

Annual Report 2010

Using Carbon and Climate Finance to
Promote Low Carbon Development



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Climate Change

Capacity Building

CDM knowledge sharing

Institutional Development

Carbon Market Development

Technical Assistance Project methodologies

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Messages



Sanjay Pradhan
Vice President
World Bank Institute

Climate change poses a serious challenge to development and fighting poverty, the two principal objectives of the World Bank. Carbon Finance Assist (CF-Assist), a trust fund administered by the World Bank Institute (WBI), was established to help carry out these objectives. It actively supports implementation of the World Bank's development and climate change agenda, focusing on capacity building for carbon finance activities.

Over the last four years, CF-Assist has promoted carbon market development in Latin America, Africa, Eastern Europe and Asia through a formidable range of activities, including training programs, learning and knowledge sharing and institution building. Given its structural and operational arrangement – placed within the WBI Climate Change (WBICC) Practice and the World Bank Group – the program is well equipped to connect practitioners, technical experts and policy

specialists on current and cutting edge issues related to carbon finance.

CF-Assist is also providing a powerful tool in support of the change being undertaken by WBI, moving from a 'retail' model to a more 'wholesale' model of learning through the development of e-learning programs, partnerships with regional organizations and the use of new technologies. This change has enabled reaching, in a cost-effective manner, a larger group of practitioners, as well as strengthening developing countries' ability to cope with the consequences of climate change, while promoting a low carbon growth path.

CF-Assist is evolving in response to changing realities, including an uncertain outcome of the international negotiations for a post-2012 regime, the growing importance of climate finance beyond carbon finance, and the necessity of dramatically scaling up finance for low carbon development. In this Annual Report, you will find new initiatives through which CF-Assist is beginning to address these challenges and changing realities, including a new program focused on low carbon growth and a South-South exchange on urban poverty and climate change between mayors of mega cities.

Jointly, with our regional and intergovernmental partners, clients and donors, WBI and CF-Assist are looking forward in order to meet the challenges that lie ahead.



Joelle Chassard
Manager, Carbon Finance Unit
World Bank

In 2009, the World Bank's Carbon Finance Unit celebrated its first decade of work in the international carbon market. The Bank took a leadership role in exploring the use of market mechanisms for climate mitigation by creating carbon funds that would generate a demand for emission reductions.

Today, the World Bank manages over US\$2.5 billion across its eleven carbon funds and facilities, of which close to two billion is already committed, with 24 governments and 66 private companies from various sectors making financial contributions. Carbon finance has matured over the years, and our work continues to break the mould and demonstrate that emission reduction projects can be implemented in developing countries in key sectors.

The World Bank has pioneered various approaches and market instruments, and has helped to set up

policies and regulatory frameworks. CF-Assist, the Bank's capacity building program, has been instrumental in accelerating developing country participation in the global carbon market.

Through its activities, the Bank is pushing the envelope in new directions in order to remain at the forefront of carbon finance. We work with developing forest countries to help strengthen their framework and processes for reducing emissions from deforestation and forest degradation (REDD). The Bank also aims to move from project-based emission reductions to programmatic approaches, developing scaled-up projects post-2012. We hope that the valuable experience gained by CF-Assist thus far through its trainings and technical assistance will help build a successful next generation of capacity building programs for carbon finance and market development.



Konrad von Ritter
Manager, Climate Change Practice
World Bank Institute

Last year was an important milestone for CF-Assist as it completed its first phase and obtained support from key donors to initiate a second phase from 2010 to 2013.

This transition brought with it important changes. We revisited CF-Assist's strategic priorities and adjusted them in response to observed and anticipated changes in the carbon market. While the overall objective remains the creation of capacity in partner countries to engage in the carbon market in support of their sustainable development goals, CF-Assist will focus on the following three priorities: i) scaling up carbon finance from the project to the program level; ii) deepening the capacity of cities to access carbon finance for urban development; and iii) enabling countries to blend carbon finance with other forms of climate finance for low carbon growth. We presented these three strategic pillars

to our donors and partners and greatly benefited from the feedback and support we received.

We also clarified our approach to capacity development in line with WBI's major business lines, including: structured learning programs to be delivered together with regional partners; South-South knowledge exchange between practitioners; and on-the-ground support in the application of knowledge for tangible development results. All three elements are well represented in CF-Assist's new work program.

Last, but not least, organizational and leadership changes have been made. We created a Climate Change Practice at WBI, which is now the administrative home for CF-Assist, facilitating the link with other climate change activities. We also have a new CF-Assist team leader, Kai-Uwe Schmidt, who many in the CDM world know from his tenure at the UN Framework Convention on Climate Change (UNFCCC) Secretariat. He has replaced

Venkata Ramana Putti, who, after 3 years of building up the CF-Assist program, has moved into the Energy Department.

Last year also saw some exciting new CF-Assist initiatives, including the Task Force of Mayors on Urban Poverty and Climate Change, which was born at the Mayors' Summit in Copenhagen. Task Force members include the mayors of Mexico City, São Paulo, Dar es Salaam and Jakarta, as well the mayor of Toronto, who serves as the Chair of the C40, a group of cities committed to tackling climate change. CF-Assist supports the Task Force, specifically regarding the identification of carbon finance options that benefit slum dwellers. We also launched a new e-learning program on the basics of the Clean Development Mechanism (CDM) and Joint Implementation (JI), which is currently being piloted with a group of designated national authorities (DNAs), and being adapted to Spanish for our Latin American clients by our partner Tec de Monterrey. In the coming year, we are seeking similar partnerships for Africa and Asia. Many

of you will have received our e-Bulletin to keep you informed on a regular basis of the many other CF-Assist activities being undertaken, including regional fora, Program of Activities (PoA) workshops and the Carbon Expo.

Looking forward, we are conscious of the uncertainties surrounding the future of the carbon market and climate regime, but remain convinced that strengthening capacity in programmatic approaches, cities and blending climate finance are no-regret investments under all possible future climate regimes.

We are therefore deeply grateful to our donors Spain, Australia and Denmark for their continued trust and support of CF-Assist and, in particular, Switzerland for its very generous supplemental contribution, which allows us to pursue this important and unfinished agenda during its next phase.



2009–10 At a Glance



| | |
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| Carbon Expo 2009 / 2010 | World's largest annual carbon market platform |
| Host Country Committee Meetings | Two held in Cologne and Copenhagen |
| Regional Carbon Forums | Held in Africa, Latin America and South Asia |
| Cities and Climate Change | New Climate Finance Capacity Program |
| Knowledge Management | E-learning programs being developed on carbon finance and the energy sector |
| Climate Summit for Mayors at COP 15 | Focused on the growing role of cities in implementing low carbon and climate-resilient strategies |
| CDM Program of Activities Workshops | Five workshops held in Africa, Asia and Latin America |

1. Introduction

Carbon Finance Assist (CF-Assist) is a corporate program of the World Bank designed to help developing countries and economies in transition participate more effectively in the rapidly growing carbon market. The World Bank Institute (WBI) manages this program, which trains and educates people who will be crucial catalysts in their countries in promoting the deployment of clean technologies.

