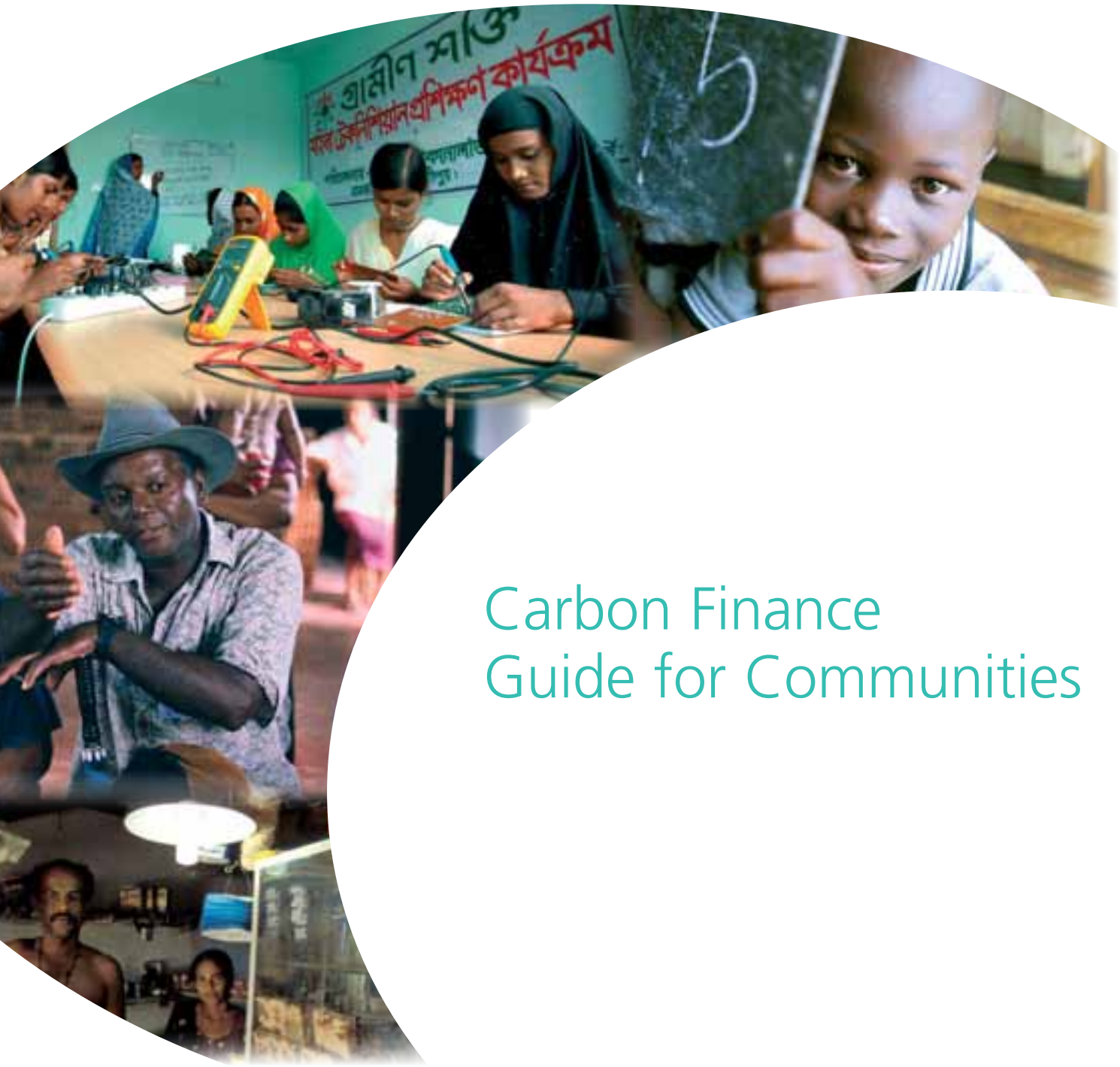

Carbon Finance Guide for Communities

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COMMUNITY DEVELOPMENT CARBON FUND

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Acronyms

CDCF	Community Development Carbon Fund
CDM	Clean Development Mechanism
IDCOL	Infrastructure Development Company Limited
NGO	non-governmental organization
PDD	Project Design Document
PIN	Project Identification Note

1

Introduction

A new market in carbon has grown up over the last few years, and some small communities are benefiting from it. In Nepal, households in remote rural areas are being helped to install biogas plants, which means that they no longer need to spend time collecting wood or spend money on kerosene. In Honduras, a small hydroelectric project is bringing better electricity services to communities, enabling community members to set up small businesses and allowing their children to study in the evenings.

