009	
Geographic focus	East Asia and Pacific Region	Project Cost	\$412,500	
Donors	IFC	Donor Funding	\$412,500	
		Project ID	565087	
Description	<p>The project aims to enable women's greater participation in private sector development in the Pacific by improving the investment climate for Pacific women through its existing investment climate programs. Given that there is no available information on the particular constraints that women face, and limited knowledge of methods to address these constraints, the project's objective is to fill such knowledge gap by: a) Analyzing gender-based barriers in the business enabling environment, using the methodology developed by IFC's Gender and Investment Climate Reform Toolkit (GICRT) and testing it in 5 Pacific countries. b) Conducting Gender and Investment Climate Reform Assessments (GICRAs) to design recommended solutions that can be mainstreamed into and implemented under the existing Pacific investment projects. c) Interviewing female entrepreneurs to document case studies of BEE barriers women face in the Pacific, to be compiled in an advocacy piece, published in collaboration with the Doing Business Gender Project. This process will enable laying the foundations to set up a Pacific regional business women's network, which could contribute to Public Private Dialogue in the Pacific.</p>			
Status update	<p>In terms of mainstreaming gender targets and activities into investment climate projects in the Pacific, gender activities have been identified that will be implemented during 2010, and results are expected throughout the coming year. These results will be measured under the respective Pacific investment climate projects. One result has already been achieved in undertaking gender activities under the Alternative Dispute Resolution product line in Tonga. 50% female mediators were trained for the outer islands, and a public awareness campaign was conducted, which targeted females from the private sector to attend and understand their rights to access mediation to resolve commercial disputes.</p>			

Vietnam Battery recycling				Ongoing
Advisory Services	Other	Start Date	12/01/09	
Geographic focus	Vietnam	Project Cost	\$635,259	
Donors	IFC	Donor Funding	\$627,259	
		Project ID	564647	
Description	<p>The project aims to reduce environmental problems and public health risks that result from sub-standard ULAB (Used Lead Acid Battery) recycling activities. The selected approach is to support the emergence of formal ULAB recycling business with sustainable practices in supply chain and in recycling operations. It will (i) develop relevant regulations and guidelines for ULAB collection, disposal, transport, handling and recycling (ii) Design and test a pilot scheme of ULAB take-back by industry players.(iii) Establish a model sustainable supply chain for the first ULAB recycling plant, including various stakeholders from the battery/car manufacturing industry and the informal network of collectors, consolidators, transporters, etc.</p>			
Status update	<p>For the last six months, efforts have focused on providing technical assistance to the draft Prime Minister Decision on Collection, Handling and Treatment of a number of discarded and expired consumer and industrial products - a key document that imposes responsibility on producers in a number of sectors (including lead acid batteries, electronic and electric products). The project team helped conduct in depth interviews with ten battery and car manufacturers (accounting for more than 75% of the domestic battery market share) on their views of the draft PM Decision as well as facilitated intensive discussions among industry players about this draft. The official draft of PM Decision is now made available for the last round of public consultation before it goes to the Office of Government and the Prime Minister.</p>			

Portfolio Approach to Distributed Generation Opportunities- Philippines Market Research				Closed
Advisory Services	Sustainable Energy Market Development	Start Date	10/17/08	
Geographic focus	Philippines	Completion Date	04/22/10	
Project ID	556085	Project Cost	\$195,000	
Donors	Japan	Donor Funding	\$195,000	
Description	The objective of the Portfolio Approach to Distributed Generation Opportunities (PADGO) project is to improve access to cleaner and more reliable sources of energy for underserved populations. The market study intended to focus on: a) understanding and summarizing the relevant tariff regimes, b) establishing a working relationship with local developers to understand end user requirements, potential locations for power project and other constraints, c) investigating the applicability of fuels available in the local areas for power generation including indigenous fuels and renewable fuels as applicable, d) identifying the source and type of fuel considered for such projects, e) gaining in-depth knowledge on the current energy distribution scenario and document technical constraints regarding power generated by distribution generation into the system, f) proposing power aggregation and dispatch concepts that, when implemented, will improve the energy availability and reliability to the end user, g) documenting any improvements to the existing power infrastructure necessary.			
Status update	The market study achieved its intended objectives. The study explores the benefits and market potential for greater utilization of distributed generation applications for developing countries specifically the Philippines and Thailand, particularly the utilization of renewable energy resources including solar PV, wind turbines, mini and micro hydro and bio mass for power generation. A thorough review of the regulatory regimes for the whole electricity value chain was presented and the identification of different barriers, related issues and solutions to enhance greater application of distributed generation was also provided. A knowledge sharing workshop was held last October 8, 2009 which was attended by 37 participants including major stakeholders such as project developers, financial institutions, government agencies, NGOs, equipment suppliers and consultants.			

Philippines Sustainable Energy Finance Project (Phils SEF)				Closed
Advisory Services	Sustainable Energy Finance	Start Date	12/31/07	
Geographic focus	Philippines	Completion Date	06/30/09	
Project ID	549585	Project Cost	\$990,000	
Donors	IFC, Canada, Australia	Donor Funding	\$684,000	
Description	The Philippines Sustainable Energy Finance Project supports the creation of a commercial financing market for sustainable energy (SE) projects in the Philippines. This will assist the Philippines in improving energy security and economic productivity, and promoting private enterprise in the energy sector. Phils SEF covers both Energy Efficiency (EE) and Renewable Energy (RE) projects. Phils SEF provided two local Financial Institutions with the support necessary to develop their own portfolio of SE projects. This program supported the National Government as it implements both its national energy efficiency and climate change mitigation campaigns.			
Status update	The first phase (Phils SEF), which was implemented through this project, focused on advisory support to 2 pilot FIs (Bank of the Philippine Islands –BPI and Metrobank) in specific market segments, creating market awareness for sustainable energy projects and building pipeline of projects. The partnerships with the 2 FIs resulted in the demonstrated business case for SE in the Philippines. The 2 FIs have approved \$35.6 million worth of SE loans which are expected to generate \$5 million annual energy savings, avoid 43,131 tons of CO2 annually, and facilitated \$44.9 million of investments in SE projects. Moreover, the FIs have identified projects in their pipelines worth \$117 million.			

Conservation of the Eg-Uur Watershed				Closed
Advisory Services	Biodiversity-Other	Start Date	07/29/99	
Geographic focus	Mongolia	Completion Date	10/14/09	
Project ID	503476	Project Cost	\$2,130,000	
Donors	GEF	Donor Funding	\$1,180,000	
Description	The project aims to establish a partnership between the local communities, government institutions and bodies, and tourist companies to collaboratively and proactively establish a natural resource management regime for the Eg-Uur Watershed Area (EUWA) in the north-western region of Mongolia. The financial sustainability and biodiversity conservation vehicle for the project is high-end, low impact catch and release fly-fishing ecotourism. The underlying rationale of the project is to treat wildlife as a locally managed concessional natural resource, rather than as a simple public good, thereby enabling the local communities to maximize the economic returns from its use.			
Status update	The project achieved its main goal of advancing integrated watershed management in the Eg-Uur Watershed and conservation of the taimen salmon (Hucho taimen) in particular. In contrast to other areas in Mongolia, the taimen population is stable and robust in the Eg-Uur at the close of the project. The project completed the first integrated scientific assessment in the world of the taimen in its native habitat. The project spurred the development of watershed management plans and councils, which raised awareness on the importance of biodiversity conservation in local communities, and improved the enabling environment for nature based tourism in the project environment. Furthermore, a wide scale environmental education program was implemented through Ecoclubs in local schools and working with the local Buddhist community to build environmental stewardship. After encountering roadblocks on developing a concession based approach to benefit local communities, the project pioneered the application of a user rights cooperative approach (Nokhorlol) to monetize the benefits of eco-tourism activities based on sportive fly-fishing.			

Marine Aquarium Market Transformation Initiative				Closed
Advisory Services	Biodiversity-Other	Start Date	09/10/00	
Geographic focus	Regional	Completion Date	03/15/10	
Project ID	506049	Project Cost	\$7,365,000	
Donors	GEF, Japan	Donor Funding	\$7,365,000	
Description	The project purpose is to use conservation management and rehabilitation to ensure the health of coral reef ecosystems and their contribution to poverty alleviation and food security, by 1) transforming at least 17 percent of the worldwide marine aquarium industry, 2) establishing marine management areas, and 3) increasing awareness of the benefits of harvesting marine ornamentals in a manner that conserves global biodiversity. The objective is to transform the marine aquarium trade of the Philippines and Indonesia to ecological and economic sustainability.			
Status update	The project was closed during this fiscal year. An independent Mid-Term Review (MTR) was conducted and determined that the project was not achieving meaningful results in developing a sustainable system for certifying marine aquarium organisms that fostered market transformation. Recurrent problems with the sponsor's management of the project - grant resources and multistakeholder processes in particular – and the inability to adapt the project approach to new information, have irreparably damaged the critical partnerships upon which the project was founded. Based on the MTR and project supervision, IFC canceled the grant to the Marine Aquarium Council (MAC) and terminated the MAMTI project. IFC learnt from this project that is most effective to address market transformation by involving key stakeholders in the targeted industry, in a forum that brings together a significant proportion of the world demand and supply sides			

Aceh Forestry			Pipeline
Advisory Services	Sustainable Forestry	Expected Cost	\$1,060,000
Geographic focus	Indonesia	Project ID	577827
Description	The goal of this project is to demonstrate a case for profitable community forest plantations by forging equitable links between communities that hold HTR licenses, forest plantation companies that have both the expertise and market linkages and financial institutions		

Oil Palm Small Holder Access to Sustainability			Pipeline
Advisory Services	Eco-standards and Sustainable Supply Chain	Expected Cost	\$689,400
Geographic focus	Indonesia	Project ID	570111
Description	The program aims to identify key issues related to independent smallholders' capacity in production of sustainable palm oil, better access to markets & inputs, access to sustainable financing, managing internal control system, and Roundtable on Sustainable Palm Oil (RSPO) certification.		