In the early days of the carbon market, lack of knowledge and experience in most developing countries and economies in transition was a key problem. It prevented these countries from playing an effective role in the emerging market and expanding their reach. As a response, CF-Assist has designed and implemented capacity building programs over the last four years, focusing on strengthening regulatory institutions, helping to put procedures in place and creating professional expertise through training. Much has been achieved in this regard as

a result of CF-Assist and similar capacity building programs of other agencies (e.g., Capacity Development for CDM (CD4CDM) of UNEP). Several countries in Asia and Latin America have successfully established the conditions necessary for utilizing carbon finance. However, considerable effort is still needed in some countries and regions, especially in Sub-Saharan Africa and Central Asia, which have not benefited much during the first commitment period of the Kyoto Protocol, which expires in 2012.

However, as the global debate now moves towards a new regulatory regime post-2012, albeit slowly and with many uncertainties, capacity building needs are evolving as well. New instruments and concepts, such as programmatic and sector-specific approaches, have emerged or are being discussed, and the need to scale up activities has grown significantly. The ultimate goal is to gradually integrate carbon finance into overall finance for low carbon development that pushes





infrastructures and economies towards a sustainable future. Our new initiatives and strategic work program aim to accommodate this goal.

CF-Assist has now been up and running for more than four years. In many countries, the initial phase of capacity building – basic training, establishing/strengthening designated national authorities (DNAs), etc. – has been completed. CF-Assist is now embarking on new activities to respond to the

emerging challenges and is poised to significantly expand its scope and reach. This report will first summarize some important program achievements, impacts and challenges during this period. Second, it will articulate the strategic direction for future capacity building and outline the initiatives launched to meet the priorities set.

Carbon Finance at the World Bank

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

2. Carbon Finance-Assist

2.1 The Program

CF-Assist, a multi-donor trust fund set up as a capacity building and technical assistance program to complement the World Bank's carbon funds, was proposed in 2004 and formally launched in mid-2005. While some activities under CF-Assist were designed in 2005, actual implementation did not begin in earnest until early 2006. CF-Assist has been managed by WBI since 2006, when it was transferred from the Environment Department. In addition to direct contributions from donors, CF-Assist has also been administering the Prototype Carbon Fund (PCF) plus program – the precursor to CF-Assist – which uses interest income from the PCF.

After three years of capacity and institution building, CF-Assist is now expanding and setting strategic priorities, influenced by various developments, including: ongoing negotiations for a new international climate regime beyond 2012; and the World Bank's Strategic Framework on Development and Climate Change. Thus, since 2008, CF-Assist has been working towards closely aligning its program activities with other World Bank initiatives. Towards this end, CF-Assist has entered into internal partnerships with the World Bank's Carbon Finance Unit (CFU), the Energy Sector Management Assistance Program (ESMAP), the Urban

and Transport Department and others on various knowledge programs.

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

CF-Assist works in various developing countries to:

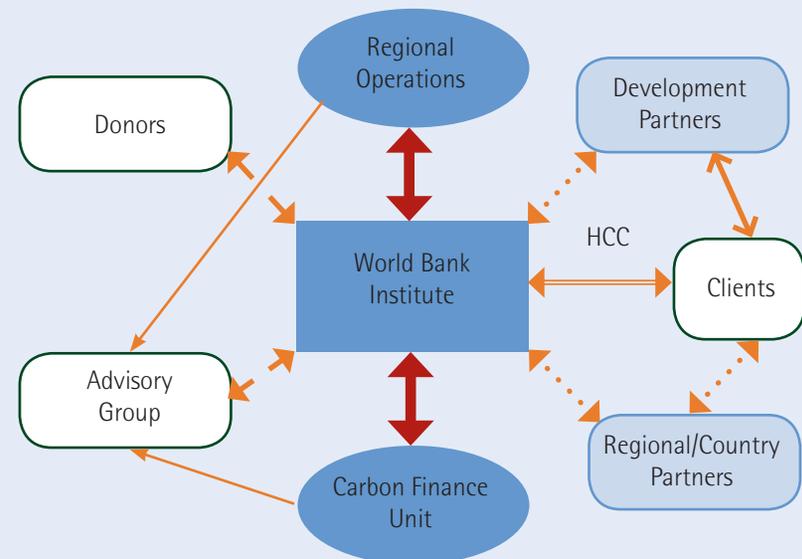
- build human and technical capacity;
- put in place the necessary institutional and legal infrastructure;
- help create and manage carbon assets in specific mitigation sectors; and
- help reduce costs of participation in the carbon market.

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

Responding to the political, economic and technological challenges ahead, CF-Assist has crafted a "Strategic Work Program 2010-2013", which emphasizes three major directions:

- Scaling up carbon finance through programmatic approaches and providing information on the evolving global regulatory framework and emerging market instruments.
- Expanding the use of carbon finance in urban areas, including fostering development of programmatic carbon finance programs, supporting the preparation of low carbon development strategies for cities, and helping establish institutional frameworks for implementing low carbon strategies.
- Integrating carbon finance into climate finance to promote low carbon development, which involves building skills to use analytical tools, fostering peer-to-peer exchanges of knowledge on strategic low carbon development assessments, identifying sector-specific mitigation activities and accessing new sources of climate financing.

Chart 1: Management Structure of CF-Assist



At CF-Assist's yearly donor meeting during COP 15, donors strongly endorsed these strategic directions for CF-Assist and supported extending the Trust Fund by another three years. Switzerland pledged US\$4.5 million, which includes funding for the Cities and Climate Change program.

2.2. Operational Approach

CF-Assist works with internal and external partners in executing its activities. Overall management rests with WBI's Climate Change (WBICC) Practice. Program implementation is undertaken in collaboration with the World Bank's six operational regions: Sub-Saharan Africa (AFR); Middle East and North Africa (MNA); Europe and Central Asia (ECA); East Asia and the Pacific (EAP); South Asia (SAR); and Latin America and the Caribbean (LAC).

CF-Assist has work program agreements (WPAs) with the six regions to implement many country programs. The WBI anchor team implements

some country programs directly, as well as regional and global activities, and provides technical expertise and monitoring for programs implemented by partners. The CFU provides technical and operational assistance.

CF-Assist also draws support from many external partners who collaborate in organizing events, conducting training programs and providing technical services. CF-Assist is supported by two external committees, which provide oversight and monitoring of the work program: the Host Country Committee (HCC), which represents over 50 developing countries and convenes twice a year; and the Donor Committee, which represents all CF-Assist contributors. Internally, an Advisory Group, which meets periodically, is comprised of regional carbon finance coordinators, CFU and International Finance Corporation (IFC) representatives and other subject experts.

CF-Assist, which originally began with a US\$10 million fund with supplemental contributions, has now grown to a total envelope of about \$19 million over a period of six years

In its operations, CF-Assist has three main work components: capacity building; market development; and outreach.

Capacity building

The capacity building component includes training, institutional support and project portfolio development for countries and regions. It focuses on four basic modules:

- establishing/strengthening effective DNAs and, in the context of preparing for scaling up in support of low carbon development, strengthening capacity of other relevant ministries;
- carbon finance project and programme development;
- baseline and monitoring methodologies and tools/methods for identifying opportunities for blending financial instruments to support climate change resilient low carbon development; and
- negotiating fair and equitable emission reduction purchase agreements.