To what extent can other communities do the same and benefit from carbon finance? This guide aims to help communities to identify opportunities in the carbon market and to consider whether a carbon project would be suitable for them. It is not possible for every community to benefit and some communities may not feel that a carbon project would improve their lives. But it is important for communities to make these decisions on the basis of knowledge about the carbon market.

The guide explains what is meant by climate change and its implications for communities. It then explains what the carbon market is and what is meant by a carbon project. This is followed by examples of the range of direct and indirect benefits that carbon projects may bring to communities. The guide then sets out the questions communities need to ask to decide whether technologies used in carbon projects such as cleaner energy would be suitable. Finally, it gives an overview of the steps involved in developing and implementing a carbon project.

The Community Development Carbon Fund (CDCF) of the World Bank has supported a number of projects that benefit communities. The guide uses examples of CDCF projects to show how different types of benefits to communities can be built into carbon projects.

The guide is intended to be used by communities and/or by organizations working with communities to promote development. To develop a carbon project communities will need support from a partner, whether a community-based organization, a non-governmental organization (NGO), government agency or a private company. This guide gives an idea of what is involved in developing a carbon project so that communities can decide whether it is worth doing before identifying a partner to work with.

This guide forms part of a set of four documents. An accompanying technology manual gives details of some technologies that would be useful in small-scale projects. In addition, two other guides have been prepared for local governments and for task team leaders in the World Bank.

Higher temperatures and more frequent droughts and floods will reduce the amount of food and other crops that farmers can produce

2

Understanding climate change

What is climate change?

Recently you may have heard people talking about climate change and the negative effects it could have on the earth and the way we live our lives. So what is climate change? Does climate mean the same thing as weather? And is climate change the same thing as a change in the weather?

Weather and climate are related, but they're not exactly the same thing. When we talk about the weather, we are describing the state of the earth's atmosphere at one point in time. This state changes every hour and every day and can include rain, wind, sunshine, or cloud cover. Weather can be different depending on where you are; you can have different weather in different parts of the same country, province or even city.

Just like weather, the climate differs from region to region. But when we talk about the climate, we mean what the weather has been like, on average, over a long period of time, say 30 years or more. If there have been large changes in the average weather conditions over a long period of time, we call this climate change. Because we measure climate change over such a long time, we don't necessarily notice changes in climate over just a few years.

Is the climate changing?

We know by looking at evidence in the environment that the climate has changed in the past. But the changes we have seen in the last 20 years have taken place much more quickly than before, and the process seems to be speeding up. These changes include rising average temperatures and an increase in the frequency of droughts, storms, and hurricanes. The increase in temperature is causing ice caps and glaciers to melt more rapidly, which is leading to a rise in sea level.

What causes climate change?

The main thing causing more storms, droughts and other climate changes is the increase in the temperature of the earth, often called global warming. The more the earth warms up over a short period of time, the more unstable the climate becomes.

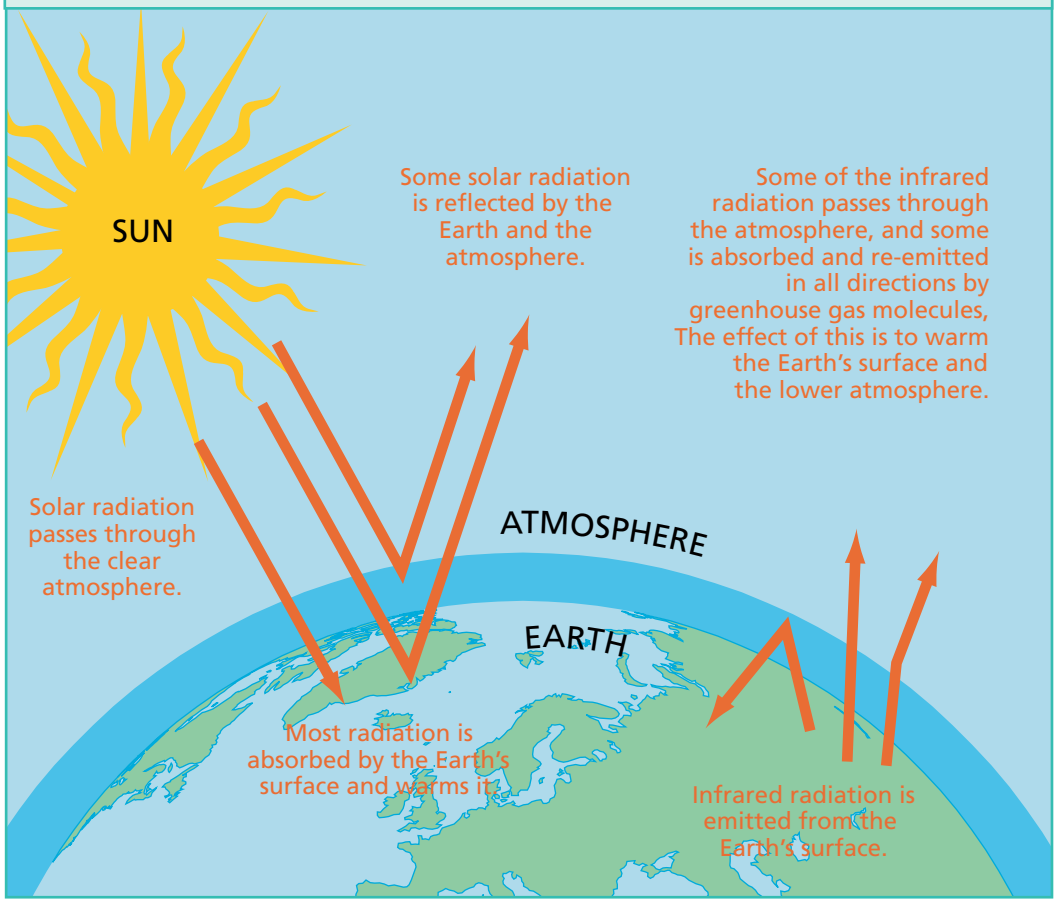
How does the earth get warmer?

