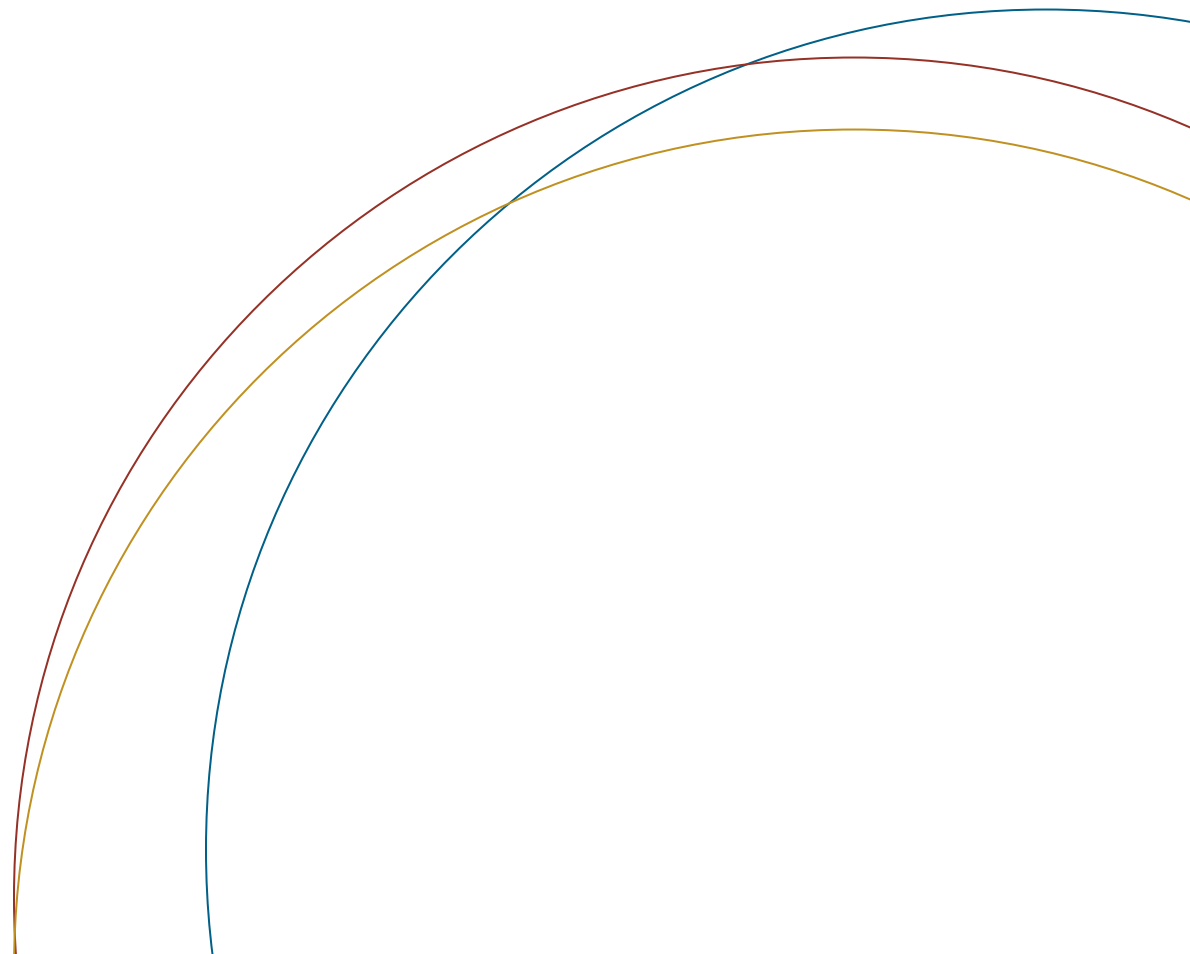


Sustainable Business Assistance Program

# REPORT TO DONORS 2006



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## Sustainable Business Assistance Program

**The Sustainable Business Assistance Program receives funding from IFC and the governments of Austria, Denmark, Italy, Luxembourg, New Zealand, Netherlands, Norway, Switzerland, the United Kingdom, and the United States.**

SBAP is managed by the International Finance Corporation's Environment and Social Development Department and comprises the three facilities described below.

The **Corporate Citizenship Facility** is a source of funding for environmental and social technical assistance to private companies in emerging markets. The facility's mission is to improve social and environmental performance primarily at the company level, with the aim of demonstrating the business case for corporate social responsibility to the private sector in emerging markets more generally.

The **Environmental Opportunities Facility** helps innovative businesses to overcome market barriers and commercially deliver environmental and social benefits. It supports projects in cleaner technologies with environmental benefits whose financial risks are too high or that need to mature before being considered for traditional financing.