SME Banking- Gender (South East Asia)			Pipeline
Advisory Services	Women in Business- Access to Finance	Expected Cost	\$450,000
Geographic focus	Regional	Project ID	569687
Description	<p>The objective of this project is to explore and implement gender access to finance programs in at least two markets in South East Asia, very possibly the Philippines and Indonesia. The 2-3 year SME Banking project will consist of two phases with the following objectives: (i) Collection of data to highlight market specificities, given the lack of published data on women entrepreneurs and their access to finance, and identification of potential Financial Institution partners (FIs); (ii) Where recommended by the initial study, and where interested banks are willing to take IFC investments and co-finance the AS costs can be found, IFC will design and implement access to finance initiatives for women entrepreneurs in order to promote this segment of the SME market. In September 2010, IFC signed a Cooperation Agreement to provide advisory services to help Bank International Indonesia (BII) expand its products and services to women entrepreneurs, allowing them to obtain easier access to financing for their businesses in Indonesia. IFC is also proposing an investment to support BII's growth in gender financing, expansion in frontier regions and SME lending. The Women's Entrepreneurship study in the Philippines is nearing completion. The objective of the study is to produce a report of key quantitative and qualitative data on women entrepreneurs to gather insights on the gender implications of SME Banking. The report will help inform considerations into the design and implementation of Women in Business SME banking programs in the Philippines. Some banking executives that participated in the focus group discussions have already indicated their interest in exploring how their banks could develop products and services that better serve the women's market.</p>		

Performance Standards/Equator Principles East Asia			Pipeline
Advisory Services	Instruments for Sustainable Investing	Expected Cost	\$935,000
Geographic focus	Hong Kong	Project ID	576647
Description	<p>The regional program will leverage the China success and look to accelerate the uptake of PS and EP across the region. It will follow a two-pronged approach along broad market-enabling environment work and specific client-focused demonstration activities. Specifically:(a) In countries such as China and Vietnam where strong regulatory bodies are keen to play a lead role, the approach will focus on enhancing the Environmental & Social policy framework and integrating international standards, and build government capacity for policy implementation. (b) In other countries in the region where no lead government agency has been identified yet, the approach will seek to increase awareness on PS and EP among leading regional and local Financial Institutions (FIs) and increase the number of FIs following EP requirements. The overall objective is increase and broaden the use of international E&S risk management standards (Performance Standards) in the financial industry in EAP region by FY2013</p>		

China Green Securities			Pipeline
Advisory Services	Instruments for Sustainable Investing	Expected Cost	\$912,000
Geographic focus	China	Project ID	563028
Description	<p>The program aims to increase the level of ESG (Environmental, Social, Governance) disclosure by corporates and promote the integration of ESG criteria into investment process by capital market players over the next three years in order to stimulate the growth of sustainable investment in China. The major outcome objectives are as follows: Support the development and promote the use of a consistent approach to the disclosure of non financial information. This will involve engagement with government to help define and set the standard, will involve supporting stakeholders to create the necessary tools to increase the flow of information and will entail demonstrating good practices through building capacity in IFC clients to report on ESG performance. 2. Build the capacity of market stakeholders to integrate non financial information into the investment process. This will provide support to financial market stakeholders to develop their capacity to use ESG information within the investment process and as a driver for new product development. Particular attention will focus on private equity funds. The program support will be provided on two levels: broad market enabling environment work, and specific client facing demonstration projects. Such an approach aims to build a foundation for broad market uptake and to use specific examples as a way of catalyzing change..</p>		

EUROPE AND CENTRAL ASIA

Geofund Turkey				Ongoing
Advisory Services	Sustainable Energy Market Development	Start Date	03/01/08	
Geographic focus	Turkey	Project Cost	\$10,300,000	
Donors	GEF, IFC	Donor Funding	\$10,000,000 including \$8,500,000 in Investment	
		Project ID	557205	
Description	The objective of this project is to promote the utilization of geothermal resources in Turkey by addressing previously identified market barriers for investment, which are: a) high up-front costs and risk relative to other heat/power technologies, b) risk associated with uncertainty of geothermal resource availability, c) lack of technical know-how and experience, d) lack of long-term financing required for the investments. The long-term goal of the initiative is to systematically support geothermal market transformation in Turkey by addressing the identified market barriers through Geological Risk Insurance and Concessional Financing products.			
Status update	IFC has provided financing for the development of a risk mitigation instrument to be used by Zorlu, a company establishing a 60MWe geothermal power plant in Krizildere, which has already initiated drilling. IFC has recruited geothermal technical experts as well as insurance experts to support the design of the risk mitigation instrument, which will be presented to insurance companies, with Zorlu as an implementation case. Other companies that seek to be part of the Geofund turkey program, are still being evaluated.			

Russia Renewable Energy				Ongoing
Advisory Services	Sustainable Energy Market Development	Start Date	04/01/10	
Geographic focus	Russia	Project Cost	\$13,085,000	
Donors	GEF	Donor Funding	\$10,300,000	
		Project ID	571107	
Description	The overall environment goal of the proposed 5 year \$10M GEF funded Russia Renewable Energy Program (RREP) is to reduce GHG emissions on a continuous basis by overcoming barriers to the development of renewable energy in Russia. The overall development goal is to facilitate an overall sustainable market for renewable energy in Russia by supporting the development of enabling policies, institutional capacity and market infrastructure, thereby unlocking opportunities for private sector financing.			
Status update	The project began implementation on April 2010 and client counseling has commenced for capacity building efforts related to renewable energy policies			

Renewable Energy Albania Small Hydro Power				Ongoing
Advisory Services	Sustainable Energy Market Development	Start Date	12/14/09	
Geographic focus	Albania	Project Cost	\$1,219,840	
Donors	Austria	Donor Funding	\$1,189,840	
		Project ID	575568	
Description	The proposed project in Albania will address market barriers to enable investments into SHPPs (Small Hydro Power Plants) by working on legislation with developers and through Financial Institutions.			
Status update	Project implementation started in May 2010. The project has mostly concentrated on improving the existing regulatory framework to enable SHPP sponsors to develop and construct feasible SHPPs". A Cooperation Agreement (CA) between IFC and the Albanian Ministry of Economy, Trade and Energy (METE) was signed, as a result of team discussions with the relevant public stakeholders to structure the activities and to confirm the governmental commitment to the proposed regulatory improvements.			

Russia Energy Efficiency Study (sub-national level)				Ongoing
Advisory Services	Sustainable Energy Market Development	Start Date	01/01/09	
Geographic focus	Russia	Project Cost	\$374,646	
Donors	Finland, Austria	Donor Funding	\$363,646	
		Project ID	562027	
Description	<p>The goal of the proposed study is to assess the effectiveness of Russian regional energy efficiency policies in meeting energy supply/demand challenges, and to communicate options for reforms to selected regional administrations, with a specific focus on municipal housing renovation.</p> <p>This goal will be achieved by: 1) Developing an action plan for implementing energy efficiency policies and projects at the sub-national level for at least one region in Russia. 2) Conducting an assessment of energy efficiency policies in the housing sector in at least one region in Russia.</p>			
Status update	Finland and IFC have implemented the IFC Energy Efficiency at the Sub national Level Project (2009-2010), which is helping regional governments, especially in Northwest Russia, to introduce their strategic long-term regional energy saving programs. These programs will support Russia's goal to increase the country's energy efficiency by 40 percent by 2020.			

Russia Cleaner Production				Ongoing
Advisory Services	Cleaner Production	Start Date	04/01/08	
Geographic focus	Russia	Project Cost	\$3,296,805	
Donors	IFC, Germany (Saxony), Netherlands, Finland	Donor Funding	\$3,215,105	
		Project ID	560345	
Description	<p>The overall goal of the Program is to stimulate investment in cleaner production and to promote best practices and policies in Russia. The approach will be to use cleaner production techniques which combine investments and management practices to influence technology selection and improvements in resource management at real and municipal sector clients. The increasing investment in cleaner production will result in: a) prevention and reduction of pollution from real and municipal sectors; b) mitigation of climate change, c) simultaneous increase of profitability of the manufacturing companies, which will make them more attractive for local financial institutions.</p>			
Status update	<p>To date the program has completed 19 cleaner production scoping visits and reached over 150 companies with outreach activities. The program has already facilitated \$40 million of cleaner production investment that can help save \$8.5 million in annual energy cost and avoid over 115,000 tons of CO₂e per year. In addition, the scoping visits have identified over \$60 million of potential investment that is likely to avoid over 50,000 tons of CO₂e per year. The Program has completed the benchmarking study in the foundry sector that reveals that Russia's iron and steel foundry industry could save up to \$3.3 billion annually and reduce greenhouse gas emissions of carbon dioxide by 4.5 million tons a year by matching European Union standards in the use of natural resources. The report finds that Russian foundries use three times more energy, 160 times more water, nearly four times more sand, and 14 percent more metal per ton of good ferrous castings product in comparison with European foundries, while the average production volume per employee in Russia is nearly four times lower than in the European Union.</p>			

TsATEK Power Company				Ongoing
Advisory Services	Cleaner Production	Start Date	09/04/09	
Geographic focus	Kazakhstan	Project Cost	\$200,000	
Donors	IFC, Sweden	Donor Funding	\$200,000	
		Project ID	572850	
Description	<p>The main objective is (i) to undertake a detailed and critical review/analysis of TsAEK existing assets and planned investment program, and (ii) to assist this client in optimizing its investment program and maximizing and better quantifying efficiency improvements both in generation and distribution</p>			
Status update	<p>TsAEK is currently implementing an ambitious USD 390 million investment plan until 2017 to modernize its Combined Heat and Power (CHPs) plants in the three main regions it operates (Pavlodar, Ekibatuz, Petropavlosk) to improve energy efficiency in generation and, to a lesser extent, distribution, and to improve environmental performance.</p>			

Ukraine Cleaner Production				Ongoing
Advisory Services	Cleaner Production	Start Date	01/01/10	
Geographic focus	Ukraine	Project Cost	\$3,085,000	
Donors	IFC, Germany (Saxony), Netherlands	Donor Funding	\$3,085,000	
		Project ID	568089	
Description	The project aims to increase cleaner production investments in Ukraine, specifically in the agribusiness sector. The objectives are to (i) Stimulate uptake for cleaner production improvements and investment at the company level. (ii) Raise awareness of cleaner production among agribusiness, industry and policy makers and (iii) Improve the regulatory environment for cleaner production.			
Status update	Since January 2010 the program experts conducted cleaner production scoping visits at four IFC client companies, and at least three clients are progressing with an in-depth audit. The scopings identified potential investment of approximately \$8 million that collectively could reduce carbon dioxide equivalent emissions by approximately 30,000 tons per year. The program is now prioritizing the areas of public policy and outreach activities.			

Europe and Central Asia Cleaner Production				Ongoing
Advisory Services	Cleaner Production	Start Date	03/09/10	
Geographic focus	Regional (Excluding Russia and Ukraine)	Project Cost	\$2,607,750	
Donors	IFC, Austria	Donor Funding	\$2,607,750	
		Project ID	577207	
Description	The project aims to increase cleaner productions investments in the region by facilitating \$90 million of investment in cleaner production projects, reduce \$18 million in costs as a result of cleaner production improvements, and avoid 120,000 tons/year of GHG emissions through financed projects.			
Status update	To date three cleaner production scoping visits were performed at IFC clients' facilities in the region. All scoping visits identified cleaner production potential that can yield attractive economic and environmental benefits to clients. The team was active to get involved in regional cleaner production networks. During the United Nations Industrial Development Organization (UNIDO) regional meeting of NCPC (National Cleaner Production Centers) the team delivered a one day training and coordination workshop in Macedonia. The Program views active cooperation with the National Cleaner Production Centers as an important consideration for sustainability of the results and will put an effort into strengthening the capacity of the centers.			

Energy Efficiency Surveys in Europe and Central Asia				Ongoing
Advisory Services	Sustainable Energy Finance	Start Date	03/31/08	
Geographic focus	Ukraine, Armenia, Belarus, Georgia, Azerbaijan	Project Cost	\$404,944	
Donors	IFC, Austria, Germany (Saxony)	Donor Funding	\$404,944	
		Project ID	557145	
Description	The objectives of the broader Program are to understand the market characteristics for energy efficiency in SMEs in the noted 5 countries and test whether having on-the-ground energy efficiency resources can provide support to IFC investment teams. The broader Program is managed and coordinated from Kiev, Ukraine.			
Status update	The Program was operationally completed on June 30, 2010, and the survey reports, presenting the findings in two languages for each country (local and English), were completed, printed and widely disseminated and promoted during various events in each country respectively and are currently available . The cross-country regional EE analysis (including the five Program countries' results and comparable results for Russia from 2005 survey) was completed and the report presenting the findings was prepared in May 2010. The main findings of the reports showed that: (i) the majority of companies in all survey countries acknowledge the importance of energy efficiency; (ii) company managers underestimate the energy efficiency potential by 40-65% on average; (iii) companies underestimate the importance of energy audit; (iv) most companies in the survey countries have plans to increase their investments in energy efficiency substantially. All reports are posted to the ECA EE Program's official webpage: www.ifc.org/eesurveys .			