Normally, when the sun shines on the earth, some of its rays bounce back into space, taking their heat with them. The rest of the rays are trapped by certain gases in the earth's atmosphere. We call these gases greenhouse gases and they help keep the earth warm enough for humans, animals and plants to survive. The problem we have at the moment is that these gases are building up in the atmosphere and trapping too much heat, increasing the earth's temperature and causing climate change.

Where do these gases come from?

When factories burn coal, oil, and gas, and when cars and planes use fuel, they produce greenhouse gases, or emissions. Over the past few decades many countries, especially the wealthier ones, have built more and bigger factories, cars, planes and other machines, and have increased the amount of emissions they produce. If the world continues in this way, the climate will change even further, becoming unpredictable and perhaps even destructive.

Figure 1. The greenhouse gas effect



What will the impacts of climate change be?

Higher temperatures and more frequent droughts and floods will reduce the amount of food and other crops that farmers can produce. Storms will destroy buildings, roads, and communication systems, and make some places less accessible. Higher temperatures will allow insects that carry diseases such as malaria to spread over larger areas. Rising sea levels and more frequent severe storms will mean some low-lying islands and coastal areas will be under water some or all of the time. Water supplies will be affected as saltwater makes its way into underground fresh water sources. This is already happening in Thailand, in various small islands in the Pacific and Indian Oceans and in the Caribbean.

Burning of fossil fuels produces greenhouse gas emissions

Who will be affected the most?

Climate change affects all people and all countries, but some will be affected more than others because of where they live and how they are able to respond to climate change.

Poor people in developing countries are particularly vulnerable to climate change because they mostly live in drought- and flood-prone areas of the world. People living in rural areas depend on activities such as agriculture and fishing to make a living, and these are easily disrupted by changes in the climate. Because of this, they will suffer from food shortages and general poverty. People living in urban areas often live in crowded places that have poor drainage systems and flood easily. The houses they live in can't withstand storms. Poor people often don't have adequate communication systems and therefore don't get accurate information about events such as floods and storms before they occur either.

How are we affected?

Has there been a drought, a flood, or a typhoon in your area? Have floods and droughts been occurring more often than in the past? Has it been difficult to predict what the weather will be like this agricultural growing season? Have there been heatwaves, and more cases of diseases such as malaria? Has the level of the sea been increasing over time? Has underground water near the sea been increasingly salty and unsuitable for normal uses? These could all be due to climate change.

These problems will become bigger as the climate changes. If greenhouse gas emissions continue to increase, the impacts of climate change could make the earth uninhabitable in the long-term.

What are we doing about climate change?

Because climate change is everyone's problem, and is caused by activities in lots of places, many countries around the world have signed an international agreement to reduce the amount of greenhouse gas emissions they produce. This agreement is called the Kyoto Protocol and it came into force in 2005. Developed countries have a responsibility to do this because they have more wealth and because they produce so much more greenhouse gas emissions than developing countries. Currently, many countries are discussing a follow-up to this agreement to start in 2012.

People living in urban areas often live in crowded places that have poor drainage systems and flood easily

3

Understanding carbon finance

What is the carbon market?

One way developed countries are trying to reduce their emissions is to improve the energy efficiency of their factories and cars and other machines. This means producing the same amount of goods, or driving the same distance as before, but using less energy to do it. They are also trying to use energy from sources other than coal and oil that don't produce greenhouse gas emissions, such as sunlight and wind power.

