DEVELOPMENT BANKS’ ROLE IN NAMA DESIGN AND FINANCE

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CAF is a Supranational financial institution **owned by Latin American countries**

- 43 years financing **sustainable development** and **regional integration** in the region

- Leading development bank in financing **infrastructure and energy projects** in Latin America

- Rated **AA-/AA-/Aa3** by S&P, Fitch and Moody’s
From **five** shareholder countries since its inception to its current **eighteen**

**Full Members**
- Peru: 19.3%
- Colombia: 19.1%
- Venezuela: 19.1%
- Argentina: 8.8%
- Brazil: 8.1%
- Ecuador: 5.4%
- Bolivia: 5.4%
- Uruguay: 2.6%
- Panama: 2.1%
- Paraguay: 1.7%

**Associated Members**
- Spain: 3.6%
- Mexico: 1.6%
- Trin. & Tob.: 1.1%
- Chile: 0.8%
- Dom. Republic: 0.8%
- Costa Rica: 0.5%
- Portugal: 0.2%
- Comm. Banks: 0.1%
- Jamaica: 0.03%

*Figures as of December 31, 2012*
Diversied Loan Portafolio

Loan Portafolio by Country and Sector

Figures as of December 31, 2012

Public Sector 84.5%

Private Sector 15.5%
Loan Portfolio Distribution

Loan Portfolio by Industry

Infrastructure is composed of:

- Energy generation
- Energy distribution
- Roads/highways
- Mass transit
- Airport/ports

*Figures as of December 31, 2012*

*Social Development includes health and social services and education*

*Financial Intermediaries includes commercial and development banks*
Latin American Climate Change Program

More opportunities, a better future.
Through its Latin American Climate Change Program (PLACC), CAF contributes to the **Mitigation** and **Adaptation** to global climate change and promotes sustainable and low carbon development of Latin America.

- **Mitigation of climate change and Carbon Markets.** Assist Latin American countries in the development of cost-effective and innovative actions in the economic sectors that have the potential to mitigate green-house gases, staying in line with the countries sustainable development goals, and optimize and act as a catalytic actor of international funding channeled to policies, plans, strategies, and projects for mitigation of climate change in Latin America.

- **Adaptation to Climate Change.** Promote and assist planned processes of adaptation to climate change of Latin American countries, at different levels such as policies, plans, programs, and projects to promote their sustainable development and the readiness for international climate funding.
From CDM project developer to broad based vehicle for sustainable development.

The strategic area of mitigation seeks to unlock the mitigation potential of Latin American and Caribbean countries, leveraging international funds and supporting concrete sectors and activities that have the potential to mitigate climate change in a cost-effective way while contributing to national development. In parallel, the adaptation strategic area has the objective to promote and support planned processes of adaptation to the local policies, plans, programs and projects.

**Vicepresidencia de Desarrollo Social y Ambiental**

**From CDM project developer to broad based vehicle for sustainable development.**

**GUATEMALA**
- *Hydroelectric Project: Project Hidroeléctrico*

**HONDURAS**
- *Inauguración DORBA*

**EL SALVADOR**
- *La GOE 3, 4, 5, 6, 7, 8 in San Rafael Project, Pico Bonito*
- *Hydroelectric Project Replicas*
- *Fraccionamiento El Copal Hydroelectric Project*

**NICARAGUA**
- *Sequenar, uso y manejo sostenibles de la dinastía san miguelesana* (San Miguel Nejapa, Phases II and III)

**COSTA RICA**
- *Ras Plantera, Cartago*

**PARAGUAY**
- *Wind Power Project in Corrientes, Argentina* (45 MW)

**ARGENTINA**
- *Combined cycle turbine, conversion of existing power plants to use biomass as fuel in the provinces of Salta, Misiones, Formosa and Corrientes*

**BOLIVIA**
- *Hydroelectric power plants: Dam of Lago Yungas,以為 retained water in the Yungas region*
- *Combined cycle power plants in the Potosí region*
- *Electric energy production in La Paz and Santa Cruz*

**CHILE**
- *Hydropower plants in the Valdivia region*

**ECUADOR**
- *Hydropower Project in the Arajuno River Basin*

**BRAZIL**
- *Hydropower Project in the Rio Madeira Basin*

**ECUADOR**
- *Hydropower Project in the Arajuno River Basin*

**PARAGUAY**
- *Combined cycle power plant in the Guairá region*

**URUGUAY**
- *Thermal power plant in the Rio Primero*

**GERMANY**
- *CO2-NN-LEAP: Technical cooperation with the German Federal Ministry for Environment, Nature Conservation, Building and Nuclear Safety (BMU) and the Federal Ministry of Education and Research (BMBF) to develop and implement climate-friendly measures in the building and transport sectors in urban areas*
- *Climate Change Mitigation Projects: Alliances* (funding by the German Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMU) and the Federal Ministry of Education and Research (BMBF))

**ITALY**
- *CARFRII (Carbon Reserve Finance and Insurance Fund)* (funding from the Italian Ministry of the Environment and Land Use and the Italian Ministry of Economy and Finance)

**JAPAN**
- *CARF-TFC (Carbon Reserve Finance and Insurance Fund)* (funding from the Japanese Ministry of the Environment and Land Use and the National Institute of Green Building Research)

**MEXICO**
- *BRT Wolmaris, Tenayuca*

**NETHERLANDS**
- *CDM project developer: 100 projects in Latin America, with a focus on reducing greenhouse gas emissions*

**FRANCE**
- *CO2-FF: Climate Finance Fund* (funding from the French Ministry of the Environment and the French National Fund for Climate Change)

**SPAIN**
- *CARF-Spain: Sustainable Carbon Reserve* (funding from the Spanish Ministry of the Environment and the Spanish National Fund for Climate Change)
NEW OPPORTUNITIES

NAMAs provide an opportunity to reduce green-house gases emissions at country level, achieving large scale abatements based on a government support to mitigation activities in specific sectors.
CAF’s role in NAMA design and finance

Through its Latin American Climate Change Program (PLACC), CAF:

- **Support to Latin American countries in the identification, design and implementation of NAMAs**
  - Portafolio of 6 six Idea Notes

- **Support in the determination of financial requirements**
  - Feasibility studies, e.g. Cogeneration

- **Serves as a bridge** between Latin American Governments and international climate funds or developed countries to ensure channel resources for the NAMAs
  - LAIF of UE
  - Netherlands and Spain Governments
Eligibility Criteria

- Sector
- Consistency with National Policy
- Financial support from the Government or other parties.
- Contribution to Sustainable development
- Technical & Financial feasible
- Institutional feasibility
- Mitigation Potential
- MRV
1. Renewable Energy (Solar, Wind, biomas, geothermics)
2. Waste Management (waste to energy)
3. Mass Transport
4. Energy Conservation
Integrated Solid Waste Management Mitigation Actions at disposal sites in Ecuador

- This NAMA aims to develop integrated solid waste management systems in the stages of disposal and/or processing, managing and monitoring of waste materials.

- The NAMA will include actions to avoid the formation of methane and actions to capture the methane that comes from landfills. Among the main types of actions/projects applicable to the NAMA are the following:
  - Pellet production for co-incineration: projects that use biomass as raw material for the production of pellets that will be co-incinerated
  - Landfill gas capture for flaring
  - Landfill gas capture for electricity generation
  - Anaerobic digestion and use of biogas
Many Thanks!!

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