Russia Sustainable Energy Finance Program				Ongoing
Advisory Services	Sustainable Energy Finance	Start Date	02/01/05	
Geographic focus	Russia	Project Cost	\$8,266,118	
Donors	GEF	Donor Funding	\$8,266,118	
		Project ID	537484	
Description	This technical assistance program will support a joint investment by the IFC and the Global Environment Facility (GEF) in Russian financial institutions. It aims to improve energy efficiency (EE) and profitability of Russian companies, leading to a reduction in greenhouse gas emissions. This will be accomplished by creating awareness in Russian financial institutions that energy efficiency projects that are financially viable and improve the risk profile of the client by reducing operating costs. The Project will work with the participating financial institutions to "deepen" the Russian financial markets, making longer term capital available for investment by Small and Medium Enterprises (SMEs).			
Status update	During the period, partner financial institutions (FIs) disbursed \$114,745,433 of energy efficiency (EE) loans. 154 projects (including three trade finance deals) were financed by Center Invest Bank, MDM, NBD and five other partner FIs. This translates to savings of \$27,271,799 in energy costs per year and reducing approximately 415,000 tons/year of direct and indirect greenhouse gas (GHG) emissions.			

Celikovic				Ongoing
Advisory Services	Nature-Based Products	Start Date	07/01/05	
Geographic focus	Bosnia	Project Cost	\$111,637	
Donors	Austria, IFC, Italy, Luxembourg, New Zealand	Donor Funding	\$78,823	
		Project ID	536963	
Description	The proposed project will allow the expansion and upgrade of the current operation of Čeliković resulting in a capacity increase of 100% and improvements in operating efficiencies and cost structure. The project will strengthen financially and commercially a local organic producer and thereby, the local growers' association, promoting fair trade, organic production, and sustainable harvesting practices.			
Status update	Initially Čeliković was able to increase production capacity by 130%, improve marketing channels, and double profitability from \$20,000 in 2005 to \$40,000 in 2009. In this same time period, it also doubled its market share in the Bosnian herbal industry from 2% to 4%. Nevertheless, since the end of the physical implementation of the project by mid-2007, Čeliković's sales have not met expectations because of difficulties in the domestic market, but more so in the international market. Due to the financial crisis, Čeliković failed to reach its €200,000 target for annual sales. Total sales for 2009 reached €59,055 and the current estimate for annual sales in 2011 is €57,842. The last six months of operations in 2009 were some of the most difficult in the history of the company.			

A Chance to Work - Extension				Ongoing
Advisory Services	Other	Start Date	09/15/07	
Geographic focus	Russia	Project Cost	\$1,124,883	
Donors	Finland , IFC	Donor Funding	\$1,124,883	
		Project ID	551585	
Description	The 'A Chance to Work' program in Russia aims to provide disadvantaged youth with a chance to improve their lives through training and internship opportunities at major Russian and foreign companies based in Moscow and other cities of the Russian Federation. It promotes corporate social responsibility in business society, and more specifically seeks to ameliorate negative stereotypes surrounding youth in Russian orphanages.			
Status update	This project continues to be the only project in Russia designed to assist orphanage graduates to find meaningful jobs. The "A Chance to Work" Program provides the unique opportunity for its trainees not only to improve their on-job skills, but also to develop their decision-making ability, communication skills and adequate self-esteem. The program will now be expanded beyond Moscow and NizHniy Tagil, and will include 53 orphanages in St Petersburg, 28 orphanages in Petrozavodsk, and about 7,000 orphanage graduates aged 18-27 in both cities, will have the chance to participate in the program.			

ECOPROCESS				Closed
Advisory Services	Clean Tech Venture Investments	Start Date	05/01/07	
Geographic focus	Bulgaria	Completion Date	09/04/09	
Project ID	550425	Project Cost	\$35,123	
Donors	Norway, SBI	Donor Funding	\$35,123	
Description	The project provides a grant, with an option to convert to equity, and advisory services to Ecoprocess JSC ("Ecoprocess"), an early stage tire recycling company in Bulgaria to assist the company in commercializing its tire recycling technology. The objectives are to 1) demonstrate the commercial viability of the plant, leading to further investment in the sector and 2) provide a private sector commercial alternative to land filling and incineration of used tires, thereby reducing the attendant environmental impacts of groundwater contamination and noxious air emissions.			
Status update	According to the recent update on the Company from Small Enterprise Assistance Fund, dated May 13, 2009, the company managed to reschedule its debt. It was also reported that the Company was contacted and visited by a few private equity firms as well as entrepreneurs (Charlesford Associates – UK private equity house with Allen Timpany as major partner, and the managers of a local energy holding company), who were satisfied with the plant. At the beginning of April SEAF had a second meeting in Sofia with Allen and he expressed interest to invest in Ecoprocess.			

Symbio Impax Polska Sp. z.o.o.				Closed
Advisory Services	Eco-standards and Sustainable Supply Chain	Start Date	06/18/03	
Geographic focus	Poland	Completion Date	12/31/09	
Project ID	532511	Project Cost	\$503,000	
Donors	GEF	Donor Funding	\$503,000 including \$400,000 in investment	
Description	The objective of the project is to provide Symbio with funds that would serve as a guarantee to a Polish bank so that the start up company can obtain a working capital credit line, while developing a credit history. The overall goal of the project is to grow the SME market for organic produce in Poland, thereby helping to protect Poland's biodiversity.			
Status update	The project was completed and closed during FY2010. Key activities and results: Overall, the project performance has been very satisfactory in terms of developmental outcomes and impacts. Symbio is steadily increasing its impact on the organic market product in Poland. The company has developed a business model for increasing economic returns to the small family farms, while enhancing biodiversity conservation, specially on farms located in buffer zones and their surroundings. Symbio helped its farmers to become EU and Poland organic certified and provided other technical support. Its leading role is further enabled by its management of the organic products' islands in 32 Carrefour supermarkets in the country.			

Environmental friendly and Social Sustainable Waste Management				Closed
Advisory Services	Other	Start Date	05/01/08	
Geographic focus	Regional	Completion Date	04/16/10	
Project ID	561332	Project Cost	\$178,000	
Donors	IFC	Donor Funding	\$178,000	
Description	There are two main project objectives: 1. conduct an assessment to identify the main benefits of IFC's Recycling Linkages Program to find the opportunities for IFC to replicate and scale up those activities from the Program. 2. disseminate information on the benefits and best practices to all stakeholders in four countries in order to improve their overall performance in waste management.			
Status update	The formal conclusions of the RLP assessment is that advisory services and investments in recycling sector bring about a wide range of economic, social and environmental benefits and contribute to greenhouse gas avoidance, but appropriate actions will vary according to local circumstances. Further activities are required to enrich the Model with experiences from other parts of IFC, The World Bank Group and other international development agencies and experts working in this field:			

Tigar Enterprise for Production of Tires				Closed
Advisory Services	Other	Start Date	08/03/05	
Geographic focus	Serbia-Montenegro	Completion Date	09/24/09	
Project ID	538913	Project Cost	\$35,362	
Donors	Austria, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$22,362	
Description	<p>Tigar M.H. - is the leading manufacturer of tires and rubber products in Serbia-Montenegro (S-M), and in the Balkans. It is a joint-venture between Tigar's holding company Tigar A.D. and Michelin. Tigar's business activities comprise the manufacturing, marketing, distribution and sale of tires as well as other tire-related products. Tigar planned to set up a special purpose company with the objective to undertake a greenfield investment project to recycle worn-out old tires and rubber scraps with an estimated cost of € 4 million. The Investment will be a pioneering initiative in the waste management and recycling sector, and the first one to be developed on a commercial scale in the region. It will address Tigar's rubber waste problem that results from its tire manufacturing process, and from worn-out tires discarded at Tigar's sales channels. Tire waste in dump sites is a growing problem in S-M. Disposed tires, which are non-degradable, typically occupy significant amount of space, posing serious fire hazards, and are a favorable breeding environment for diseases. The expected impact of the potential follow-on Investment will be the elimination of a large number of dumpsites, both in S-M and in the Region.</p>			
Status update	EOF's intervention, which consisted of co-funding the market study for recycled rubber products in Serbia-Montenegro, was completed successfully.			

Uzbekistan Water-Agri Efficiency Project				Pipeline
Advisory Services	Sustainable Water	Expected Cost	\$250,000	
Geographic focus	Uzbekistan	Project ID	577547	
Description	<p>The objective is to improve water efficiency in irrigation through an investment-based approach which is built upon a commercially viable model (e.g. by improving productivity, thereby providing payback mechanism), potentially via intermediaries, to reach out to farmers. The objective of the pre-implementation phase is to confirm the hypothesis of improved productivity through water use efficiency in agricultural practices in selected types of crops and pave the way for the implementation of a fully-fledged advisory project in order to scale up investment in irrigation improvements.</p>			

LATIN AMERICA AND CARIBBEAN

Construction Materials Program-Cleaner Production				Ongoing
Advisory Services	Cleaner Production	Start Date	01/20/10	
Geographic focus	Region	Project Cost	\$626,542	
Donors	IFC, Spain, Earth Fund	Donor Funding	\$626,542	
		Project ID	575147	
Description	The objective of the project is to contribute to the adoption of cleaner production technologies in industries of the construction materials sector in the region to promote efficiency-led savings in production costs and reduce GHG emissions.			
Status update	During the period six entities received advisory services in the form of scoping missions; three entities received in depth advisory services in the form of cleaner production assessments, and one awareness raising workshop was carried to inform firms about cleaner production best practices in the construction materials, commercial and tourism sectors.			

Bauducco- Cleaner Production				Ongoing
Advisory Services	Cleaner Production	Start Date	11/15/07	
Geographic focus	Brazil	Project Cost	\$50,772	
Donors	Japan, IFC, Italy, Luxembourg, New Zealand	Donor Funding	\$46,772	
		Project ID	557825	
Description	The objective of the project is to allow "Bauducco" to undertake a cleaner production audit of its Bonsucesso facility in Brazil. This will potentially result in introduction of energy efficiency and water use saving measures and if successful, may encourage other food sector businesses in Brazil and neighboring countries to adopt cleaner production practices in their operation.			
Status update	With a final Cleaner Production audit report in 2008, the audit identified, significant saving opportunities including 6000 KMWh of electricity, 4400 MWh equivalent of natural gas and 20,635 m3 of water p.a., corresponding to about \$0.97 million or 23% of the energy and water consumption of the plant and annual GHG reduction of 1,300 tCO2eq . When the audit's recommendations are implemented it will impact the Company's profitability in a significant manner and improve its energy efficiency. The total investment required to implement the audit's recommendations is estimated at \$1.56 million for a payback period of about 1.6 year. The CP team is awaiting final implementation status from Bauducco and will close the project.			

Cartones Americas Group – Cleaner Production				Ongoing
Advisory Services	Cleaner Production	Start Date	04/30/08	
Geographic focus	Colombia	Project Cost	\$49,000	
Donors	Japan, IFC, Italy, Luxembourg, New Zealand	Donor Funding	\$45,000	
		Project ID	563107	
Description	The project will allow the company to undertake a cleaner production audit at its facility in the town of Cali, Colombia. This will potentially result in introduction of energy efficiency saving measures at its paper mill in Colombia and if successful, may encourage replication by its own subsidiaries and other sector players in Colombia and the LAC region to adopt cleaner production practices.			
Status update	The project team has engaged with the client's management to assess its satisfaction vis-à-vis the cleaner production audit and the quality of the work delivered. The outcome was very positive and they expressed interest in implement the audit's recommendations and leveraging IFC support to acquire the finance required.			