Under the Kyoto Protocol, developing countries don't have to reduce their greenhouse gas emissions. However, developing countries can still reduce their emissions, and then sell these reductions – called carbon credits – to developed countries.

For example, an organization in a developing country, such as an electricity company, may reduce its emissions by changing from using coal to using water to produce electricity. A company or government from a rich country then pays the project in the developing country for reducing emissions on its behalf.

Because it is often expensive to reduce emissions in a rich country, governments and companies from these countries are looking for such opportunities. This situation has led to the creation of the 'carbon market', where rich countries buy carbon credits (reductions in the emissions of greenhouse gases, mainly carbon dioxide, also known as CO_2) from sellers in developing countries.

The buyer of the carbon credit is able to use this to meet its emission reduction commitments under the Kyoto Protocol. This means that they do not have to cut back so much on their own carbon dioxide emissions.

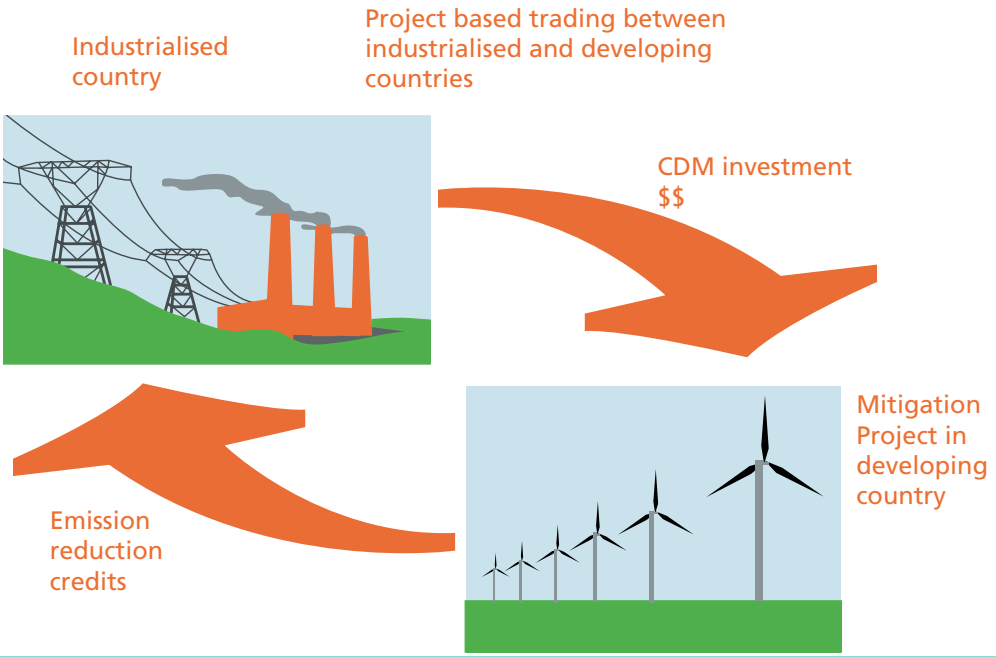
What is the Clean Development Mechanism?

The Clean Development Mechanism (CDM) is an arrangement under the Kyoto Protocol and the main means by which developing countries can get involved in the carbon market.

The CDM has two main aims:

- to help developing countries to develop through projects that reduce greenhouse gas emissions.
- to help developed countries meet their emission reduction commitments by allowing them to use emission reductions from projects in developing countries.

Figure 2. The basics: How does the CDM work?



Under the CDM, developers of emission reduction projects such as the fly ash project in India can sell their carbon credits to buyers in developed countries. The developers of CDM projects can be private companies (particularly those involved in energy generation or those using significant amounts of energy), national or local governments, and in some cases non-governmental organizations (NGOs) and community-based organizations.

The buyers of CDM credits are governments or private companies in developed countries that are looking for ways to reduce the costs of meeting their emission reduction commitments under the Kyoto Protocol.

Box 1. Fly ash brick technology project in India

Most buildings in India are made from clay bricks. Brick manufacturers use coal to produce the bricks, and this process produces greenhouse gases. The manufacturing process also uses a lot of soil that would otherwise be used to grow crops. Because of this, the government plans to ban the use of clay bricks in urban areas, which will mean that the people that work in the brick factories will lose their jobs.

To remedy this, a group of people have come up with a plan to make bricks from fly ash, a waste product produced by thermal power stations. Clay bricks need to be baked, which requires coal, but bricks made from fly ash don't need firing, which means less greenhouse gas emissions going into the atmosphere. This project's emission reductions can be sold on the carbon market, and the money will benefit those people changing from using clay to fly ash to produce bricks. The fly ash project is recognized as a CDM project. The workers in these brick manufacturing operations will benefit from improved working conditions and insurance.