The goal of capacity building is to: accelerate knowledge sharing by development practitioners; help increase capacity in developing countries to undertake strategic assessments on low carbon development; develop policies and measures for appropriate emission reduction plans in select sectors; and access innovative financing for programmatic climate mitigation action.



Market development

The market development component facilitates regional and global events, supports analytical work and attempts to increase financial sector participation in carbon finance. Flagship events include the annual Carbon Expo and regional Carbon Forums.

CF-Assist also addresses how to remove technical, institutional and/or financial barriers for clean technology projects. Since a lack of underlying finance is a key obstacle to investing in low carbon projects in developing countries, CF-Assist targets the financial community to get them more involved in carbon finance and blending financial instruments to support climate change-resilient, low carbon development. CF-Assist also supports various technical studies to identify potential in specific sectors and helps set up special instruments at the country/regional level.

Outreach

CF-Assist uses multimedia tools to inform the public and stakeholders about the state of the carbon market. Currently, it is in the process of designing a series of e-learning packages on important aspects of carbon finance, containing audio-visual presentations, case studies, simulation games and interactive guides.



CF-Assist

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

2.3. Regional Coverage

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

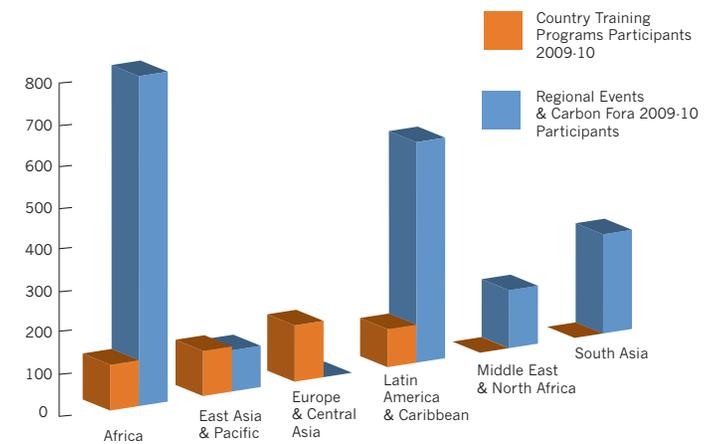
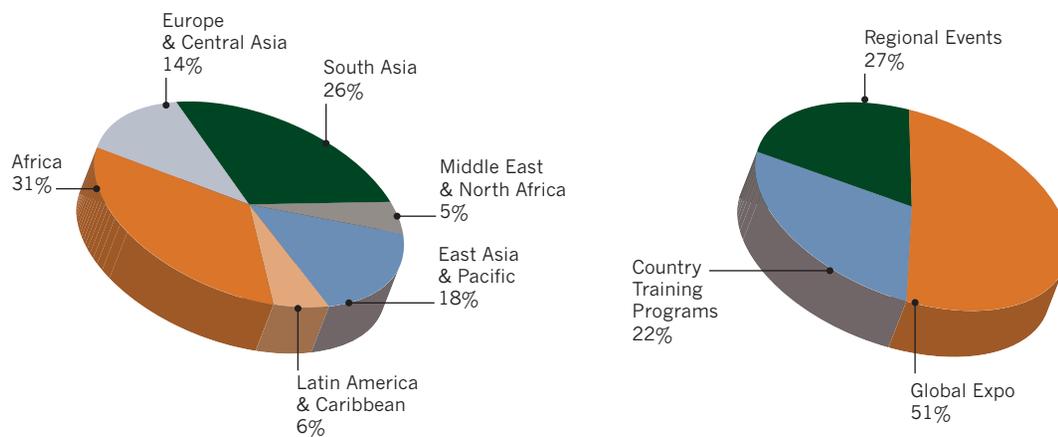
During its four years of implementation, CF-Assist conducted over 70 national-level training programs in more than 50 countries, including 24 programs in

20 countries in 2008-09. The program created new DNAs, strengthened national institutions and helped develop special instruments, such as sellers' funds in Argentina and Mexico and the CDM Fund in China. CF-Assist has had a presence at some level in approximately 66 countries, including countries where Green Investment Scheme (GIS) studies were conducted and those with CF-Sustainable Energy in Africa (CF-SEA) activities were implemented in collaboration with UNEP Risoe.

CF-Assist also co-organized seven Carbon Expos and 30 regional events, including carbon forums in Africa, Asia, Central Asia, the Middle East and North Africa, Latin America and Caribbean and South Asia. CF-Assist commissioned studies and reports on carbon mitigation potential in select sectors and regions, such as the energy and cement industries in Sub-Saharan Africa and the forestry sector in Sri Lanka. The sub-sections on pages 12-17 describe significant regional activities and developments.

The charts below illustrate the regional distribution of country training programs for the years 2005-2010, as well as the distribution of participants in country, regional and global events for 2005-10. The chart on the far right compares the number of participants per region from country training programs and regional events for 2009-2010. It highlights the clear shift that has been taken place from national towards regional activities, particularly in Africa and Latin America (For detailed figures, see aggregate activity data tables on page 26).

Regional Distribution of Events and Events Participation



Sub-Saharan Africa

Sub-Saharan Africa (AFR) is the region that has benefited least from the carbon market and carbon finance development due to the lack of capacity and access to finance and an insufficient institutional environment. To help the region overcome some of these obstacles, CF-Assist has been implementing a focused program entitled 'Africa Assist', and has played an important role in the Nairobi Framework, an inter-agency network for coordination of capacity building work in the AFR region.

Since its launch, CF-Assist's efforts in Sub-Saharan Africa have led to notable achievements, namely: establishment of three new DNAs in Botswana, Sierra Leone and the Gambia; implementation of 11 country programs; identification of 65 carbon finance projects; and convening of 16 national training workshops and four regional workshops.

The focus within the last year has been to further build upon the foundations laid with events that emphasize the region's needs.

In collaboration with Ecobank, UNDP, IFC, the Volta River Authority and the Ghana Energy Commission, CF-Assist facilitated, coordinated and delivered a training course in June 2009 in

Accra, Ghana, on project identification and appraisal for the African banking industry. 35 participants, representing project developers from the forestry, energy and petroleum sectors, as well as Ecobank staff, attended the event. The training was presented via ten sessions, each developed around the same pedagogical approach, which included the use of quizzes, presentations, group exercises, and question and answer sessions. As part of the assignments, participants analyzed market and carbon project risks, and identified possible CDM projects. They also had the opportunity to apply their knowledge in terms of case studies, e.g., by evaluating the impact of carbon revenues in wind power and biogas projects.

