

6.0 knowledge management



Knowledge is the PCF's highest value product. Distilled and disseminated efficiently, it can catalyze market development for emissions reductions and help UNFCCC Parties meet the wider objectives of the Kyoto Protocol. Knowledge is the logical outcome of a fund whose primary objective is learning by doing.

For participants, both private and public, the know-how PCF captures through its first-of-a-kind transactions are a source of competitive advantage, either in meeting their obligations to reduce their greenhouse gas emissions or seeking to engage as players in the trade and service industry emerging in response to JI and CDM.

For host-country beneficiaries, both governments and the local private sector, knowledge gained in completing the first sale of ERs sheds light on the export revenue opportunities and the gaps in local laws, rules, and administrative capacity to implement the Protocol and facilitate CDM or JI transactions.

For the Parties to the UNFCCC, PCF's commercial transactions to purchase carbon based on the emerging rules of the game have provided insights on transaction costs, efficacy, and benefit distribution.

From specific PCF transactions, PCF gains knowledge about the impact of emerging rules for JI and CDM. Such knowledge has demonstrated, for example, an unexpected transaction cost burden on small projects, and hence small countries and rural development projects. This is useful both to regulators and to market actors. Knowledge of the impact of carbon finance on projects and average carbon prices helps inform and stimulate market activity.

Other kinds of information—for example, proprietary knowledge of technology, or market positioning of corporate participants—are not essential to enhance the learning value of these insights to UNFCCC negotiators. But such privileged information does provide an advantage to PCF participants and direct beneficiaries in developing countries and economies in transition.

After final project approval, PCF CDM and JI project-cycle documentation and the contracts that frame and enable ER purchases become public knowledge, and thus a global public good. This transparency helps stimulate market activity by lowering learning costs for other players. In addition, it provides a benchmark for constant improvement.

DISSEMINATING PCF'S KNOWLEDGE

PCF has forged an internal partnership with the World Bank Institute (WBI) to develop training programs for its clients and the PCF staff. This partnership is described in Chapter 7. Outside of its capacity building program, PCF's knowledge thus far has been shared with stakeholders through public events at UNFCCC conferences; participation in major global forums around CDM and JI transactions; fellowship programs for Participants and host countries; and through its website.

PROTOTYPECARBONFUND.ORG

The PCF website (*see Figure 6.1*) posts all PCF documents to its stakeholders in a registered private domain. In the public domain, information on projects appears at three stages:

- Project Idea Notes (PINs) are posted after they are endorsed by governments.
- Baseline studies, monitoring and verification plans, and project-design documents are posted after they reach the validation stage.
- The contracts and final project documentation are posted after they are formally approved by all parties.

Since it was established in October 1999, the website has averaged 82 visits per day, and has been visited by 16,000 users, of which some 5,000 have become repeat users. The website has become PCF's primary vehicle for knowledge delivery and information transfer to the global public.

KNOWLEDGE FELLOWSHIP

PCF opens its doors to shareholders, host-country beneficiaries, and developing country NGOs on its Technical Advisory Group through live-in fellowships that allow members of these groups to spend weeks to months participating in the work of the PCF FMU at the World Bank. PCF host-country fellows contribute research and discussion papers on aspects of CDM and JI implementation, as well as support to PCF transactions. These fellowship programs began in January 2000 and have already included three host-country, one NGO, and four participant representatives. In the coming year, these numbers will increase substantially. PCF participants also second staff to the PCF FMU where there is a fit with business needs. These arrangements ensure PCF's work benefits from constant exchange with parties to the UNFCCC, private sector, and NGO actors in carbon market development and Kyoto Protocol implementation and contribute to a dynamic work environment in the FMU.

Figure 6.1. www.prototypecarbonfund.org



All important PCF communications are recorded in the various discussion areas, which provide for on-line discussions regarding PCF projects and the emerging carbon market.

LOOKING AHEAD

In the following year, PCF will expand knowledge-sharing further by:

- Widely sharing work in progress on baselines, MVPs, and validation opinions of at least 15 unique CDM and JI projects, along with about 10 completed carbon purchase agreements and host country agreements;
- Overcoming broadband internet access problems for its host-country stakeholders by cutting and distributing CDs of its website when content significantly expands;
- Reorganizing the website to allow easier navigation and links to PCF's project sponsors' websites;
- Expanding the PCFplus website link to give public access to PCF's growing volume of methodological and market research as well as training modules, including presentation materials and video clips of training sessions.