Source: http://wbcarbonfinance.org

What is the voluntary carbon market?

Some individuals and private companies are not required by law to reduce their carbon emissions. However, they are prepared to buy carbon credits from projects in both developed and developing countries. This is because they feel responsible for the damaging impact of their emissions and want to do something about it.

Sometimes companies buy carbon credits because they believe this is good for their reputation. As buyers are not responding to a government requirement, this market is called the voluntary carbon market.

How does the carbon market help communities?

Only a small proportion of projects in the carbon market help communities. A few years after the CDM started, the World Bank found that many of the poorer developing countries were not becoming involved. Most of the existing CDM projects were large-scale energy projects, and the poorer developing countries could not run these types of large projects because their energy and industrial sectors were too small.

In response to this situation, efforts were made to promote carbon projects that were adapted to the needs of communities. For example, the World Bank created the Community Development Carbon Fund (CDCF) to finance some small-scale CDM projects in developing countries. This fund has enabled some poorer developing countries to participate in the carbon market and benefit from carbon finance; reducing poverty and hunger. The World Bank has ensured that each CDCF project benefits the local community. This may mean providing electricity to the community where there was none before. In projects that do not directly benefit the local community in this way, the CDCF has required the projects to have something called a community benefit plan, where the project agrees to assist the community in some way, for example building a school or a hospital. The CDCF offered extra funds to the projects to help them to provide these benefits. The project will only receive the full CDCF funds if it delivers the agreed benefits.

The CDCF has required the projects to have something called a community benefit plan, where the project agrees to assist the community in some way, for example building a school or a hospital.

The Gold Standard was introduced to enable projects that were effective in reducing emissions and in providing benefits to the local community to stand out from other projects. This is a set of conditions that carbon projects must meet. Projects applying for Gold Standard status are examined by an independent organization which checks that they meet all the conditions. Some buyers are prepared to pay more for projects that meet the Gold Standard.

In the voluntary market the price paid for carbon emission reductions is often lower than in the CDM. However, buyers in the voluntary market are often interested in the development benefits of carbon projects and are prepared to support small-scale projects.

Examples

1. Biogas program in Nepal (CDCF)

This project has enabled rural households to install biogas plants that treat cattle dung and human waste to produce gas for cooking and lighting. The gas replaces traditional fuels such as wood and kerosene, and produces less greenhouse gases. As a by-product, the digesters also produce a useful, high-quality organic fertilizer. The CDCF buys the emission reductions from the households with biogas plants.

The biogas support program, biogas companies and NGOs work with households to acquire and install these units.

2. Solar home systems project in Bangladesh (CDCF)

This project has helped households that are not connected to the electricity grid to install solar home systems. The households can then use solar energy instead of kerosene and diesel to generate energy, thereby reducing their greenhouse gas emissions. The households use the energy to run technology such as TVs and radios. Rural businesses, schools, and health centers also use the systems to generate energy.

Installation of solar home systems, Bangladesh

3. Zengamina mini-hydro voluntary Gold Standard project in Zambia (ClimateCare)

This project was designed as a Gold Standard project in the voluntary market.[1] It has replaced diesel generators supplying a local hospital, school and farm as well as other users, increasing the reliability of supply. This has benefited the hospital in enabling the reliable use of a range of equipment. It has also allowed students to study in the evenings and to have access to laboratories and computers. The project is expected to generate 500 tons[2] of carbon dioxide equivalent (CO_2e)[3] reductions per year initially, rising to over 3000 tons as a wider range of local users are connected. The offset retailer, ClimateCare has provided carbon finance for this project.

1. www.cdmgoldstandard.org/fileadmin/editors/files/4_GS-stories/project-case-studies/Collections/Case_Studies.pdf
2. A metric ton is used here to describe 1000 kilograms
3. Carbon dioxide equivalent is a measure for describing how much global warming a given type and amount of greenhouse gas may cause using carbon dioxide as a reference. For example 1 ton of methane emitted would be equivalent to 21 tons of carbon dioxide.

4

What does it mean for us?

How can poor communities help protect the climate and benefit while doing so?

Your community can help protect the climate by using sources of energy such as solar, biogas, and hydro electricity, and you will also benefit from doing so.

How do these sources of energy protect the climate? You will probably use these energy sources instead of polluting fuels such as kerosene, diesel, charcoal, firewood, and coal. These fuels all produce a lot of greenhouse gases and contribute to climate change. If you use less firewood and charcoal, you will also protect your forests, which also helps to slow down climate change.

How do you benefit? New energy sources such as solar will allow you to use modern equipment such as TVs and radios. Projects that reduce greenhouse gases may offer you employment, and they may help your community improve the local roads, and build schools and health centers. Also because you use cleaner sources of energy, your health will probably improve because you are not breathing in smoke and fumes.