In December 2009, CF-Assist facilitated a workshop in Ouagadougou, Burkina Faso, on Climate Change and Carbon Finance in cooperation with the Union Economic et Monetaire Ouest-Africaine (UEMOA), an important interlocutor within the African Union, teaming with other regional economic communities. The workshop's objective was to provide hands-on support regarding carbon finance and mitigation, by targeting delegates working on projects and programs in the West African countries of Benin, Mali, Burkina Faso, Guinea



Bissau, Cote d'Ivoire, Niger, Togo and Senegal. Since UEMOA is working to link climate change mitigation and development, and pays special attention to the energy, agriculture and forestry sectors, it acts as an important catalyst in the region. After the workshop, participants were able to identify carbon finance opportunities based on their project and program portfolio, with the aim of eventually leading to the development of CDM projects and Program of Activities (PoA).

The most prominent related event has certainly been the second Africa Carbon Forum, held in Nairobi in March 2010, where the Nairobi Framework partners again joined forces to build on the success of the previous Forum, held in Dakar, Senegal, in 2008. The 2010 Forum's - an event attended by 832 participants - core objective was to share experiences with CDM projects, learn about the latest developments in emissions trading and the future of the CDM, analyze national and international climate change mitigation policies, and facilitate the negotiation

Nairobi Framework

The Nairobi Framework was launched by UN Secretary-General Kofi Annan in 2006 to help developing countries, especially those in Sub-Saharan Africa, increase their participation in the CDM. CF-Assist represents the World Bank in this framework along with UNEP, UNDP, UNITAR, UNCTAD and the UNFCCC.

of emission reduction activities. It consisted of a carbon investment trade fair, a conference and policy forum for African DNAs and climate change officials, and targeted capacity building. It also organized matchmaking and deal facilitation sessions for potential CDM project participants and developers to present their projects to investors and carbon buyers. WBICC Practice organized a one-day session focusing on carbon finance opportunities for cities. Based on the success and increased momentum in the region, partners agreed to increase the frequency of the event and to hold the third Africa Carbon Forum in March 2011 in Morocco.

Despite the efforts and obvious progress made over the last four years, serious gaps still exist in many Sub-Saharan countries in terms of their capacity, which

continues to limit participation in the carbon market. CF-Assist will therefore intensify its efforts to help the region utilize carbon and climate finance in the months to come, mostly through scaling up funding and program activities.

With regard to the important sub-national target group of cities, a number of activities have taken place and are detailed below in section 3.1.

Middle East and North Africa

Work programs in Morocco, Tunisia and Egypt were among the first launched under CF-Assist and were completed in Fiscal Year 2009. CF-Assist's work in this region aimed to promote the waste management sector, in particular. Technical assistance has also been initiated in Lebanon, focusing on strengthening DNA and CDM portfolio development.

Since 2009, the focus has been shifting toward developing the CDM PoA approach, which will help overcome some of the limitations of the CDM's project-oriented regulations. These include, for example, high transaction costs, which have discouraged the preparation of small- to medium-size projects in many areas where the potential for reducing emissions appears to be economically reasonable and feasible. CF-Assist is working to enable these countries to utilize this new approach in order to scale up deployment of low carbon technologies.

In order to speed up this process, CF-Assist facilitated a regional workshop in Tunis on CDM PoA for the Middle East and North Africa in January 2010. It was mainly designed for DNAs, banking institutions, officials from the energy sector and potential PoA developers in the region. It aimed to increase awareness of PoA development and explore opportunities for PoA in the proposed Clean Technology Fund (CTF), as well as in the Mediterranean Solar Plan. The workshop also aimed to deepen the understanding of PoA among DNA and energy stakeholders, particularly regarding specific technical requirements

Voice from the Africa Carbon Forum 2010 in Nairobi, Kenya

"One of the first problems I can point out is that knowledge of carbon projects in Africa is still very low, not only with the general public but also with our politicians. They do not seriously grasp the importance of carbon projects in Africa. This kind of conference is really enlightening many Africans, both leaders and key players."

Dr. Moses S. Ngegba – Carbon Manager, Green Resources Ltd., Tanzania

related to preparation, structure and monitoring, as well as potential applications in the region.

CF-Assist continues to support important regional financial institutions in the region, including the National Bank of Egypt and Fonds Communal de l'Equipement (FEC) of Morocco. Both institutions can play active roles by:

- changing their lending practices to encourage cleaner technology projects;
- acting as financial intermediaries for carbon projects;
- enhancing their understanding of CDM practice; and
- mainstreaming carbon finance into their portfolio of projects.

Thus, CF-Assist aims to address key obstacles related to limited access to carbon finance for the CDM in the MNA region.

East Asia

In China, the most successful CDM country in the world, CF-Assist focused initially on facilitating CDM legislation. Later, CF-Assist supported the establishment of the CDM Fund. More recently, CF-Assist has supported the development of a 2009 report on China's CDM program that shed light on factors contributing to its success. CF-Assist also facilitated a South-South cooperation

program in May 2009 in which the Chinese experience and best practices were shared with other developing countries in order to promote the CDM.

Given the strategic focus on carbon finance for cities and CDM PoA, CF-Assist organized a workshop for Quezon City and other cities in the Philippines in September 2009, which was the first in a series of customized city-level learning events. The purpose was to help cities better understand CDM PoA and how to make it work for urban development. Quezon City is one of six cities selected under CF-Assist's Carbon Finance Capacity Building Program for Emerging Mega Cities to receive hands-on support in developing carbon finance programs.

As a result of the workshop, Quezon City requested WBI to help in a rapid assessment of PoA opportunities as the city considers introducing energy efficient street lighting. Currently, Quezon City is exploring the possibility of setting up a demonstration project to test various efficient street lighting options and to measure their energy efficiency benefits, durability and other product qualities.

Another workshop was held in Bangkok in September 2009, with the goal of making a business case for PoA,

China CDM Fund

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

particularly in the urban context. At this regional event, experts in developing PoA, climate negotiators, representatives from cities throughout East and South Asia, and colleagues from international organizations shared experiences and discussed challenges and opportunities for PoA development. Working groups identified renewable energy as having the greatest potential to assist in reducing emissions in cities. Waste management was rated as having good potential, while transport ranked lowest.

CF-Assist also cooperates with the Bangkok Metropolitan Administration on energy efficiency in buildings and is currently exploring carbon finance options for this huge modernization effort. In order to achieve this, a knowledge exchange between Bangkok and Paris was established to better identify solutions for energy efficiency in buildings.

Cities and carbon finance was also the topic for a workshop entitled "Carbon Finance Capacity Building (CFCB) Program in Emerging Mega Cities of the South", held in Jakarta, Indonesia, in November 2009. The workshop's goals were to provide technical assistance to local officials and to establish the CFCB program in the city. Around 60 local civil servants attended the workshop, attesting to the program's firm endorsement by Governor Fauzi Bowo, who by official decree appointed a core CFCB task team. The CFCB program and related capacity building activities in Jakarta will focus on waste management, which the city has identified as its highest carbon finance opportunity. Jakarta is also participating in the World Bank Global Dialogue Series for Mayors and will be part of a task force to better link efforts for tackling urban poverty with climate change.

South Asia

With the successful convening of the third Carbon Market Conclave in September 2009 in New Delhi, the event has established itself as the premier platform for carbon market stakeholders in India. The Conclave, organized by the Federation of Indian Chambers of Commerce and Industry (FICCI), with CF-Assist and the International Emissions Trading Association (IETA) as co-organizers, and sponsored by the Indian Ministry of Environment and Forests, attracted over 400 stakeholders and led to the active engagement of carbon market players from across the globe.

