

# World Bank ups funding for post-2012 credits

Published: 13 Jan 2011 12:24 CET

The World Bank has announced new funding for carbon credits to be generated after 2012. A second tranche of the bank's Umbrella Carbon Facility "is now operational with initial funding of €68 million (\$89 million)," the World Bank said in a statement on Wednesday.

The initial funding, contributed by Deutsche Bank, GDF Suez and the Swedish Energy Agency, will enable developers of carbon projects under the clean development mechanism (CDM) to continue selling their carbon credits well beyond 2012, after the CDM's first commitment period, it said.

The bank invited new participants to join the tranche, which will become fully subscribed when it reaches a total capitalisation of €105 million.

The future of the CDM remains in balance following last year's UN climate talks in Mexico, which failed to end uncertainty as to whether emission reduction projects can earn credits after 2012.

"During a period of regulatory uncertainty, the (second tranche) is helping to maintain demand for post-2012 carbon credits," Joelle Chassard, manager of the World Bank's carbon finance unit, said in the statement.

She added: "It means we have another tool to help bridge the gap in the carbon markets."

Seventeen projects and programmes are being considered, with the potential to cut a total of 26 million tonnes of carbon dioxide equivalent during the period 2013-2018, the bank said, pointing out that that the fund intends to buy a portion of the credits generated.

Some of the projects are located in less developed countries and range from landfill and composting projects to urban transport, energy efficiency and renewable energy.

The World Bank manages 11 carbon funds and facilities with more than \$2.5 billion in capital.

By Jeff Coelho – [jc@pointcarbon.com](mailto:jc@pointcarbon.com)

*London*

*Link: <http://www.pointcarbon.com/news/1.1497546>*