Sustainable Wood Supply through Community Forest Management				Ongoing
Advisory Services	Sustainable Forestry	Start Date	03/01/10	
Geographic focus	Nicaragua	Project Cost	\$553,902	
Donors	IFC, Netherlands	Donor Funding	\$553,902	
		Project ID	575307	
Description	This project aims to assist the forest community Awas Tingni in building and strengthening its long-term, commercial relationship with SMG, encouraging this indigenous forest community to use sustainable forest management to harvest and process increasing amounts of wood. This will be done by addressing five related issues: First, forest management has to be done in a sustainable way, in order to protect long-term environmental and economic health for the community; forest certification is a proven channel to accomplish this and avoid further deforestation. Second, the community enterprise needs ongoing assistance in its wood harvesting and processing activities in order to benefit from sustainable forest management. Third, the community enterprise needs a transparent, rule-based administration and governance structure, and needs to determine what will be done with its income. Fourth, the community (at the community governance level) needs to be assisted in developing clear and transparent rules for the use of new revenues, and accountability at all relevant levels needs to be established (indigenous communities often lack experience in this area) in order to avoid internal conflict. Fifth, the community needs to be supported in finding medium to long-term revenue sources for its forest management in order to protect the forest and cover the period of reduced harvests as an effect of hurricane Felix			
Status update	A local legal advisor was hired in order to provide key input and overall revision of the Awas Tingni Cooperation Agreement. The purpose of this review was to ensure that the document was consistent with Nicaraguan Indigenous Community-related laws.			

Alianca da Terra- Producers for Biodiversity				Ongoing
Advisory Services	Eco-standards and Sustainable Supply Chain	Start Date	11/15/09	
Geographic focus	Brazil	Project Cost	\$2,095,611	
Donors	Finland, Sweden	Donor Funding	\$665,000	
		Project ID	570912	
Description	IFC has partnered with the Moore Foundation and Alianca da Terra, a producers' organization in Brazil, to encourage biodiversity friendly practices among cattle and soybean producers in the Legal Amazon, by providing economic incentives to preserve the forest land and linking them to companies willing to source from responsible farms. Through the Registry of Social-Environmental Responsibility (RSR), created by Aliança da Terra, it is possible to locate and quantify environmental assets that are then used to develop a roadmap towards better E&S practices. This tool provides a snapshot of the property using an integrated approach which includes maps, photographs, and satellite imagery. Aliança da Terra has recently obtained a BACP grant of \$497,000 to contribute to strengthening and expanding the RSR work as well as enhancing E&S practices. More information can be found at www.aliancadaterra.org.br			
Status update	In June 2010, IFC supported Alianca da Terra in the organization of the 2 nd Symposium on Socio-Environmental Alliances in Cuiabá, to highlight the importance of good social and environmental practices and discuss strategies to generate new markets for both the beef and soybean sector in Brazil. "The Producing Right Award" was given for the first time to the top five producers that had shown the strongest social and environmental practices in their farms. During this period Alianca da Terra was able to sign 20 new producers to its Registry for Environmental and Social Responsibility (RSR), which amounts to 84,500 hectares to be managed sustainably. They also signed socio-environmental compliance plans committing to 148 actions over the next four years in the areas of Native Vegetation, Soil conservation, Waste management, Health and Safety at the Workplace, and Environmental Compliance. In the upcoming period, the team will begin to develop a Carbon Monitoring and Accounting Tool to be introduced in its RSR.			

Eco-Enterprises Fund				Ongoing
Advisory Services	Biodiversity-Other	Start Date	10/15/02	
Geographic focus	Regional	Project Cost	\$10,160,000	
Donors	GEF	Donor Funding	\$1,160,000	
		Project ID	502875	
Description	The project aims to mitigate threats to biodiversity conservation in Latin America and the Caribbean by creating economic incentives to protect critical natural resources. By the end of the project, the specific objective is to increase by 30 the number of SMEs in Latin America that are developing sustainable business models, by supporting EEF, a financial service provider, with means to acquire, organize, and deliver their financial and technical assistance. This will in turn foster the efforts of the local nonprofit community and conservation organizations in commercial enterprises development as a means of diversifying their funding base.			
Status update	EcoEnterprises Fund was a pioneer in the industry of environmentally-conscious investing funds, particularly in the area of biodiversity. It used the tools and principles of venture capital to achieve biodiversity conservation and social development goals, targeting companies with business models that would deliver benefits in a triple-bottom-line. The Fund financed 23 SMEs in 10 countries with a total capital of \$6.3 million. These SMEs were able to receive co-investment from other financial services providers motivated by the Fund's involvement by (leverage) \$36 million, and later (after the Fund exited) received follow-up financing in excess of \$90 million. EcoEnterprises conducted a survey of all portfolio companies to hear directly from entrepreneurs, owners, and company principals about their investment process and technical assistance provided through this project. It also facilitated an industry gathering to validate lessons learned and as an opportunity to share stories and to exchange best practices.			

Inka Terra: Innovative Partnership for Self-Financing Biodiversity Conservation & Community				Ongoing
Advisory Services	Biodiversity-Other	Start Date	2001-02-10	
Geographic focus	Peru	Project Cost	\$12,568,827	
Donors	GEF	Donor Funding	\$840,000 including \$363,000 in investment	
		Project ID	506050	
Description	The objective of this project is to catalyze self-financing uses of the 10,000 hectare Inka Terra Ecological Reserve (IER) that achieves biodiversity conservation and sustainable development for local communities. By the end of this project, the reserve will have a reliable source of income to durably manage and protect the reserve.			
Status update	The project's strategy involved the establishment of an NGO called the Inka Terra Association (ITA). IFC disbursed \$363,000 as a loan to ITA in order to construct four eco-tourism attractions that will serve as income generation assets for ITA to be financially self-sustainable in the long term, and \$362,000 as grant to ITA in order to carry out community development activities and develop alternative livelihoods. ITA is an operational, self financing, conservation organization that runs four eco-tourism attractions in partnership with a private eco-lodge in the Peruvian Amazon. The eco-tourism attractions generate enough funding for ITA to (i) manage and maintain the tourism services, (ii) monitor and protect the entire reserve, and (iii) repay the loan provided by the project to build the infrastructure.			

Petstar – Addressing Child Labor in the Supply Chain				Ongoing
Advisory Services	Competitiveness through Labor Standards	Start Date	02/01/08	
Geographic focus	Mexico	Project Cost	\$765,000	
Donors	IFC, Italy, Luxembourg, Norway	Donor Funding	\$95,000	
		Project ID	554907	
Description	This project's objective is to support IFC investee client, Petstar, with the development of a monitoring and management system to improve the company's processes for measuring progress towards reduced child labor in the supply chain. It aims to design and pilot two corporate social responsibility projects in separate sites- aiming to reduce the number of child waste pickers participating in Petstar's supply chain, by providing adult waste-pickers a more formal role and by providing access to education, health and social services to the child waste-pickers.			
Status update	In the Chimalhuacan site, a social center was opened by Petstar in close collaboration with local NGOs, providing education, health, and social services to children waste picker and their families. In Tijuana the construction of a sorting facility structure was carried out during the reporting period. It will aim to facilitate access to education to former child waste-pickers through: 1) The raise of adult waste-pickers incomes by formalizing their activity and increasing of their productivity; 2) An intensive collaboration with local civil society organizations and authorities to facilitate former child waste-pickers' integration into the formal educational system.			

Biofuels Transportation and Processing Opportunity				Closed
Advisory Services	Sustainable Energy Market Development	Start Date	04/14/04	
Geographic focus	Peru	Completion Date	01/06/10	
Project ID	523361	Project Cost	\$1,054,800	
Donors	GEF	Donor Funding	\$1,054,800	
Description	The objective of the proposed project was to remove barriers to the (increased) commercial use of biofuels and non-wood cellulose from agricultural residues and wastes as a substitution for fossil fuel based electricity, generation, thereby reducing GHG emissions of electricity generation activities.			
Status update	Project success was predicated on the development of a successful truck-mounted prototype of the "green sugarcane harvesting" equipment, and its trial operations in a selected Peruvian sugar mill. This did not occur due to the equipment's destruction. However, the project still had some significant successes. After transferring a stalled project over from UNDP, TL successful restructured it with a new risk sharing structure which involved active risk taking and leadership by AB Volvo. New partnering arrangements were blessed by donor (GEF), IFC Mgmt, and partners. Prototype design and testing was undertaken at a very professional level using Volvo team, equipment, and relationships. Successful pre-trials were conducted in Spain, where the equipment performed well, mounted on specially equipped Volvo truck. AB Volvo continues to express a desire to work with IFC and many high level contacts, including at the level of IFC EVP were made in connection with the said project. Despite these successes, the equipment destruction in Spain, and an adverse market has prompted AB Volvo to exit the project.			

Sociedad Agricola Viru – Cleaner Production				Closed
Advisory Services	Cleaner Production	Start Date	10/29/07	
Geographic focus	Peru	Completion Date	05/06/10	
Project ID	561489	Project Cost	\$142,500	
Donors	Japan, Norway, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$127,500	
Description	The proposed project will allow Sociedad Agricola Viru, a leading Peruvian producer and exporter of canned asparagus, pepper and artichokes to design an eco-efficient Integrated Pest and Disease Management (IPDM) programme for key pests and diseases inflicting its products and undertake a cleaner production (CP) audit of its existing operations in Peru. The project would test the market and assess its disposition vis-à-vis an alternative approach to the use of chemical pesticides. If successful, the project would lead to a replication by other producers in Peru and the region.			
Status update	A final integrated pest and disease management (IPDM) report was submitted by the consultants in May 2008. The audit identified significant saving opportunities of 50% reduction in chemical pesticides use corresponding to \$0.6 million in addition to a gain of \$2.4 million as a result of reduction of yield losses. If the IPDM's recommendations are implemented, this would impact SAV's profitability in a significant manner. The total investment required to implement the IPDM's recommendations is estimated at \$2.8 million for a payback period of about 1 year.			

Bertin Sustainable Supply Chain				Closed
Advisory Services	Eco-standards and Sustainable Supply Chain	Start Date	03/10/08	
Geographic focus	Brazil	Completion Date	09/14/09	
Project ID	553067	Project Cost	\$371,855	
Donors	IFC	Donor Funding	\$344,855	
Description	The Project's objective is to support approximately 20 Bertin suppliers to meet Bertin's new Cattle Purchasing Procedure (CPP) for its slaughterhouse in Maraba, Para and thereby support Bertin to implement a sustainable cattle procurement model. To meet this objective, a Pilot Phase will support Bertin suppliers on the following components: 1) land georeferencing, allowing suppliers to apply to governmental agencies for land regularization, and to allow IFC and Bertin to better track deforestation/reforestation activities of Bertin suppliers, once their spatial location was through their property's georeferencing. 2) Support Bertin suppliers in developing land management plans 3) assist Bertin suppliers with technical assistance on good agricultural practices, focusing on pasture management and land intensification as well as training approximately 50 small indirect suppliers on sanitation, nutrition, and animal health.			
Status update	During the implementation of activities, IFC recognized it had limited information on the beef sector, particularly in the Amazon context. Nevertheless, the pilot project has provided great lessons that can be applied to future agribusiness, and forestry projects in the region. During the period, 20 GEO reports were finished and delivered comprising an area of 109,587.74 hectares. IFC supported producers to elaborate land management plans in 188,524.00 hectares in 12 municipalities of Para. The intended short term effect of IFC's intervention was achieved as one of the main goals of this Pilot Project was to gather important lessons learned to be in a roll out phase. This Pilot project enabled IFC to identify what is necessary to make the beef sector to improve its processes and prevent deforestation. In addition, this project identified main partners that can contribute with creating a more sustainable sector in the Brazilian Amazon and has been considered as a model to the Small Business working group.			