In India, efforts are also under way to develop capacity building programs in specific sectors such as railways, urban waste management and energy

efficiency to promote programmatic approaches. Work programs in these sectors are planned for 2010.

Europe and Central Asia

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

Among the various countries in the region, Uzbekistan has been the main success story. At the time of CF-Assist's first workshop, the country had no

projects or lacked awareness on the issue, but within a year, it had managed to develop over 60 CDM project concepts. By April 2009, Uzbekistan had six registered projects. Rapid assistance workshops were also conducted in Albania, Armenia, Azerbaijan, Belarus (JI country), Bosnia, Georgia, Macedonia, Moldova and Serbia, with pending requests in Kazakhstan.

CF-Assist is supporting a study to determine the grid emission factor in Ukraine, which will be extended to Belarus and Moldova. These countries need to rehabilitate aging thermal power plants and railway networks, and use electricity instead of diesel engines to run trains. Because this could lead to potential carbon finance projects, the grid emission factor is important.

Turkey, the latest entrant to the Kyoto Protocol, having ratified in March 2009, requested the World Bank for assistance in capacity building and institutional structuring for implementing Kyoto activities, including carbon mitigation projects. CF-Assist organized two workshops on "Opportunities in the Carbon Market" in Ankara and Istanbul in June 2009. Their main objective was to help build capacity in Turkey to access opportunities in the carbon market. The workshop sessions in Ankara were targeted primarily at government officials and business and trade associations, while those in Istanbul were targeted at private sector carbon finance project developers. The workshops were co-sponsored by UNDP and the Government of Turkey.



On a personal note, the CF-Assist team, friends and colleagues in the World Bank Group and counterparts in the region deeply regret the sudden death of Antonio C. Lim in October 2009. Antonio (Tony), native of the Philippines, had been working at the Sustainable Development Unit of the World Bank since 2007, where he was the representative for the European and Central Asia region working on climate change-related issues. He was a tireless campaigner for climate change and carbon finance, and worked diligently to bring about a better appreciation for and raising awareness of climate issues and challenges in a number of countries in the region. He will be remembered by colleagues for his great enthusiasm, personal dedication, dependability and exceptional work ethics.

Latin America and the Caribbean

Most Latin American countries engaged early in creating the necessary conditions for CDM development. The commitment of key stakeholders in the environment sector and the demonstration effect of pilot projects (including the World Bank's PCF and other Funds) led to the establishment of CDM offices with both regulatory and promotional functions. These steps increased awareness among stakeholder groups of different sectors and facilitated development of an

important CDM project ideas pipeline. Hence, CF-Assist focused its programs on enhancing CDM governance at the national level, carbon market facilitation in prioritized sectors, and diversification and further expansion of national CDM project pipelines.

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

One such activity is the Latin American Carbon Forum, which met for the fourth time in June 2009, in Panama City, and was organized by UNEP Risoe, the Latin American Energy Organization (OLADE), IETA and CF-Assist. The event brought together: project owners and developers; national CDM offices and Investment Promotion Agencies (IPAs), CDM governance bodies, carbon market intermediaries and service providers. More than 500 stakeholders participated in the Forum, which provided business and networking opportunities, as well as the opportunity to receive updated information on crucial climate change-



related issues, the CDM and the carbon market. The event in Panama followed events in: Quito, Ecuador, in 2006; Lima, Peru, in 2007; and Santiago, Chile, in 2008.

In October 2009, the IV International Seminar on the Carbon Market as a Business Opportunity took place in Lima, Peru. International institutions operating in the carbon market participated, as well as speakers from emission reduction buyers to leading carbon firms, international cooperation institutions, designated operational entities (DOEs) and governmental

agencies. The objective was to promote the CDM and the voluntary carbon markets as environmental business opportunities. It also included a matchmaking session between carbon firms and project developers. Partners included UNDP, the Japan International Cooperation Agency (JICA), JP Morgan, TFS Green, Social Carbon, Kattoomba Group's Ecosystem Marketplace, POCH Peru, Asociación Española de Normalización y Certificación (AENOR), EEA Fund, EcoSecurities, ÉcoRessources Consultants, Latinoamerica Renewable Windward SAC, and Endesa Carbono.

Carbon Facilities in Mexico and Argentina

CF-Assist has supported the development of two innovative carbon finance facilities in Latin America, Fondo Mexicano de Carbono (FOMECAR) and Fondo Argentino de Carbono (FAC). These facilities would use regional and local experience and knowledge to provide public and private sector entities with effective technical and financial assistance in developing CDM projects, with both functioning as national project aggregators. Their project development branches became fully operational in 2008.

CF-Assist co-organized two regional events on CDM PoA in Bogota, Colombia, and Montevideo, Uruguay, in March and April 2010, respectively. Both workshops looked at opportunities and challenges in Latin America for using the programmatic modality under the CDM. The main capacity development objectives were to enhance understanding of CDM PoA, facilitate practitioner knowledge exchange on its development, and support its implementation of low carbon development policies and measures. Beyond reviewing the current state of affairs, lessons learned and emerging issues around PoA development in the region, the events also explored how the approach can be used as an instrument to mobilize carbon finance for climate-smart urban development. There were approximately 130 participants, including city and national government officials, policy experts, and representatives of DNAs, the private sector and partner

organizations. The workshop in Bogota was organized in collaboration with the Colombian Ministry of Environment, Housing and Territorial Development, OLADE, and UNEP Risoe's CD4CDM Program. Partners for the Montevideo event, which was convened by the Ibero-American Network of Climate Change Offices (RIOCC), were the Spanish Ministry of Environment and the UN Economic Commission for Latin America and the Caribbean (ECLAC).

Given the importance of the forestry sector in Latin America, CF-Assist also organized a workshop in Panama City in October 2009 on the opportunity costs of reducing emissions from deforestation and forest degradation (REDD). The workshop aimed to pilot test learning materials prepared by the World Agroforestry Centre (ICRAF), the Partnership for the Tropical Forest Margins (ASB) and the World Bank



Forest Carbon Partnership Facility (FCPF). Topics included calculating the opportunity costs of REDD, that is classifying national land cover and land use, estimating carbon content and private profitability of various land uses, evaluating co-benefits of forest conservation and combining this information into a useful REDD opportunity cost curve. The 18 participants from Panama and Guatemala work in government and non-governmental institutions and help prepare their countries for a possible REDD mechanism. Based on this pilot, WBICC Practice is collaborating with the FCPF to develop a scaled-up learning program.

3. Work Program Activities

In addition to its original country-focused approach, CF-Assist has been designing and developing programs over the last year based on specific themes (urban), approaches (PoA) and sectors (energy efficiency, biomass, forestry, etc.). It has also begun to expand capacity building tools through the development of e-learning courses on specific carbon finance topics. This chapter will describe the strategic CF-Assist program, instruments designed for them and achievements made over the last year.

