



PCF governance



Fund Management Committee

Ken Newcombe, *PCF Fund Manager, ESSD (Chair)*

Denis J. Clarke, *Manager, Chief Investment Officer, Power Department, International Finance Corporation*

Susan G. Goldmark, *Sector Manager, Private Sector Development & Energy Cluster, Latin America Region*

Arun Sanghvi, *Lead Energy Specialist, Africa Energy Unit*

Robert T. Watson, *Chief Scientist and Director, ESSD*



The Vice President of Environmentally and Socially Sustainable Development Network (ESSD) oversees the PCF for the World Bank as Trustee. From left to right: Ken Newcombe, *PCF Fund Manager*, Ian Johnson, *VP and Head of Network (ESSD)*, and Kristalina Georgieva, *Director, Environment Department*.

Participants Committee

(as of June 2001)

Olle Björk, Sweden

Maurits Blanson Henkemans, Netherlands

Christine Fedigan, Gaz de France

Sushma Gera, Canada

Yasuo Hosoya, Tokyo Electric Power Co.

Liv Rathe, Norsk Hydro

Jean Claude Steffens, Electrabel





Fund Management Unit

(from left to right)

First Row:

Charlotte Streck, *Counsel*

Teresita Macanlalay, *Program Assistant*

Maritza Bojorge, *Program Assistant*

Rosemary Thompson-Elhosseine, *Legal Team Assistant*

Nancy Rodriguez, *Consultant*

Benoit Bosquet, *Natural Resources Management Specialist*

Hanneke Van Tilburg, *Sr. Counsel*

Second Row

Veronique Bishop, *Principal Financial Specialist*

Chandra Sekhar Sinha, *Senior Environmental Specialist*

Jari Väyrynen, *Operations Analyst*

Ken Newcombe, *Fund Manager*

Johannes Heister, *Senior Environmental Economist*

Franck Lecocq, *Economist, PCFplus Research*

Ikuo Nishimura, *Senior Environmental Specialist*

Charles Cormier, *Senior Training Specialist, World Bank Institute.*

Absentees

Cremilda Amaral, *Staff Assistant*

Eduardo Dopazo, *Consultant*

David Freestone, *Chief Counsel*

Christina Reinhard, *Information Analyst*

Odil Tunali-Payton, *Environmental Specialist*

Cynthia B. Wilson, *Consultant*



glossary

assigned amount The total amount, pursuant to the Kyoto Protocol, of an industrialized country's anthropogenic greenhouse gas emissions, over a certain commitment period, the first of which is 2008–2012.

baseline The emissions of greenhouse gases that would occur without the contemplated policy intervention or project activity (i.e. a business-as-usual scenario). Baseline estimates are needed to determine the effectiveness of emissions reduction programs and projects.

carbon finance Resources provided to projects generating (or expected to generate) emission reductions, in the form of the purchase of such emission reductions

carbon sinks: Ecosystems, notably forests and oceans, which remove carbon dioxide from the atmosphere by absorbing and storing it, thereby offsetting CO₂ emissions.

Clean Development Mechanism (CDM) The mechanism provided by Article 12 of the Kyoto Protocol to assist developing countries in achieving sustainable development and to contribute to stabilizing the concentration of greenhouse gases in the atmosphere at a safe level, as well as to enable industrialized countries to finance emissions-avoiding projects in developing countries and receive credit for doing so.

emission reductions (ERs) The measurable reduction of releases of greenhouse gases into the atmosphere from a specified activity, or over a specified area, and period of time.

environmental additionality According to the KP articles on Joint Implementation and the Clean Development Mechanism, emission reductions must be additional to those that otherwise would occur. Environmental additionality is established when there is a positive difference between the emissions that occur in the baseline scenario, and the emissions that occur in the proposed project.

Fund Management Committee (FMC) Committee comprised of five members, consisting of the Fund Manager and four other members of the IBRD's management selected by the President of the IBRD. The FMC is is responsible for overseeing the operations of the Fund.

Fund Management Unit (FMU) Unit headed by the PCF Fund Manager and responsible for the day-to-day operations of the Fund.



greenhouse gases The six gases listed in Annex A of the Kyoto Protocol which are carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O), as well as hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulphur hexafluoride (SF₆).

hot air Term commonly given to the part of an industrialized country's assigned amount that is most likely to be surplus to its needs even without that Party making additional efforts, beyond existing policies in 1990, to reduce its emissions. Under Article 17 of the Kyoto Protocol, this surplus can be traded, thus reducing the incentive for other countries to cut their domestic emissions or invest in projects in third countries that reduce emissions.

high quality emission reductions Means emission reductions of a sufficient quality so that, in the opinion of the Trustee, at the time a project is selected and designed, there will be a strong likelihood, to the extent it can be assessed, that PCF participants may be able to apply their share of emissions reductions for the purpose of satisfying the requirements of the UNFCCC, relevant international agreements, or applicable national legislation.

internal rate of return (IRR) The annual return that would make the present value future cash flows from an investment (including its residual market value) equal the current market price of the investment. In other words, the discount rate at which an investment has zero net present value.

Joint Implementation (JI) Mechanism provided by Article 6 of the Kyoto Protocol, whereby a developed country may acquire emission reduction units when it helps to finance projects that reduce net emissions in another developed country (including countries with economies in transition).

project-based emission reductions Emission reductions that occur from projects pursuant to JI or CDM (as opposed to "emissions trading" or transfer of assigned amount units under Article 17 of the Kyoto Protocol).

United Nations Framework Convention on Climate Change (UNFCCC) The international treaty adopted in June 1992 that commits Parties to stabilize anthropogenic (ie. human-induced) greenhouse gas emissions to levels that would prevent dangerous anthropogenic interference with the climate system. In December 1997, the Parties to the UNFCCC adopted the Kyoto Protocol.



FOR FURTHER INFORMATION, PLEASE CONTACT

Prototype Carbon Fund

1818 H Street, NW

Washington, D.C. 20433

p 202.473.6010 **f** 202.522.7432

www.prototypecarbonfund.org

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IN MEMORIAM

The PCF team mourns the loss of our good friend and advisor, Carlton Bartels of CO₂e.com, who participated in the PCF feasibility study and who generously provided sound advice on carbon finance.