Fideicomiso para la Conservación en Guatemala (FCG)-Biodiversity and SMEs				Closed
Advisory Services	Instruments for Sustainable Investing	Start Date	11/20/98	
Geographic focus	Guatemala	Completion Date	10/07/09	
Project ID	532425	Project Cost	\$555,500	
Donors	GEF	Donor Funding	\$555,500 including \$500,000 in investment	
Description	The project aims to increase by 10 the number of Guatemalan SMEs developing biodiversity-based projects by providing credit through a financial intermediary and thereby contributing to the conservation of Guatemala's biodiversity over a period of four to five years. Over the same time, a second objective of the project is to develop the credit management systems of the intermediary - FCG.			
Status update	The project was completed and closed during this fiscal year. The immediate objective of the project was reached and even exceeded with 19 loans made to 16 SMEs in sectors such as eco-tourism, sustainable coffee production, and sustainable tilapia production. As confirmed by data submitted by the client, all projects have achieved their objectives and activities as originally planned. This included the construction of eco-lodges, interpretive trails, an innovative drainage system and absorption pit to reduce water contamination, and the initiation of a Tilapia breeding pond. A second round of loans was subsequently made with the repayments of the first set of loans, with less successful results compared with the first round. FCG has also used the technical assistance grant to build capacity in its operations.			

E&CO- Sustainable Energy SMEs				Closed
Advisory Services	Instruments for Sustainable Investing	Start Date	05/01/01	
Geographic focus	Regional	Completion Date	04/21/10	
Project ID	532415	Project Cost	\$1,017,500	
Donors	GEF	Donor Funding	\$1,017,500 including \$1,000,000 in investment	
Description	With this project in which IFC is lending to E+Co \$1 Million, E+Co will provide financing to at least 5 sustainable energy SMEs in developing countries, so they can expand their operations and/or become financially stronger by this project's end; therefore providing access to clean energy to homes, increasing the penetration of renewable energy technologies into markets. This project aims (i) to enable SMEs to attract second-stage investors in order to sustain their growth, (ii) prove to private and public sector investors that renewable energy projects and enterprises represent a win-win solution to the twin problems of climate change and the unmet demand for energy services in developing countries, thus prompting replication, and (iii) significantly reduce GHG emissions while providing electricity to un-electrified households.			
Status update	During the implementation of this project, E&Co fully disbursed the \$1 million loan to 8 sustainable energy SMEs in Latin America and Africa, to finance investments in fixed assets and working capital. According to the results of the final external evaluation, the project performed well from a financial, environmental and social perspective and has allowed E&Co prove its model of fully integrated financing and technical assistance.			

Sustainable Forestry in the Brazilian Amazon			Pipeline
Advisory Services	Sustainable Forestry	Expected Cost	\$1,650,000
Geographic focus	Brazil	Project ID	575227
Description	The overall objective is to add value to forest and prove the business case for large scale Sustainable Forest Management (SFM) by developing industry best practices. It will address investment risks and help create conditions to have IFC's mainstream investment. On the larger scale, create demonstration effects that will promote transformation in the forest sector. The specific objectives are: 1) Increase competitiveness of Sustainable Forest Management (SFM) Companies and 2) Capacity building to promote market transformation: To accelerate and broaden demonstration effect of the program, this component will work with 2nd tier forest companies and key stakeholders (NGOs, governments and industry associations) to build institutional capacity across the forest sector. It will improve the timber companies' capacity to adopt responsible forest management techniques and increase access to forest concessions in Brazil.		

MIDDLE EAST AND NORTH AFRICA

Pakistan Wind Power Pre-Feasibility				Ongoing
Advisory Services	Sustainable Energy Market Development	Start Date	01/25/05	
Geographic focus	Pakistan	Project Cost	\$254,000	
Donors	Spain	Donor Funding	\$254,000	
		Project ID	534246	
Description	To support the development of grid-connected wind power in Pakistan by providing technical and legal assistance to the pioneer project seeking to develop a 50MW IPP wind farm in the Sindh Province east of Karachi. By providing technical and advisory services to the pioneer developer-Green Power-, this project aims to support the development of sufficient wind data and a suitable legal and regulatory framework to enable the growth of the wind sector in Pakistan.			
Status update	The project conducted a review of wind data generated by Green Power, and presented its findings to the Alternative Energy Development Board. The project is now operationally closed.			

Building Sector-Cleaner Production				Ongoing
Advisory Services	Cleaner Production	Start Date	04/01/10	
Geographic focus	Lebanon	Project Cost	\$290,000	
Donors	IFC, Earth Fund	Donor Funding	\$290,000	
		Project ID	576787	
Description	IFC is piloting this project in Lebanon to demonstrate the viability of an integrated market development approach to stimulate reduction of GHG emissions and cost savings for private building owners as a result of energy, water, and materials efficiency led initiatives. In partnership with the Lebanon Green Building Council (LGBC), IFC intends to develop a National Green Building Rating System (NGBRS) that will facilitate the efforts of building owners in the commercial sector to "green" their existing buildings with the support of local & international consultants, financial institutions, and other stakeholders. The project will also conduct an assessment of the existing building standards concerning energy and water efficiency. The study includes a review of the building codes, possible incentive mechanisms for energy and water efficiency through the NGBRS, market barriers to implementing energy efficiency standards, and strategic targets based on the analysis.			
Status update	In FY10, LGBC members were convened for consultations on the proposed rating system, screening audits were conducted for five pilot commercial buildings, and pre-assessments of the capacity of local energy companies were also concluded.			

Egypt Siwa Oasis				Ongoing
Advisory Services	Biodiversity-Other	Start Date	03/01/05	
Geographic focus	Egypt	Project Cost	\$1,518,000	
Donors	GEF (EBFP)	Donor Funding	\$1,518,000 including \$643,000 in investment	
		Project ID	533924	
Description	The project aims to establish a comprehensive development program for the Siwa Oasis comprised of: capital expansion projects and working capital support for initiatives in the ecotourism, women's artisanship, sustainable agriculture and renewable energy sectors. It also aims to empower the female and indigenous population of Siwa within six and a half years, building entrepreneurialism within the Siwan culture, thereby helping to preserve the delicate environment of a threatened ecosystem.			
Status update	The project is operating well, and continues to meet its environmental, social and financial targets. Occupancy rates at the ecolodge continue to increase. There has been noticeable replication of the artisanship products (albeit of lower quality), which is both an indicator of success and a source of competition. EQI has faced some challenges in its sustainable agriculture initiative this year, and is now re-thinking its strategy in this sector. However, EQI remains strongly committed to this initiative and continues to service its IFC loan on time.			

Yemen bus start-up- Phase 2				Ongoing
Advisory Services	Women in Business-Other	Start Date	9/16/2009	
Geographic focus	Republic of Yemen	Project Cost	\$770,000	
Donors	United Kingdom	Donor Funding	\$734,000	
		Project ID	571768	
Description	Building on reform achievements of the past two years, the objective of this 24-month advisory service implementation project is to improve the investment climate by: (i) Aligning the new one-stop-shop in Sana'a to international best practice with a greater use of IT solutions and automation;(ii) Rolling out simplification solutions in business registration, construction permits and the one-stop-shop process to 4 major governorates;(iii) Reducing opportunities for corruption and encouraging a significant increase in business formalization, leading to the creation of an estimated 39,600 jobs in 5 years and around \$10.6 million in aggregate private sector savings.			
Status update	The project has conducted a diagnostic of the barriers that business women face in Sana'a when starting a business. The study was twofold consisting of:(i) Data collection exercise to determine the number of formally female owned enterprises in the country. The data was gathered from the Ministry of Industry &Trade by going through the whole database which consists of approximately 3,500 Limited Liability Companies. The data collection exercise showed that businesses registered with a female owner or partner were less than 1% of total LLCs registered.(ii) Training: A formal sector workshop was arranged in coordination with the Business Women's Unit at the Federation of the Chamber of Commerce and was attended by 60 female entrepreneurs attended. An informal sector workshop was conducted through SMEPS, a local NGO working on women related issues. 55 women from the informal sector attended. The workshops demonstrated that there are a number of barriers facing business women: the lack of access to finance, the non supportive culture, and fear of harassment from tax officials (due to non-transparent taxation system) were listed as the highest barriers by both the formal and informal sectors			

Alternative Dispute Resolution Phase Iii				Ongoing
Advisory Services	Women in Business-Other	Start date	4/1/2010	
Geographic focus	Morocco	Project cost	\$1,184,565	
Donors	IFC, Gender Action Plan	Donor funding	\$531,825	
		Project id	574047	
Description	The overarching goal of the Phase II Morocco ADR Project is to increase the use of alternate dispute resolution mechanisms in Morocco, which will consequentially ensure the faster release of funds tied up in commercial disputes. In the long term, this should, in turn, stimulate private sector growth, strengthen economic growth, leading to more investment and employment generation and better income opportunities in the country. Project will ensure the following: (i) Mediation is accessible to women entrepreneurs by identifying the types of disputes they have, obstacles they face and that ADR becomes a viable and preferred option for them as well. (ii) Women lawyers and other ADR practitioners will also be trained to become a part of a trained mediator pool. (iii)Ongoing awareness raising and training with women's entrepreneurial associations and with other sector-specific groups (Association of Lawyers) will be critical to support these two efforts.			
Status update	As for the women in business component under this project, discussions for a potential partnership have taken place with the National Association of Women Entrepreneurs (AFEM). The key activities that would be conducted with AFEM primarily concern awareness raising and training in order to further enhance the participation of women in the field of ADR.			

Alternative Dispute Resolution Project				Ongoing
Advisory Services	Women in Business-Other	Start date	11/1/2009	
Geographic focus	Egypt	Project cost	\$1,743,031	
Donors	Switzerland	Donor funding	\$1,443,031	
		Project id	569849	
Description	<p>The objectives of this two-year project are: (i) Support the establishment of efficient mediation mechanisms for resolving commercial dispute in Egypt, whereby mediation service providers such as GAFI and CRCICA would have the capacity to mediate privately referred cases. (ii) Use Egypt's position in the region as well as its regional institutions as a platform for the promotion of mediation in the Arab world. (ii)To achieve this regional momentum, IFC will build the training capacities of Egyptian institutions by training a strong pool of master trainers who can deliver in-house mediation training catering for national and regional participants. Building on their strong reputation and presence regionally, IFC will partner with these institutions in awareness raising activities on mediation in order to promote mediation in the region. It is expected that this regional work will set the stage for two more ADR projects across the region. The Project will ensure that:(i) Mediation is accessible to women entrepreneurs by identifying the types of disputes they have, obstacles they face and that ADR becomes a viable and preferred option for them as well. (ii) Women lawyers and judges will also be trained to become a part of a trained mediator pool. (iii) Ongoing awareness raising will be critical to support these two efforts</p>			
Status update	<p>The Center for Effective Dispute Resolution (CEDR) delivered two rounds of Foundations Skills Mediation Training from 13-24 May 2010 for 37 delegates drawn from the legal, engineering, and business backgrounds. The training took place in CRCICA. A gender session was included in the training and CEDR faculty addressed the wider context of power imbalance, including gender issues, and walked them through what gender issues might arise during mediations in Egypt and how they might be appropriately managed. The group engaged well with the session and openly discussed what gender issues might arise during mediations in Egypt and how they might be appropriately managed.</p>			