3.1. Learning

The new e-learning program entitled Carbon Finance for Urban Areas will help urban stakeholders to better understand the opportunities that carbon finance offers for urban development. It is comprised of six modules: an introduction to the Cities and Climate Change module; two modules on carbon finance instruments, including CDM/JI Basics and CDM PoA; and three sector-focused modules on sustainable energy, solid waste and waste water management, and sustainable transport. The CDM/JI Basics module, which includes updates on related outcomes from Copenhagen, was launched with stakeholders from the HCC community from April to May 2010. Subsequent deliveries will take place from June onwards. Work on development and

production of the Cities and Climate Change and Sustainable Energy modules has begun, and both are expected to be launched during Fiscal Year 2011. The CDM PoA module will also be launched next year. The entire e-learning program will eventually be available via the WBICC Practice website and disseminated regionally to clients through regional hubs.

In collaboration with ESMAP, CF-Assist has initiated work on a low carbon growth e-learning program, targeting policy makers and mid-level government officials. In addition to an introductory module, the program will feature modules on power, household and transport models, with a focus on energy use forecasting based on a tool developed under the India low carbon growth country study program. The program is expected to be piloted in the second half of 2010.

Cities and Climate Change

Cities are expected to play a key role in climate action since a majority of the working population will live in cities in the near future. Such urbanization will have a significant impact on climate change, but will also provide a critical opportunity for mitigation in developing sustainable infrastructure. Such processes are already beginning in several cities around the world. In order to promote

Cities and Climate Change

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



carbon finance and create a favorable environment for mitigation activities, CF-Assist has launched an umbrella program on 'Cities and Climate Change', with support from Spain and Switzerland.

This program has seen a major expansion within the last six months through: events during the UN Climate Change Conference 2009, or the 15th Conference of the Parties (COP 15), held in Copenhagen; a Global Dialogue on Urban Poverty and Climate Change with mayors; on-the-ground work in Jakarta; and preparation of a new structured e-learning program.

In parallel with the negotiations at COP 15, Copenhagen and the C40 Cities network organized a Climate Summit for Mayors that focused on the growing role sub-national entities, particularly cities,

play in implementing low carbon and climate-resilient strategies. WBI, together with CF-Assist, arranged for World Bank President Robert Zoellick to participate in the Summit. His key message was to support a Mayors' Initiative on Urban Poverty and Climate Change, linking better services and shelter for the urban poor with climate change and climate finance. Several mayors from developing countries pledged their full support to the initiative. The subsequent Global Dialogue with mayors and the agreement to establish a new task force was a direct result of the Copenhagen event.

Another important component of the capacity building program is the 'twinning' initiative, which aims to bring cities from the North and South to allow peer-to-peer exchange of knowledge, best practices and lessons learned

on climate action. Such a twinning arrangement will also examine the possibilities of carbon trade among cities.

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

Scale Up through PoA

The carbon market is now firmly established at the project level, with a comprehensive institutional infrastructure to support the development of CDM projects using Project Idea Notes (PINs) and Project Design Documents (PDDs) for the planning and approval processes. More recently, programmatic CDM, as a second generation carbon market instrument, has been introduced allowing PoA submissions instead of only single CDM projects.

To promote PoA, CF-Assist has already co-organized and will continue to organize and facilitate workshops in Africa, Asia and Latin America. The number of events held in many regions reflects the growing importance of PoA (see page 11).

Blending Carbon Finance with other Forms of Climate Finance

CF-Assist is designing a new generation of capacity building to support the blending of carbon finance with other forms of climate finance.

Initial activities will include:

- A learning program on low carbon development studies, beginning with an energy forecast model for India, with models for approaches to follow, as well as methods used by Brazil and Mexico ;
- A learning program on REDD, beginning with a study, in collaboration with the FCPF, on opportunity costs of REDD (see below);
- Development of a proposal for a 'Global Finance Expo', expanding the scope of the current 'Carbon Expo' format into a holistic 'Global Finance Expo', which would integrate carbon finance into overall low carbon development finance.

Cities and Climate Change and Program of Activities

In March 2010, a Carbon Finance Capacity Building team of WBI and its Swiss partner ECOS met with clients in Dar es Salaam, Tanzania, to discuss and agree on a work program for the city. Dar es Salaam Mayor Adam Kimbisa proposed two specific priority areas for CDM projects: Dar es Salaam Bus Rapid Transit System (DART) and briquetting/stoves. Developing briquetting stoves in the city is recognized as one of the most viable options for a CDM project, and also provides significant co-benefits including health benefits, lowered fuel bills, a new income source for farmers and lowered indoor pollution in poor communities.

REDD

CF-Assist currently works with the FCPF to develop methods and tools for advancing opportunity cost analysis of foregone land use change in forest landscapes, acknowledging and including the wide range of forests and other types of land use found in those landscapes. Large scale and nationwide assessments of opportunity costs make it possible to generate estimates of the payments required to provide land users with sufficient incentives to reduce deforestation. This activity will implement the first pilot test of the training materials on REDD Opportunity Cost Estimation Methods developed in partnership with the FCPF and the Alternatives to Slash and Burn Program of the Consultative Group on International Agricultural Research (CGIAR).

3.2. Knowledge Exchange

CF-Assist's role is to capture the latest developments in carbon finance and make them available in user-friendly ways to its clients. CF-Assist captures knowledge from various sources, including: the UNFCCC negotiations; World Bank Group operations; and practical experiences shared through practitioner networks. CF-Assist uses global events such as the Carbon Expo, regional events, such as the Africa Carbon Forum, or special initiatives, like the South-South Exchange Program,

to facilitate knowledge exchange between practitioners on innovations in the rapidly evolving carbon market.

Carbon Expo

The sixth Carbon Expo – co-organized by CF-Assist together with IETA, Koelnmesse, and Fira Barcelona – was held from 27-29 May 2009 in Barcelona, Spain. Around 3,000 participants from 111 countries traveled to Barcelona, and more than 270 exhibitors from 83 countries participated in the event. In 2009, the Expo focused on the issue of "Cities & Carbon Finance". So did a side-event that took place before the actual Carbon Expo – a Cities, Climate Change and Finance Symposium. The side event aimed at promoting climate-friendly and carbon finance supported city development, and facilitated knowledge exchange between relevant stakeholder groups from developing and developed countries such as city mayors, senior officials from government and city networks, business leaders, multilateral development organizations, and leading experts from academia and research.

The seventh Carbon Expo – co-organized by CF-Assist together with IETA, and Koelnmesse – was held from 26-28 May 2010 in Cologne, Germany. An estimated 2,500 visitors attended the conference and fair. More than 200 exhibitors from over 100 countries participated in the

fair, including financial firms, clean technology companies, carbon credit traders, service providers for monitoring and verification, project developers, international organizations and government representatives.

This year's Carbon Expo occurred during a period when the long-term features of the carbon market are uncertain, while at the same time, the need to scale up climate change mitigation is evident. Carbon finance can play a catalyzing role in leveraging development and climate finance. The international community is therefore looking at new options to leverage, blend and deliver finance from the private and public sectors in both

developed and developing countries. A special segment of the Carbon Expo 2010 was dedicated to this issue.