What are the requirements of community-based climate projects?

- The project must reduce greenhouse gas emissions.
- The project must benefit your local community.
- Your community must participate in either the main project or in the benefit plan.
- The technologies used in the project must be affordable.

How can your community benefit from carbon projects?

Carbon projects can benefit your community either directly or indirectly.

Direct benefits

When a project benefits your community directly, this means you are able to use the project's technology in some way. Carbon credits enable this technology to be installed. In the biogas program in Nepal and the solar home systems project in Bangladesh (mentioned above), the communities benefit directly by having access to clean, time-saving and efficient sources of energy. They also spend less money on kerosene and diesel, and spend less time collecting firewood. The project also creates jobs and increases economic activity in the area.

Indirect benefits

In some projects, the community does not participate in or benefit from the main activities of the project. This is the case in the China Guangrun hydropower project (see below), where the buyer of emissions reductions, the CDCF, had a particular interest in ensuring that the local community benefited in some way. In cases such as these, where there is a buyer prepared to pay a little extra for local development benefits, the project works with your community to provide you with other benefits such as improving the local roads or constructing health centers.

Box 2. China Guangrun hydropower project

The project developer, the Guangrun Hydropower Company, will construct three small hydropower stations in Jianshi County in Hubei Province. The electricity from this project will replace power from coal-fired plants, thereby reducing greenhouse gas emissions. The community will not directly benefit from the new plant, so the project and community have agreed on a community benefit plan to:

- Improve the condition of local roads, water tanks and transport.
- Renovate an elementary school and build a new village school.
- Train the community to improve their productivity in pig farming.
- Help the community to develop tourism.
- Build an ethnic culture museum.
- Construct a free health clinic for communities.

The premium paid by the CDCF on the emission reductions enables the project developer to provide these additional benefits.

Source: http://wbcarbonfinance.org

How have other communities benefited from carbon projects?

The table below shows how carbon projects in several countries are benefiting communities directly and indirectly, using the CDCF projects as examples.

Some buyers like the CDCF are concerned to make sure that your community plays an important role in negotiating for benefits and in building the roads, schools and hospitals, or whatever your benefit might be. This means you should have a say in any decision that involves your community.

Table 1. Types of community benefits from existing CDCF projects

Type of activity and project examples	Direct benefits	Indirect/additional benefits
Renewable energy Nepal: biogas.	Reliable energy source replacing firewood and kerosene. Improved treatment of animal and human waste. Provision of fertilizer.	
Honduras: La Esperanza mini-hydro (12.7MW run of river).	Reliable electricity supply for neighboring communities.	Employment in construction (120) and in operation (20). Capacity building for communities to apply for rural electrification grants.
Bangladesh: solar home systems (Infrastructure Development Company Limited (IDCOL)).	Reliable energy source replacing kerosene and diesel, enabling the use of modern appliances and increased economic activity.	Short- and long-term employment in installation and maintenance of the systems.
Energy efficiency Colombia: Furatena energy efficiency project.	Participation in a modern, energy-efficient molasses processing plant.	Training for 300 farmers in improved sugar cane production practices; managerial training for 120 small-scale farmers.
Waste management Argentina: Salta landfill capture.		Improved working facilities, and bathrooms and sanitary services for communities engaged in recycling at the landfill.
Bolivia: wastewater methane capture Colombia: Rio Frio wastewater management.		Extension of the sewerage network to 2000 households in a poor community near to the plant.
Combined renewable energy and energy efficiency Moldova: biomass and energy efficiency project.	Improved heating in public buildings such as schools and hospitals leading to health and education benefits.	Income-generating activity (supply of biomass) for local agricultural enterprise.

5

Can we develop a carbon project?

There are many types of carbon projects, and these examples will give you an idea of whether you can develop your own carbon project.

Do you have a way of generating cleaner energy?

Your household may be able to generate clean energy for cooking and lighting, and this can form part of a carbon project. For example, if you have animal dung and human waste, you can use this to generate biogas using biogas digesters. In Nepal, many households in the community participated in a biogas project, and they were able to sell their emission reductions through the CDCF.

Can you replace polluting sources of energy?

If you can replace fuels such as kerosene and diesel for heating, lighting and electricity generation, you might be able to participate in the carbon market. You might be able to use technology such as home solar systems. The solar home systems project in Bangladesh is an example of this type of project.

There are two CDCF solar home systems projects in Bangladesh. The first will install about 199,000 units, and the second will install about 227,000 units. When combined, these projects will reduce a large amount of emissions.

Can your business use less energy?