ESG Index - MENA Region				Ongoing
Advisory Services	Instruments for Sustainable Investing	Start Date	04/01/09	
Geographic focus	Regional	Project Cost	\$1,449,000	
Donors	USA	Donor Funding	\$440,000	
		Project ID	564887	
Description	<p>IFC together with Hawkamah, MENA region's first Corporate Governance institute based in Dubai, will support the establishment of a stock market index in MENA. It will be the first investable index of companies based on their adoption of environmental, social and governance (ESG) standards. The index will provide investors with an opportunity to incorporate sustainability measures into their investment decisions, thereby, stimulating the flow of sustainable investment funds within and to the region. The ESG Index will comprise up to 40 companies that meet predetermined ESG criteria and have been drawn from 388 companies - through a two-stage screening process - listed on 11 national Stock Exchanges in the region (Bahrain, Egypt, Jordan, Kuwait, Morocco, Oman, Qatar, KSA, UAE, Lebanon and Tunisia). The ESG Index will be marketed to regional and international institutional investors.</p>			
Status update	<p>During this period the company level survey and Transparency & Disclosure (T&D) screening on 388 companies in the S&P MENA universe. The data, received by IFC in April 2010, has been reviewed by IFC business line specialists against which feedback on data quality improvements, investor consultations, index construction and launch has been provided. Hawkamah's technical partners, S&P and CRISIL have reinforced this message based on which additional corrective steps are underway to address highlighted issues.</p>			

Gender & Export Promotion-Tunisia				Closed
Advisory Services	Women in Business-Other	Start date	7/15/2008	
Geographic focus	Tunisia	Completion date	6/30/2009	
Project id	561847	Project cost	\$70,000	
Donors	IFC	Donor funding	\$70,000	
Description	<p>The objective of this project is to promote women as exporters in emerging markets by identifying ways to deliver export support services that better reach women entrepreneurs, including trade facilitation and market support services. The project would be implemented together with the team of the World Bank's Private Sector Development Group in the Middle East and North Africa Region who are implementing an Export Promotion Loan in Tunisia and who have taken the lead on implementing a survey in the country. Using Tunisia as a pilot, the project will: (i) Analyze how existing export promotion services reach and benefit women entrepreneurs;(ii) Develop and disseminate guidance on how institutions can better understand and service women exporters' needs; and,(iii) Based on the findings, inform existing World Bank Group trade-logistic advisory tools with a gender perspective - where appropriate - for wider application.</p>			
Status update	<p>Together with Tunisia's Second Export Development project, which is a highly successful Export Promotion Loan implemented by the World Bank, IFC helped implement a satisfaction survey of firms having benefitted from an export promotion scheme set up under this project. Several questions with a gender focus were included in the survey tool which aimed at finding if there were i) differences within firms, ii) differences in access/use of export promotion mechanisms, iii) and issues in terms of relations with specific administrations across the gender dimension. The survey results were useful and well received in Tunisia as they showed relatively small differences and showed the interest to continue policies aimed at avoiding gender disparities. As a follow-up, within the framework of an upcoming third loan in this area, the World Bank is examining possible a gender dimensions to the export promotion systems. Having this previous work done with IFC at hand will help the World Bank team to engage further on this type of issues.</p>			

Women's Access to Finance study-Egypt				Pipeline
Advisory Services	Women in Business- Access to Finance	Expected cost	\$269,966	
Geographic focus	Egypt	Project id	577707	
Description	<p>The study aims to build the knowledge of women-owned SMEs in Egypt among different stake holders (Egyptian banks, the central bank of Egypt) by (i) assessing the demand for financial services by women entrepreneurs (ii) examining the constraints in the business environment and (iii) assessing the current offering from the banking sector. The study would also assist IFC in supporting select financial institutions in designing products that serve the needs of women entrepreneurs as well as addressing other access to finance barriers examined in the study. Consultants have been identified and the study will commence in October 2010. The study has received considerable interest from potential clients. The Union of Arab Banks has indicated a willingness to conduct the assessment on the supply of finance to women SMEs through its member banks.</p>			

SOUTH ASIA

Shakti – Photovoltaic Market Transformation Initiative				Ongoing
Advisory Services	Sustainable Energy Market Development	Start Date	05/01/00	
Geographic focus	India	Project Cost	\$2,313,000	
Donors	GEF	Donor Funding	\$2,313,000 including \$1,993,000 in investment	
		Project ID	504118	
Description	The objective of the PVMTI project with Shakti Solar (Shakti) is to address the barriers to growth for the PV market. It aims to enable Shakti to convert a number of Liquefied Petroleum Gas (LPG) franchise outlets in rural India to include solar as part of the product offering. The goal was that Shakti would be able to reduce consumer prices on PV products by up to 35%. Once it has established its operations and customer base, and concluded discussions with banks, Shakti Solar plans to offer consumer financing on commercial terms for its products.			
Status update	Shakti made moderate progress on expanding its PV business through the PVMTI program. After a financial restructuring of IFC's engagement, the project is now being closed.			

Shell Renewables - Photovoltaic Market Transformation Initiative				Ongoing
Advisory Services	Sustainable Energy Market Development	Start Date	08/31/01	
Geographic focus	India	Project Cost	\$3,950,000	
Donors	GEF	Donor Funding	\$3,950,000 including \$3,600,000 in investment	
		Project ID	505600	
Description	The projects seek to demonstrate the effectiveness of developing a network of SSCs to sell PV products to consumers. This deal supports Shell Renewables India's development of a foothold in the Indian market, and it helps mitigate the quality problem that has been a major obstacle for the expansion of PV technology in India.			
Status update	In the last six months, EEIL (formerly Shell Solar India) has been working to streamline its business by converting its rural outlets to franchises, and streamlining its supply chain. It continues to perform well.			

Selco-Photovoltaic Market Transformation Initiative				Ongoing
Advisory Services	Sustainable Energy Market Development	Start Date	11/07/02	
Geographic focus	India	Project Cost	\$1,100,000	
Donors	GEF	Donor Funding	\$1,100,000 including \$1,000,000 in Investment	
		Project ID	520305	
Description	The project aims at helping SELCO India, a solar PV company that sells and install solar home systems (SHS) throughout rural India to grow towards financial viability through the provision of a concessional loan and a grant. The project represents a strategic implementation to stimulate PV business activity in India and to demonstrate that quasi-commercial financing can accelerate its sustainable commercialization and financial viability. The concessional loan had the objective of supporting Selco to develop service infrastructures, increase working capital and mobilize consumer finance for the sale of SHS in rural areas of southern India.			
Status update	After the re-structuring of the loan, the company has been timely paying the loan installments. Since beginning of the project the company has installed 25,000 solar home systems			

Moser Baer- Photovoltaic Market Transformation Initiative				Ongoing
Advisory Services	Sustainable Energy Market Development	Start Date	05/01/09	
Geographic focus	India	Project Cost	\$5,260,000	
Donors	GEF	Donor Funding	\$5,260,000 including \$4,000,000 in investment	
		Project ID	567207	
Description	The project objective is the construction of a 5MW Solar PV power plant in Tamil Nadu, India by 2010, with an associated knowledge management and knowledge dissemination platform to support replication of similar projects in the Indian market. It is forecasted that if these the projects activities are implemented they will approximately generate 24,000MWh of Renewable Energy and avoid emission of 19,800 Tonnes of CO2 within the first three years.			
Status update	SGURR Energy, a renewable energy consultancy, was contract for Advisory Services and Knowledge management and work has commenced on the project. Meetings took place between SGURR Energy and Moser Baer to ensure that information from the project was disseminated in a relevant and timely manner according to a pre-agreed schedule. Initial draft deliverables have been delivered and reviewed. Additionally, construction of the plant has commenced and a commissioning date of September 2010 has been agreed, allowing for minor lapses in the schedule. Major policy changes were announced by the Government of India in the form of the National Solar Mission which combines a number of favorable initiatives to support the development of the solar market in India.			

Sustainable Energy Market Development- South Asia				Ongoing
Advisory Services	Sustainable Energy Market Development	Start Date	02/16/10	
Geographic focus	Regional	Project Cost	\$250,000	
Donors	IFC	Donor Funding	\$250,000	
		Project ID	575647	
Description	The objective of the project is to map the sustainable energy sector for potential Advisory Services (AS) interventions in South Asia in the near, medium and long term. The secondary objective is to identify priority areas for follow-on IFC projects			
Status update	The project team has mapped sustainable energy (SE) opportunities in the region. This exercise was done by analyzing existing reports on sustainable energy opportunities and barriers in the region, for example, the India Carbon Abatement study, World Bank Low Carbon Growth Report, National Renewable Energy Strategy for Bangladesh, etc., and through meetings and discussions with various stakeholders (public sector, private sector, policy advisers, the World bank, ADB, GTZ, DFID). These efforts helped identify some of market barriers in each of the countries with respect to sustainable energy market development and identify interventions to address them. Some projects being developed include efforts to support the development of distributed generation energy systems using renewable energy (RE) such as biogas, biomass, and small solar PV systems, and technical assistance to one or two state governments in India on their regulatory and policy environment for solar energy.			

JK Paper –Cleaner Production				Ongoing
Advisory Services	Cleaner Production	Start Date	10/30/07	
Geographic focus	India	Project Cost	\$62,750	
Donors	Japan, IFC, Italy, Luxembourg, Netherlands, Norway	Donor Funding	\$62,750	
		Project ID	557249	
Description	IFC supported a cleaner production assessment for JK Paper Mills in Rayagada and Central Pulp Mills in Songadh, in order to introduce energy efficiencies and water use saving measures at the Company's manufacturing operations in India and if successful, may encourage other pulp and paper mills to adopt cleaner production practices in India and the region			
Status update	The energy savings, water savings and GHG emission reduction identified are as follows - The estimated Potential Energy Savings Per annum (Mwh) = 15,580, Estimated Potential water savings per Annum (Litres) = 3098 Million, Estimated Potential GHG emission reductions per annum (Tons of CO2e) = 17,695. To implement both the consultant's recommendations and in house recommendations, IFC extended a CPLP loan of US \$3.0 Million. The CPLP loan, is expected to reduce the GHG emissions by 67,235 tons of CO2 equivalent per annum, (or roughly 10.9% of the total existing GHG emissions), the overall energy consumption by 30 million kWh of electricity per annum (around 10 % of the existing energy consumption) and the overall water consumption by 3400 Million liters per annum (around 17 % of existing water consumption). The cost savings amount to US \$4.2 M and investment required amounts to US \$3.5 M. Implementation of various projects is being undertaken.			

West Coast Paper Mills Limited-Cleaner Production				Ongoing
Advisory Services	Cleaner Production	Start Date	07/01/08	
Geographic focus	India	Project Cost	\$54,690	
Donors	IFC	Donor Funding	\$48,690	
		Project ID	564567	
Description	The project will allow West Coast Paper Mills to undertake a cleaner production assessment at their facility in Dandeli, Karnataka which will result in (i) recommendations for implementation of certain measures, which would potentially lead to savings in energy and water consumption and cost, (ii) a possible IFC investment of \$0.5 to \$2.0 million in implementation, and (iii) if successful, the project may encourage replication by other players in India to adopt cleaner production practices.			
Status update	The energy savings, water savings and GHG emission reduction identified are as follows. The estimated Potential Energy Savings Per annum (Mwh) = 1,274 Mwh (10.6 % of Energy consumption , Estimated Potential water savings per Annum (Litres) = 2014 Million or (6.1 % of water consumption) , Estimated Potential GHG emission reductions per annum (Tons of CO2e) = 36590 (10.6 % of current GHG emission). The cost savings amount to US \$1.6 M and investment required amounts to US \$1.27 M. Implementation of various projects is being undertaken.			