CF-Assist supported the Carbon Expo and facilitated the participation of over 50 high-level government representatives and technical missions from CDM and JI host countries. It also coordinated and arranged regional exhibition pavilions and national stands for them to showcase project portfolios and best practices.

The Expo's success reinforced its leadership role in the global carbon market, and its status as an unrivaled business and knowledge exchange platform for all stakeholders in the market.



South-South Cooperation for Knowledge Exchange

CF-Assist launched the initiative on South-South cooperation with the objective of facilitating knowledge exchange among developing countries on best practices and lessons learned from successful countries. In the first instance, a team of CDM stakeholders from Botswana visited Brazil in October 2008 and interacted with different players in the carbon market, gaining valuable insights into project and market development.

CF-Assist also organized a South-South program in China in May 2009 in which 26 participants from 17 countries (AFR, MNA, EAP and ECA regions) visited Hubei province and interacted with project developers, federal and provincial officials and local CDM experts. They also visited four CDM projects, which have been implemented, and interacted with project officials in learning about the processes and factors that contributed to their success and problems faced. Feedback from these programs has been highly favorable and CF-Assist would consider expanding the program to include other successful countries, such as India and Mexico.

Outreach and Analysis

In support of its capacity building activities, CF-Assist commissioned and disseminated a number of knowledge products, including studies and analytical reports. CF-Assist supported the publication of the annual State and Trends of the Carbon Market report – compiled by the World Bank's technical expert team – which provided the latest market information, as well as trends of various carbon products. Furthermore, CF-Assist has organized consultations with stakeholder groups on relevant topics.

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

3.3. Innovative Platforms and Networks

Development of Regional Hubs

As part of the new wholesaling approach, CF-Assist has initiated the process of identifying specific organizations in the various regions to collaborate with and strengthen, where needed, so that they can offer carbon finance capacity development activities on their own, such as delivering learning programs, providing technical services and acting as knowledge clearing houses. CF-Assist is, for example, working with the Tecnológico de Monterrey, a premier regional learning institution, to adapt the CDM/JI Basics course for a Latin American audience. Identifying new partner institutions in other regions and enhancing existing ones will be a key challenge for 2010-11.

City Networks

To maximize the outcome of a project, CF-Assist has partnered with a number of city networks for various projects. A variety of city networks provide technical consulting, training and information services to build capacity, share knowledge and support local government in the implementation of climate action and sustainable development at the local level.



The Carbon Finance Capacity Building (CFCB) program is an initiative of the World Bank, ECOS and the C40 Large Cities Climate Leadership Group, in collaboration with the Swiss Government's State Secretariat for Economic Affairs (SECO) and the Canton of Basel City. The CFCB program works with C40 to disseminate knowledge and provide assistance to emerging mega cities in order to develop and implement greenhouse gas mitigation schemes using a programmatic carbon finance approach, thereby facilitating the availability of carbon finance at the city/municipal level. Following agreements between the CFCB program and four pilot project cities (Dar es Salaam, Jakarta, Quezon City, and São Paulo), work has commenced to identify local priorities and design a support program, which kicked-off with an introductory workshop.

3.4. Key Lessons

Important lessons of CF-Assist's work experience are summarized below:

- i) While in most countries basic awareness about and infrastructure for carbon finance has already been created, a need still exists for support in some regions, particularly Sub-Saharan Africa, Central Asia and Eastern Europe. Such support must be customized to the specific conditions of these countries.
- ii) For smaller developing countries to benefit from the carbon market, it is important to focus on developing activities in crucial sectors and adopting programmatic approaches. Support in activities such as development of sector baselines and creating reliable data management institutions will be essential.
- iii) As capacity building programs expand in terms of scope and reach, it is important to move implementation from a retail face-to-face approach to a more wholesaling approach, where programs can be delivered through online platforms and/or video conference, e-learning programs, regional hubs and organizations.



4. Future Outlook

The climate change agenda is evolving, as are the financial instruments and planning tools. To maintain relevance, CF-Assist must evolve as well.

In the future, mitigation actions will combine domestic actions, internationally supported actions and actions that generate tradable emission reduction certificates to offset emission obligations of Annex 1 countries under the Kyoto Protocol.

For each of these categories, financial instruments exist or are being developed, along with planning tools and reporting instruments, which will allow monitoring, reporting and verifying such emission reductions.

During recent years, non-market climate finance instruments have also been introduced. They are quickly gaining importance in the international discussion as an incentive for developing

countries to undertake significant investments in lowering the carbon intensity of their economic growth. This is an indispensable requirement to achieve the reductions recommended by the Intergovernmental Panel on Climate Change (IPCC) to limit the temperature rise below 2°C. The Carbon Investment Funds (CIF) of the multilateral development banks are the biggest of these non-market instruments. One of these funds, the Clean Technology Fund (CTF), is already being implemented.

Country Investment Plans (CIPs) are the strategy document underpinning the low carbon strategy and priority investments to be financed under the CTF.

There is growing acceptance that developing countries contribute to global emission reductions through domestic actions financed from national budgets and, while these efforts do not constitute an international obligation, they would be captured and reported. Some countries have already prepared low carbon studies or national strategies to identify and prioritize their most cost-effective actions.

Responding to these developments, CF-Assist is working to meet the following challenges: designing and implementing appropriate learning and capacity building tools to accelerate the promotion of clean technologies; and facilitating - with external and internal partners - knowledge exchange among client countries, including connecting practitioners.



5. Conclusion

CF-Assist has firmly established itself as a capacity building program. Traditionally it had focused on project based carbon finance. However, now it is evolving to the next stage, focusing on scaling up and expanding carbon finance in cities (where most mitigation actions will take place), and blending carbon finance/climate finance with other financing sources to realize domestic actions for low carbon growth. CF-Assist is using a

combination of capacity building tools to achieve these goals. It is helping clients achieve tangible results, such as design and implementation of innovative programmatic carbon finance programs and scaling up the use of carbon finance to support sustainable urban development. CF-Assist is well placed to make the necessary changes that the current circumstances demand and is ready to meet the challenges that lie ahead.