If you can start using energy-saving technologies instead of fossil fuels like coal in your business, you may be able to participate in the carbon market. In India, brick producers were able to participate in a CDCF project by replacing traditional brick kilns with vertical shaft kilns that use half the amount of energy. In another project in India, brick producers replaced clay with fly ash to make their bricks, which do not require firing, therefore producing fewer emissions.

Can you improve the energy efficiency of your business?

Your business may be able to join other businesses in a centralised project to increase energy efficiency, thereby generating saleable emission reductions. This is what happened in the Furatena energy efficiency project of the CDCF. Farmers in the region used to use inefficient methods to produce sugar. In the project, farmers improved the efficiency of their molasses production facilities, and now send the molasses to a more efficient, centralised manufacturing plant to make sugar instead of doing it themselves. This reduces the amount of energy required and so reduces emissions. The central facility is run by a company with the participation of the farmers.

Households can use solar energy instead of kerosene and diesel to generate energy

6

Developing and implementing a carbon project

Your community is likely to work in partnership with a local government, NGO or private company to develop and implement a carbon project. Your partner organization will need to have in-depth knowledge of the steps of the CDM cycle or the voluntary market. But your community needs to be aware of the basic steps to ensure that you choose a project that is right for your conditions and that will bring useful benefits. The basic steps in a carbon project are described below.

Box 3. Checklist of steps

- ❑ 1. Identify a suitable project.
- ❑ 2. Find a suitable partner.
- ❑ 3. Do a preliminary assessment and prepare Project Identification Note (PIN).
- ❑ 4. Prepare a Project Design Document (PDD).
- ❑ 5. Submission of the PDD for registration.
- ❑ 6. Project implementation and issuance of carbon credits.

1. Identifying a suitable project

Your community can identify a suitable carbon project by finding a way to reduce greenhouse gases (see questions in Section 5) that also helps you reduce poverty in your community. Your project might involve making changes to use energy more efficiently, or replacing polluting fuels with cleaner ones.

You need to work out whether you have the right skills and knowledge to do this project. You need to think about how familiar you are with the technology you use in your project, for example solar home systems or biogas plants; whether you have enough money to use the technology; and whether you can get support from local NGOs or your local government.

2. Finding a suitable partner

You will most likely form a partnership with other people or organizations to develop your project, and they may have different roles. Partners can include:

- Other communities: if you partner with other nearby communities running similar projects, you can reduce the costs of your project and increase the total amount of emissions reductions. You may find it easier to secure funding when you combine your projects with another community.
- Private companies: companies can provide you with start-up finance and provide technical support.
- Local government: they can help you develop a project and provide you with technical support.
- NGOs working on environmental issues or social development.

3. Doing a preliminary assessment

You and your project partner will need to gather some basic information about your proposed project, including the cost, the benefits it will bring, how it reduces emissions and the potential participants and their roles. For example, you will need to identify who will lead the project, who will write the documents, etc. This information is used to write a PIN, which is submitted to a likely buyer. The buyer uses the PIN to decide if the project will fit with what they are looking for.

4. Preparing a PDD

If the buyer likes the PIN, they will ask you to prepare a PDD or they will help you prepare one. The PDD is really just a more detailed version of your PIN, but must follow a certain format to meet the requirements of the CDM or voluntary market. Completing this can be a time consuming process, depending on the complexity of your project and represents all the work you have done in planning and designing your project.

The PDD sets out who is involved, what technology is involved, and the scale of the project. It will set out exactly how your project will reduce emissions, show the assumptions you need to make and the context for making these assumptions. It should include all your calculations, the time period over which you have made your calculations and a plan for how you will monitor emission reductions.

Box 4. The PDD – basic components

1. Project description.
2. Methodology for determining the baseline – what emissions would be without the project.
3. Duration of the project and the emission reductions.
4. Additionality – why the project needs carbon finance to proceed.
5. Plan for monitoring emissions once the project is up and running.
6. Calculation of the emission reductions.
7. Environmental impacts.
8. Stakeholder comments.

As the PDD is a complex document you will need help from a partner or consultant in preparing this. In addition, some carbon buyers may also ask you and your partner organization to give more information about how the project will benefit the community and any minority groups within it. They will want to know how the community has been involved in discussions on the project and in planning the benefits. See the community benefits questionnaire that the CDCF used in its projects for examples of the questions that buyers might ask and the information that they will be interested in.

Box 5. Example of a community benefits questionnaire used by the CDCF

1. Please identify and describe the communities that will benefit from this project, giving details about their location, population, social composition, economic activities, and major problems.

2. Please list and describe the specific community benefits that will result from this project.

3. Please describe how these communities will be involved in planning, implementing, and managing these benefits.

4. Please describe any underprivileged or minority groups in the community and indicate how they will participate in and benefit from the project.