Cleaner Production Technical Advisory Services for South Asia				Ongoing
Advisory Services	Cleaner Production	Start Date	02/15/09	
Geographic focus	Regional	Project Cost	\$893,000	
Donors	IFC	Donor Funding	\$686,000	
		Project ID	565987	
Description	The objectives of this project is to support CP assessments with IFC pipeline and portfolio clients for IFC Global Manufacturing and Services (CGM), Agribusiness (CAG), Oil, Gas, Mining and Chemical department (COC) and Financial Markets (CGF) in the CSA region and will specifically target 7 large energy intensive companies, to reduce manufacturing costs including input costs and costs of pollution mitigation, and potentially lead to additional CP related investments.			
Status update	There were 2 cleaner production assessments completed for portfolio clients –PRAN, Bangladesh and OCL India. For Pran Bangladesh the energy savings, water savings and GHG emission reduction identified are as follows. The estimated Potential Energy Savings Per annum (Mwh) = 15800 Mwh , Estimated Potential water savings per Annum (Liters) = 9.9 Million , Estimated Potential GHG emission reductions per annum (Tons of CO2e) = 8718 t GHG emission). The cost savings amount to US \$0.49 M and investment required amounts to US \$1.20 M. Implementation of various projects is being undertaken. For OCL the energy savings, water savings and GHG emission reduction identified are as follows. The estimated Potential Energy Savings Per annum (Mwh) = 10720 Mwh (25.49 % of electrical Energy consumption , Estimated Potential water savings per Annum (Liters) = 9.9 Million , Potential GHG emission reductions per annum (Tons of CO2e) = 56,970 t GHG emission). The cost savings amount to US \$1.97 M and investment required amounts to US \$2.66 M. Implementation of various projects is being undertaken. IFC is taking up the initiative to scale up its cleaner production efforts through a local FI (Industrial Development Finance Corporation - IDFC). It has been agreed to facilitate CP assessments for 10 of their existing clients.			

Universal-Cleaner Production				Ongoing
Advisory Services	Cleaner Production	Start Date	01/12/09	
Geographic focus	Maldives	Project Cost	\$66,000	
Donors	IFC	Donor Funding	\$60,000	
		Project ID	568189	
Description	IFC supported a cleaner production (CP) assessment for Universal Enterprises pvt. Limited (UEPL) for its existing four facilities at Kurumba, Huvafanfushi, Kuramathi village and Laguna, in Maldives. The objective of the assessment was to introduce energy efficiencies and water saving measures at UEPL's facilities			
Status update	For UEPL Maldives (Resort) the energy savings, water savings and GHG emission reduction identified are as follows. The estimated Potential Energy Savings Per annum (Mwh) = 4000 Mwh (15.9% of electrical Energy consumption , Estimated Potential water savings per Annum (Liters) = 21 Million , Potential GHG emission reductions per annum (Tons of CO2e) = 5000 t GHG emission (around 24 % of current GHG emissions). The cost savings amount to US \$1.25 M and investment required an amount to US \$5.25 M. Implementation of various projects is being undertaken. IFC is supporting the implementation by extending a CPLP loan of US \$2.5 M.			

Enhance competitiveness of Washing Dyeing & Finishing (WDF) sub-sector in the T&A value chain				Ongoing
Advisory Services	Cleaner Production	Start Date	07/20/09	
Geographic focus	Bangladesh	Project Cost	\$943,250	
Donors	United Kingdom, Norway	Donor Funding	\$743,250	
		Project ID	572229	
Description	The project aims improve waste management and production efficiency of the WDF firms, by demonstrating the benefit of adapting cleaner production and capacity building of service providers & stakeholders.			
Status update	Cleaner production assessment of four pilot factories completed. Environmental compliance audit and database creation underway. Web portal for a virtual marketplace for service providers designed.			

Andhra Paper Mills Limited (APPM)-Cleaner Production				Ongoing
Advisory Services	Cleaner Production	Start Date	04/15/08	
Geographic focus	India	Project Cost	\$114,750	
Donors	Japan, SBI	Donor Funding	\$59,750	
		Project ID	557285	
Description	IFC supported The Andhra Paper Mills Limited (APPM) to undertake a cleaner production assessment at the APPM and Coastal Paper units in the town of Rajahmundry, 500km northeast of Hyderabad. The objective of the assessment was to introduce energy efficiencies and water saving measures at APPM's manufacturing operations in India			
Status update	For APPM the energy savings, water savings and GHG emission reduction identified are as follows. The estimated Potential Energy Savings Per annum (Mwh) = 2066 Mwh , Potential GHG emission reductions per annum (Tons of CO2e) = 721 t GHG emission . The cost savings amount to US \$36,000 and an investment of US \$40,000.			

TurboTech-Cleaner Technologies Investment				Ongoing
Advisory Services	Clean Tech Venture Investments	Start Date	01/20/05	
Geographic focus	India	Project Cost	\$289,844	
Donors	Netherlands, Norway, Italy, IFC, Denmark, Luxembourg, New Zealand,	Donor Funding	\$289,844	
		Project ID	522661	
Description	The objective of the Project is to catalyze growth in TurboTech by increasing the Company's manufacturing capabilities, annual revenues and bottom-line profitability. The Project also seeks to address the market barrier of access to financing for small-scale cogeneration technology and early-stage clean technology companies with significant emerging market risks. Developing country venture investors are not generally familiar with the cleantech sector and few cleantech venture investors are comfortable with developing countries. The demonstration effect of the Project is expected to reduce the market barrier of access to financing by helping the Company prove its commercial viability and by attracting additional third party investment into the Company.			
Status update	IFC has invested \$0.6 million and controls approximately 18% of the Company. After IFC's investment in 2006, the company's business initially showed positive progress in 2007 but the economic crisis set the company back significantly. Coupled with performance issues with some of its supplies and lack of financial strength, the company has been unable to create a sustainable business model. Due to this, IFC recently refused participation in a rights issue.			

Rain Forest Ecodge Linkage Project				Ongoing
Advisory Services	Biodiversity-Other	Start Date	08/01/06	
Geographic focus	Sri -Lanka	Project Cost	\$176,443	
Donors	Norway, Netherlands, IFC	Donor Funding	\$142,443	
		Project ID	547845	
Description	The Rainforest Ecodge Company (REC) is a company set up by a group of companies in the tourism sector with the objective of positioning Sri Lanka as an eco-tourism destination to attract high spending tourists to Sri Lanka. REC is located in privately managed land bordering the only lowland rainforest in Sri Lanka. The project is expected to introduce global best practices in ecotourism and demonstrate social and environmental conservation commitments and economic sustainability through private sector development. IFC will assist the Rain Forest Eco Lodge obtain US Green building Certification. This will demonstrate their commitment to environmental stewardship and social responsibility and REC will be the first organization to do so and thereby set standards for the industry in Sri Lanka.			
Status update	REC submitted their application to US Green Building Council in end June 2009 after recording, documenting and incorporating US Green Building Council's specifications. The Compliance Advisory Ombudsman (CAO) received a complaint from 'Sinharaja Campaign Team', a group claiming to represent the residents of the area protesting against the construction. The project was on hold from September 2009 to April 2010 due to the ongoing investigation by CAO which concluded its investigation and submitted their final report in January 2010. REC has agreed to the recommendations made by CAO and the complaint has expressed their satisfaction with the outcome of the investigation. The US Green Building Council provided their feedback on the Design submissions and awarded 35 points out of 69 (based on the point system previously used by USGBC) which qualifies REC to obtain silver status certification. The process of submission for the Site Execution credits (Construction) commenced with the construction workshop held in May 2010. IFC continues to monitor the implementation of recommendations made by CAO.			

Promoting Gender Inclusion and Competitiveness in Special Economic Zones (SEZs)				Ongoing
Advisory Services	Women in Business-Other	Start date	12/18/2009	
Geographic focus	Bangladesh	Project cost	550000	
Donors	IFC,	Donor funding	\$500000	
		Project id	571787	
Description	This project aims to develop a Good Practice Gender Framework for Special Economic Zones (SEZs) which will be applied across future IFC sponsored SEZ projects globally. The objectives will be pursued by a) introducing & implementing gender inclusive policies, procedures or practices in the Dhaka Export Processing Zones (EPZ); b) developing a Good Practice Gender Framework for SEZs, and c) incepting three new gender inclusive SEZ projects. The Good Practice Gender Framework will be developed based on the demonstrated results of the Dhaka EPZ pilot and the findings of a global study by mapping the existing good and poor gender practices within SEZs around the globe.			
Status update	In addition to the Bangladesh pilot, seven countries were identified for inclusion in the global study (Costa Rica, El Salvador, Egypt, Jordan, Kenya, Philippines and China). Three areas of intervention were also identified: women workers, upward mobility and female entrepreneurship issues in zones. Initiated in February 2010, the Bangladesh pilot includes a review of the current scenario in terms of gender initiatives, challenges and opportunities for female workers and entrepreneurs in the EPZs in Bangladesh. This is followed by replication of some best practice recommendations from the Global Study. A first draft of the Bangladesh case study and a draft Action Plan have been prepared. This includes detailed information regarding implementation of recommendations, including best practices from other countries, resource requirements, potential partner organizations, timeline and estimated costs.			

India Carbon Abatement Cost Curve				Closed
Advisory Services	Sustainable Energy Market Development	Start Date	04/17/09	
Geographic focus	India	Completion Date	06/24/10	
Project ID	569307	Project Cost	\$2,025,459	
Donors	IFC	Donor Funding	\$275,459	
Description	The objective of this project is to develop a rigorous fact-based national greenhouse gas (GHG) abatement cost curve for India, which will inform the design of GHG abatement policy and strategies by businesses, industry, and government agencies. The project's desired impact is to inform key stakeholders in India on GHG emission reduction opportunities and their related costs to achieve environmentally and socially sustainable growth. The data produced by the GHG abatement curve will also enable IFC to support accelerated deployment of new low-carbon technologies through its investments in clean technology, clean production, and renewable energy.			
Status update	The project has been completed. The consultant team (McKinsey and Company) delivered the final report, "Environmental and Energy Sustainability: An Approach for India," in September 2009. The report contains the following (i) Identified specific GHG abatement levers, and measures their abatement potential, required investments and costs, through fact-based study of conventional and emerging technologies.(ii) Provided a vetted, widely accepted fact base for national and sub-national governments in GHG abatement policy making.(iii) Identified low-carbon "pathways" across sectors using consistent methodology and recommended those for India that improve energy security and achieve emissions abatement while stimulating economic growth (iv) It also developed a high-level implementation strategy laying out barriers to be overcome and timeline for action. Early evidence from media and other reports (Financial Express, November 10, 2009) shows that the report is being used by Indian companies to identify carbon abatement opportunities.			

SREI – Photovoltaic Market Transformation Initiative				Closed
Advisory Services	Sustainable Energy Market Development	Start Date	02/20/01	
Geographic focus	India	Completion Date	07/13/09	
Project ID	504119	Project Cost	\$3,550,000	
Donors	GEF	Donor Funding	\$3,550,000including \$3,150,000 in investment	
Description	The objective of this project is to develop a retail and service network for photovoltaic products and solar home systems (SHS) throughout the State of West Bengal in the Republic of India.			
Status update	SREI Infrastructure Finance Limited (Formerly SREI International Finance Ltd.) is among the largest non-banking financial institutions in India. SREI is engaged in the financing of construction and mining equipment, infrastructure projects and renewable energy systems. In February of 2001, SREI received \$2.0M financing from PVMTI to address two key issues facing the Indian PV industry, namely, the lack of after sales services and maintenance activities and the lack of rural credit mechanisms. Today SREI continues to source solar modules from Tata BP, and works with a new rural electrification service provider Environ-Energy Tech Service Ltd. (EETS). This new partnership has been in place for over 3 years and is progressing well.			