Annexes

Annex 1: List of CF-A Events for 2009-10

| 2009 | | | | |
|--------------|---|-----------------------------|--------------|-----------|
| Month | Event | Location | Participants | # of days |
| May | Cities, Climate Change and Finance Symposium | Barcelona, Spain | 155 | 1 |
| May | Host Country Committee (HCC) Annual Meeting | Barcelona, Spain | 64 | 1 |
| May | Global Carbon Expo 2009 | Barcelona, Spain | 3,000 | 3 |
| June | CDM and Carbon Finance Opportunities in Rural Electrification Sector in Africa | Dakar, Senegal | 33 | 4 |
| June | CDM Project Identification and Appraisal/Carbon Financing Structures for the Banking Sector in Africa | Accra, Ghana | 35 | 3 |
| June | Latin America Carbon Forum | Panama City, Panama | 400 | 3 |
| June | Carbon Finance-Assist Workshop | Ankara and Istanbul, Turkey | 142 | 2 |
| September | India Carbon Conclave | New Delhi, India | 250 | 2 |
| September | The Business Case for PoAs, and PoAs in a Cities Context | Bangkok, Thailand | 104 | 2 |
| September | Carbon Finance for Cities – New Opportunities Offered by PoA | Quezon City, Philippines | 54 | 1 |
| October | Pilot Training: Opportunity Costs of Reduced Emissions from Deforestation and Land Use Change | Panama City, Panama | 22 | 4 |
| October | 4th International Seminar: Carbon Market as a Business Opportunity | Lima, Peru | 26 | 2 |
| November | Carbon Finance Capacity Building (CFCB) Program in Emerging Mega Cities of the South | Jakarta, Indonesia | 60 | 5 |
| December | Africa Assist Workshop on Climate Change and Carbon Finance | Ouagadougou, Burkina Faso | 33 | 3 |
| December | HCC Semi-Annual Meeting at COP 15 | Copenhagen, Denmark | 20 | 1 |
| 2010 | | | | |
| January | Global Dialogue for Mayors | Washington, DC, US | 70 | 1 |
| January | Global Dialogue on Climate Finance and Investment | Washington, DC, US | 75 | 1 |
| January | Workshop on Low Carbon Growth Strategies | Washington, DC, US | 58 | 1 |
| January | Regional CDM Programme of Activities Workshop MENA Region | Tunis, Tunisia | 146 | 2 |
| March | Africa Carbon Forum | Nairobi, Kenya | 832 | 3 |
| March | Technical Assistance Workshop on Rural Energy | Dar es Salaam, Tanzania | 15 | 3 |
| March | Regional Workshop 'Programme of Activities under the Clean Development Mechanism' | Bogota, Colombia | 71 | 3 |
| April | Mayors' Task Force Meeting | Washington, DC; USA | 24 | 1 |
| April | Regional Workshop 'Programme of Activities under the Clean Development Mechanism' | Montevideo, Uruguay | 59 | 3 |
| May | Carbon Finance Capacity Building Workshop | São Paulo, Brazil | 74 | 3 |
| TOTAL | | | 5822 | |

Annex 2. Regional Distribution of Events and Events Participation

Regional Distribution of Country Training Programs 2005-10/participants

| Region | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 | Aggregate number | % |
|--------------|--------------|--------------|------------|------------|------------|------------------|------------|
| Africa | 176 | 741 | 416 | 348 | 116 | 1,797 | 31 |
| EAP | 211 | 497 | 147 | 85 | 114 | 1,054 | 18 |
| ECA | 76 | 361 | 0 | 236 | 142 | 815 | 14 |
| LAC | 143 | 0 | 110 | 0 | 96 | 349 | 6 |
| MENA | 0 | 262 | 35 | 0 | 0 | 297 | 5 |
| SAR | 1,163 | 358 | 0 | 0 | 0 | 1,521 | 26 |
| TOTAL | 1,769 | 2,219 | 708 | 669 | 468 | 5,833 | 100 |

Global Events/Carbon Expo 2009-10

| Event | Number of Participants |
|---|------------------------|
| Carbon Expo | 3000 |
| Cities, Climate Change and Finance Symposium | 155 |
| Host Country Committee (HCC) Annual Meeting | 64 |
| HCC Semi-Annual Meeting at COP 15 | 20 |
| Global Dialogue for Mayors | 70 |
| Global Dialogue on Climate Finance and Investment | 75 |
| Workshop on Low Carbon Growth Strategies | 58 |
| Mayors Task Force Meeting | 24 |
| TOTAL | 3,466 |

Regional Events and Carbon Fora 2009-10

| Region | Number of Participants |
|--------------|------------------------|
| AFR | 832 |
| EAP | 104 |
| ECA | 0 |
| LAC | 556 |
| MENA | 146 |
| SAR | 250 |
| TOTAL | 1,888 |

Event Participation 2005-10 (aggregate numbers for Global/Regional/Country programs/events and percentages)

| | Participants | % |
|--------------------------------|---------------|------------|
| Global Events / Carbon Expo | 13,244 | 51 |
| Regional Events Et Carbon Fora | 6,999 | 27 |
| Country Training Programs | 5,833 | 22 |
| TOTAL | 26,076 | 100 |

Event Participation 2005-10 (number of participants per year, and aggregate)

| | |
|--------------|---------------|
| 2005-06 | 4,106 |
| 2006-07 | 5,295 |
| 2007-08 | 5,005 |
| 2008-09 | 5,848 |
| 2009-10 | 5,822 |
| TOTAL | 26,076 |

Annex 3. Acronyms

| List of Acronyms | | | |
|------------------|---|--------|--|
| AENOR | Asociación Española de Normalización y Certificació | GIS | Green Investment Scheme |
| AFR | Sub-Saharan Africa (WB) | HCC | Host Country Committee |
| ABS | Tropical Forest Margins | ICLEI | Local Governments for Sustainability |
| C40 | Large Cities Climate Leadership Group | ICRAF | World Agroforestry Centre |
| CDM | Clean Development Mechanism | IETA | International Emissions Trading Association |
| CD4CDM | Capacity Development for CDM | IFC | International Finance Corporation |
| CF-Assist | Carbon Finance Assist | IPA | investment promotion agency |
| CFCB | Climate Finance Capacity Building | IPCC | Intergovernmental Panel on Climate Change |
| CF-SEA | Sustainable Energy Services in Africa | JI | Joint Implementation |
| CFU | Carbon Finance Unit | JICA | Japan International Cooperation Agency |
| CGIAR | Consultative Group on International Agricultural Research | LAC | Latin America and the Caribbean (WB) |
| CIF | Climate Investment Funds | MNA | Middle East and North Africa (WB) |
| CIP | Climate Investment Plan | OLADE | Latin American Energy Organization |
| COP 15 | 15th Conference of the Parties | PCF | Prototype Carbon Fund |
| CPF | Carbon Partnership Facility | PDD | Project Design Document |
| CTF | Climate Technology Fund | PIN | Project Idea Note |
| DART | Dar es Salaam Bus Rapid Transit System | PoA | Programme of Activities |
| DNA | designated national authority | REDD | reducing emissions from deforestation and forest degradation |
| DOE | designated operational entities | RIOCC | Ibero-American Network of Climate Change Offices |
| EAP | East Asia and the Pacific (WB) | SAR | South Asia Region (WB) |
| ECA | Europe and Central Asia (WB) | UEMOA | Union Economic et Monetaire Ouest-Africaine |
| ECLAC | Economic Commission for Latin America and the Caribbean | UNDP | United Nations Development Programme |
| ESMAP | Energy Sector Management Assistance Program | UNEP | United Nations Environment Programme |
| FAC | Fondo Argentino de Carbono/ Argentine Carbon Fund | UNFCCC | United Nations Framework Convention on Climate Change |
| FCPF | Forest Carbon Partnership Facility | WB | World Bank |
| FEC | Fonds Communal de l'Equipement | WBI | World Bank Institute |
| FICCI | Federation of Indian Chambers of Commerce and Industry | WBICC | World Bank Institute Climate Change Practice |
| FOMECAR | Fondo Mexicano del Carbono/Mexican Carbon Facility | WPA | work program agreement |

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

- Carbon Finance Mission Statement at the World Bank