5. Please list government and/or other organizations and institutions (local, regional, national) that will participate in and contribute to the project and describe their role in providing the community benefits.

6. Please describe how the community benefits could be measured and verified.

7. Please describe how the community benefits will be maintained and sustained after the project is completed. Who will be responsible for this?

8. Please describe any negative environmental, social or economic consequences that could arise from the community benefits component of the project and indicate how these will be addressed and managed.

9. Please describe how you intend to ensure effective communications and positive relations with the community, government and other partners during implementation of the project.

10. Please provide a summary budget for the community benefits component of the project.

5. Submission of the PDD for registration

The next steps depend on whether your project is in the CDM or the voluntary market. If it is in the CDM the following steps are involved:

1. **Obtain government approval.** This must be in writing so that it can be added to the PDD
2. **Validation.** An organization checks the information in the PDD to make sure that the estimates of emission reductions are reasonable and follow the rules of the CDM. The organization may ask for some changes to be made to the PDD. Once these have been done it prepares a validation report
3. **Registration.** The validating organization submits the PDD and the validation report to the Executive Board of the CDM.

In the voluntary market, the process can be simpler as you do not usually need government approval. But you will probably have to get your PDD validated. Most buyers in the voluntary market are keen to see that the emission reductions they buy are from a project that meets the requirements of the CDM or of the Gold Standard or other similar standards.

6 Project implementation and issuance of carbon credits

When your project is in operation, you will need to measure how effective it is in reducing emissions according to the monitoring plan set out in your PDD. You will need to pay another independent, qualified organization to examine your measurements and verify that they are accurate.

This organization will also submit the information on emission reductions to the Executive Board of the CDM which will issue the emission reduction certificates (or carbon credits) to which your project is entitled. These certificates can then be sold or handed over according to any sales agreements that you have made with partners or buyers.

If your project is selling to the voluntary market the steps are similar but the emission reduction certificates will be issued by a different organization.

7

Where can my community get help?

Local institutions and organizations can provide your community with useful guidance and technical support. Your local contacts will refer you to any other necessary contacts outside your immediate areas. These differ from country to country and from one community to another. Support groups can help you with the following:

1. Community-based organizations
   a. To help give a voice in a project.
   b. To help improve your skills and knowledge relevant to a project.
   c. To help arrange finance.
   d. To help with project management.

2. Local government
   a. To help with project management.
   b. To help arrange finance.
   c. To help improve your skills and knowledge relevant to a project.

3. Carbon financiers (for example, the CDCF)
   a. To help with start-up finance.
   b. To help manage micro-financing.

4. Central government
   a. For a program of activities which has wider benefits and reaching more community members.
   b. For financial support.
   c. For help with project implementation and partnerships (via the Designated National Authority).

Box 6. Tips for communities

- The full CDM process can be complicated. To make it easier, you can join up with other organizations that are familiar with the CDM steps, such as local government, NGOs, and private companies.
- Most community projects are small, and will not reduce a lot of greenhouse gases if done individually. You will be better off approaching potential buyers with other communities as a group rather than by yourself.
- For your project to be successful, you will need agreement among the members in your community.

The Community Development Carbon Fund (CDCF) provides carbon finance to projects in the poorer areas of the developing world. The Fund, a public/private initiative designed in cooperation with the International Emissions Trading Association and the United Nations Framework Convention on Climate Change, became operational in March 2003. The first tranche of the CDCF is capitalized at $128.6 million with nine governments and 16 corporations/organizations participating in it and is closed to further subscriptions. The CDCF supports projects that combine community development attributes with emission reductions to create "development plus carbon" credits, and will significantly improve the lives of the poor and their local environment.

The World Bank Carbon Finance Unit's (CFU) initiatives are part of the larger global effort to combat climate change, and go hand in hand with the World Bank and its Environment Department's mission to reduce poverty and improve living standards in the developing world. The CFU uses money contributed by governments and companies in OECD (Organization for Economic Co-operation and Development) countries to purchase project-based greenhouse gas emission reductions in developing countries and countries with economies in transition.

The International Institute for Environment and Development (IIED) is one of the world's top policy research organisations focusing on sustainable development. With partners on five continents, IIED is helping to tackle 21st-century challenges ranging from climate change and cities to the pressures on natural resources and the forces shaping global markets. The institute works with some of the world's most vulnerable people to ensure they have a say in the policy arenas that most closely affect them – from village councils to international conventions.

SouthSouthNorth (SSN) is a network-based non-profit organisation sharing two decades of experience in the fields of climate change and social development. SSN directly pursue structural poverty reduction in Sub Saharan Africa, Asia and Latin America by building Southern capacity and delivering community based mitigation and adaptation projects.