Water Disinfection & Purification System Program				Closed
Advisory Services	Sustainable Water	Start Date	07/01/05	
Geographic focus	Sri-Lanka	Completion Date	04/26/2010	
Project ID	535223	Project Cost	\$1,196,000	
Donors	USA	Donor Funding	\$250,000	
Description	WaterHealth International (WHI) provides clean drinking water to underserved rural and urban populations in emerging markets. The objective of this project is to provide 50 water purification and disinfection systems for tsunami relief and reconstruction efforts in Sri Lanka (with funding support from the US Trade and Development Agency). The project is expected to provide clean drinking water for approximately 100,000 people who were affected by the tsunami. Over time, the systems could be moved to permanent locations, where up to 150,000 people could benefit from access to potable water			
Status update	WHI invested \$20,000 to implement a systematic transition plan that: 1) trained a local partner in Sri Lanka, Complete Logistic Solutions Ltd. Company (CLS), for on-going maintenance & operation; 2) completed a preventive maintenance program for the 38 installed systems,; and 3) ensured local ownership. The six-week training program of CLS was conducted by two experienced WHI engineers from India during September-October 2009. WHI now believes that CLS is fully qualified to manage and operate the systems. Technical service backup will be provided via WHI's call center operations in India as appropriate. In addition to the 38 installed systems , WHI currently has 11 ultraviolet units and stainless steel tank components in Sri Lanka. There is also one complete system in inventory which serves as a back-up unit. The local government will pay CLS for on-going maintenance and operations of the sites using these units as replacement equipment. Relocation of the units to areas where they could provide greater benefit would cost about \$130/unit which would be borne by the local government and/or the communities. The transition was completed at the end of October 2009. CLS has completed the final project assessment report, which identified the project's impact and lessons learned			

South Asia Sustainable Energy Program			Pipeline
Advisory Services	Sustainable Energy Market Development	Expected Cost	\$3,250,000
Geographic focus	Regional	Project ID	575687
Description	<p>The program will (a) address the key barriers to the development of the market for sustainable energy in a prioritised way to maximise impact early and remain focused on the most critical barriers first (e.g. regulatory and legal framework for renewable energy and market-based incentive mechanisms will be a key priority) (b) will work on creating an enabling environment for future / parallel investments (c) focus on priority regions (such as the low-income states in India) and in new and emerging technologies, business models, innovations etc.(d) focus on the most realizable renewable energy technologies in the South Asian context. Over a five year implementation period the program could facilitate (indirectly, through Advisory Services) the (i) Development of 48MW of installed Renewable Energy capacity generating 155,000 MWh / year (assuming projects of 32 MW of solar, 8MW of biomass and 8MW of small hydro) and (ii) Potential GHG emission reductions of 125,000 metric tons CO2e / year. The program will be structured to support the entire value chain (including manufacturing, project developers, financial institutions and other stakeholders) by creating an enabling environment to support market development for Sustainable Energy in South Asia. The program will directly deploy i) Advisory Services and ii) Concessional Financing; and leverage the above to catalyse commercial third party investments, and investments on IFC accounts.</p>		

Maldives Resort Cleaner Production			Pipeline
Advisory Services	Cleaner Production	Expected Cost	\$350,660
Geographic focus	Maldives	Project ID	575007
Description	<p>The objective of this project is to reduce energy and water consumption by 10-15% at one third of the country's resorts (i.e 30 or so) over the next two years. As the mainstay of the Maldivian economy, the resort sector can serve as an effective and powerful demonstration of the country's commitment to carbon-neutrality. The project will seek to:(i) provide the resorts with access to technical expertise and co-funding for cleaner production assessments, and (ii) increase their knowledge on new (but proven) technologies such as waste heat recovery, efficient air conditioning, etc.</p>		

Financial Report

DONOR FUNDING STATUS

Table 4: Donor Commitments as of June 30, 2010 (USD)

Commitments (USD)	FY07	FY08	FY09	FY10	FY11	Total
Clean Technology Fund				83,942,941		83,942,941
Global Environment Facility		16,000,000	15,300,000	35,500,000		66,800,000
IFC	4,515,000	4,952,680	9,670,879	4,720,000		23,858,559
Netherlands	1,653,860	4,515,320	5,611,870	2,978,378	2,650,000	17,409,428
Norway	800,000	1,300,000	4,294,900	800,000	800,000	7,194,900
Japan	638,000	1,870,000	1,375,000	480,000		4,363,000
Luxembourg	321,475	681,200	1,023,381	50,000	243,780	2,319,836
Denmark		998,000	694,771	389,740		2,082,511
Austria	(333,378)		1,933,288			1,599,910
Gender Action Plan	260,000		150,000	1,000,000		1,410,000
United Kingdom	374,810	174,000	378,741			927,551
Ireland		800,000				800,000
Switzerland		650,000	117,962			767,962
Canada	110,661	197,850	303,850			612,361
TFESSD (Norway/Finland)		167,000	400,000			567,000
Nordic TF on HR				485,000		485,000
Iceland		425,000				425,000
South Africa			300,000			300,000
Sweden	98,000			200,000		298,000
Disney				100,000	100,000	200,000
Italy			192,013			192,013
New Zealand			112,387			112,387
Total	8,438,428	32,731,050	41,859,042	130,646,059	2,993,780	216,668,359

Table 5: Donor Receipts as of June 30, 2010 (USD)

Receipts (USD)	FY07	FY08	FY09	FY10	FY11	Total
Global Environment Facility	1,835,686	16,266,498	621,318	69,324,260		88,047,762
Clean Technology Fund				32,403,619		32,403,619
IFC	4,515,000	4,927,488	10,471,371	6,659,690		26,573,549
Netherlands	1,653,860	4,515,290	3,741,870	2,600,000		12,511,020
Norway	720,000	1,739,643	4,083,117	800,000		7,342,760
Japan	140,079	2,508,000	1,347,600			3,995,679
Denmark		998,004	694,834	397,575		2,090,413
Luxembourg	321,475	340,600	1,363,982			2,026,057
Austria	(333,378)		1,970,888			1,637,510
IBRD				1,150,000		1,150,000
United Kingdom	497,405	96,967	372,915			967,287
Ireland			808,170			808,170
Switzerland		250,000	250,000			500,000
Canada	43,569	240,323	163,692			447,584
TFESSD (Norway/Finland)		133,600	226,258			359,858
Iceland		300,000				300,000
South Africa			300,000			300,000
Italy			192,013			192,013
Bavaria (Germany)		200,000	-79,885			120,115
New Zealand			112,387			112,387
Disney				100,000		100,000
Gender Action Plan						0
Total	9,393,696	32,516,413	26,640,530	113,435,144	-	181,985,783

The numbers in this table represent the total donor funding under the responsibility of the manager of the Sustainability Business Innovator, listing contributions to the Innovator, the Global Environment Facility, Women in Business (ex-Gender Entrepreneurship Markets), the Earth Fund, and Financial Mechanisms for Climate Change. Contrarily to the rest of this report, it does not cover the entirety of IFC advisory services in environmental and social sustainability as the financial systems of IFC do not currently allow for such reporting across a business line.

EXPENDITURES

Table 6: Expenditures by Standard IFC Advisory Services Expenses Categories
Including Investments Disbursed
As of June 30, 2010

	FY07		FY08		FY09		FY10	
	\$	%	\$	%	\$	%	\$	%
Project related expenditures	22,930,405	92	22,912,053	91	23,895,128	86	22,959,868	90
New business development/ project development	2,226,505	9	1,608,811	6	2,098,944	8	999,424	4
Product development	155,035	1	296,988	1	209,855	1	91,545	0
Project implementation and supervision/1	19,758,169	79	20,102,984	80	18,666,437	68	18,815,684	74
Program management and support	628,746	3	659,799	3	2,255,728	8	2,544,679	10
Monitoring & evaluation	161,951	1	243,472	1	664,163	2	508,535	2
Non project related expenditures	1,978,457	8	2,344,308	9	3,730,829	14	2,524,968	10
Knowledge sharing and staff development	149,801	1	298,625	1	901,470	3	439,679	2
Fund raising and donor relations	499,916	2	210,341	1	299,694	1	75,941	0
Public relations	76,094	0	120,719	0	212,952	1	293,297	1
General & administration	1,252,645	5	1,714,622	7	2,316,713	8	1,716,052	7
<i>a) overhead</i>	<i>317,470</i>	<i>1</i>	<i>359,067</i>	<i>1</i>	<i>838,699</i>	<i>3</i>	<i>373,810</i>	<i>1</i>
<i>b) non-overhead related G&A expenditures</i>	<i>935,174</i>	<i>4</i>	<i>1,355,556</i>	<i>5</i>	<i>1,478,014</i>	<i>5</i>	<i>1,342,242</i>	<i>5</i>
Total Expenditures	24,908,862	100	25,256,362	100	27,625,956	100	25,484,836	100

NOTE: The numbers in this table represent the total donor funding under the responsibility of the manager of the Sustainability Business Innovator, listing contributions to the Innovator, the Global Environment Facility, Women in Business (ex-Gender Entrepreneurship Markets), the Earth Fund, and Financial Mechanisms for Climate Change. Contrarily to the rest of this report, it does not cover the entirety of IFC advisory services in environmental and social sustainability as the financial systems of IFC do not currently allow for such reporting across a business line.

TOTAL FUNDING AND EXPENDITURES

This table provides an overview of the funding and expenditures for the total donor funding under the responsibility of the manager of the Sustainability Business Innovator, listing contributions to the Innovator, the Global Environment Facility, Women in Business (ex-Gender Entrepreneurship Markets) the Earth Fund, and Financial Mechanisms for Climate Change. The trust fund balances consist of donor funds unspent or placed in guarantees. The decrease of the administrative fee to 0 is due to a change in accounting rules.

Table 7: Total Funding and Expenditures as of June 30, 2010 (USD)

	FY07	FY08	FY09	FY10	Total
Trust Funds Opening Balances	121,217,000	106,631,686	116,677,816	168,480,416 ⁴	–
+ Funding Received	9,393,696	32,516,413	26,640,531	113,435,144	126,485,783
+ Investment Income	519,599	662,391	352,343	292,577	1,826,910
- Total Expenses	24,908,862	25,256,362	27,625,965	25,484,836	103,276,016
- Administrative Fee	47,043	0	0	17,500	64,543
+ Interim Budget	0	2,010,000	(2,010,000)	0	0
+ Other Income	457,296	113,686	(4,226,408) ⁵	398,514	(3,256,912)
= Trust Funds Closing Balances	106,631,686	116,677,813	109,808,325	257,104,316	–

Trust Funds Opening Balance	Balance from the previous fiscal year.
Funding Received	Funding from donors that are contributed directly to ifc trust funds.
Investment Income	Income from the investment of the trust funds balances while the funds are not expensed on projects.
Total Expenses	Expenditures for advisory services and investment services. See Table 2 for more details.
Administrative Fee	Fee collected by ifc for the financial management of the trust funds.
Interim Budget	Funding provided by ifc when needed during the period between the signature of an agreement and the disbursement from the donor to ifc accounts.
Other Income	Fees and contributions from third parties (clients and partners). This is in line with pricing policy of ifc that seeks a client contribution for its services.
Trust Fund Closing Balance	Balance at the end of the fiscal year.

⁴ The FY10 opening trust fund balance is different from the closing balance of FY09 due to non-retroactive inclusion of Financial Mechanisms for Climate Change and the Earth Fund.

⁵ The \$4,226,408 includes the roll-over amount from the Sustainable Business Assistance Program to the Innovator IFC Advisory Services in Environmental and Social Sustainability

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CLIMATE CHANGE

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