The **Sustainable Financial Markets Facility** assists financial institutions in emerging markets to move towards sustainability by demonstrating the sound business case for doing so. The facility aims to improve lending practices and understanding of environmental and social sustainability through training and capacity building, market research, and technical assistance and advisory projects.

## Foreword

It is my pleasure to deliver the fourth annual report of the Sustainable Business Assistance Program. It demonstrates how your partnership with IFC makes a difference in helping us to bring innovative approaches to sustainable, private-sector-led development.

We appreciate your recognition of IFC as a center of excellence in sustainability innovation. Our environmental, social, and corporate governance expertise is similarly mentioned by our client companies as among the top 5 reasons why they choose IFC over other financial institutions as a source of financing and advice.

Thanks to your support, IFC projects initiate market transformation with new models, products, and business lines in environmental and social sustainability. In this report, for example, you will find that this year our partnership

- has created hundreds of jobs in Vietnam based on sustainable techniques of farming bamboo
- has trained more than a hundred senior bank officials in a single event in Shanghai
- is on track to reduce carbon dioxide emissions by one million tons annually in India
- is moving the Brazilian stock market towards greater recognition of the value of sustainable investing
- has been instrumental in serving clean drinking water to more than 250,000 people in Asia.

A measure of the program's success is the uptake, by IFC and other mainstream investors, of the innovations it promotes. For instance, we are happy to report that IFC is incorporating the competitive business advantage training developed by SBAP into its regular training programs for financial institutions, and that we are close to launching a cleaner development pilot across all IFC's manufacturing investments.

By coordinating different actors in development, the program enhances the coherence and efficiency of project implementation. Your input also goes well beyond funding, thanks to our regular interactions with you, our donors, which contribute to our strategy and guide our interventions.

To better meet our common objectives as partners in development, IFC is constantly improving its activities based on the lessons from experience. This coming year, SBAP will become part of IFC's Sustainability Business Innovator. The Innovator will improve administrative efficiency, maximize opportunities for synergies between teams, leverage newly committed funds from IFC, and expand the scope of our interventions with the addition of two new practice areas: biodiversity and sustainable energy. The Gender Entrepreneurship Markets program was created with similar objectives described in detail in this report. Going forward, your contributions will remain crucial to the success of these projects.

Thank you again for your support.

Best regards,



Rachel Kyte  
Director  
Environment and Social Development Department



## Contributing to the Millennium Development Goals

With four years of operation behind us, the Sustainable Business Assistance Program is a well-established program with a track record that demonstrates its success. The repeated endorsement of donors is also a sign of the relevance of private sector innovation in environmental and social sustainability.

This program is part of a coordinated effort of the development community to reach the Millennium Development Goals by 2015. Each initiative makes multiple contributions to improving people's lives and ensuring environmental sustainability in emerging markets.

Several projects contribute in one way or another to poverty alleviation, the very first Millennium Development Goal, by being based on commercial viability. Examples include bamboo farmers who will earn three times the average income in their region thanks to learning sustainable harvesting techniques; and women who have received training in fisheries, seafood handling, and marketing, who are not only offered a way to enter the job market but are also empowered by their knowledge.

The link between the environment and health is highlighted by the delivery of clean drinking water to more than a quarter of a million people in South Asia, where disease-free water can contribute to reducing child mortality. The health issue is also addressed by helping microfinance institutions in Africa to raise awareness on HIV/AIDS to prevent spreading, but also improving access to microfinance for people with HIV/AIDS.

Finally, SBAP contributes directly to ensuring environmental sustainability by helping the private sector to increase its energy efficiency and incorporate cleaner technologies. In countries like India where electricity is generally produced from polluting sources such as coal, a single SBAP project, once completed in 2010, could reduce emissions of carbon dioxide and sulfur by one million tons every year.

The range of action of the Sustainable Business Assistance Program is a good example of the far-reaching effect of environmental and social interventions. Its results show that the Millennium Development Goals are linked and can be tackled by partnerships such as this one.

# Corporate Citizenship Facility

The mission of the Corporate Citizenship Facility is to improve social and environmental performance of private companies in emerging markets, with the aim of demonstrating the business case for corporate social responsibility to the private sector in emerging markets more generally.

The facility focuses on helping companies exceed IFC's requirements on environment and social development. It is particularly active in the areas of stakeholder consultation—ensuring local communities are well-placed and empowered to participate in the public consultation process around local investments—and community development planning. With donor funds, IFC helps companies take a strategic approach to local community development and reap the business benefits of their investment. This means bringing in partners from local government and civil society and identifying those community investments that are best-tailored to company competencies and potential benefits.

The Corporate Citizenship Facility has helped smaller national-level companies implement measures of corporate social responsibility. It has become a business imperative in many sectors—garments, extractives, agribusiness—as multi-national corporations, business partners, investors, and consumers are all paying increasing attention to the social impact of investment operations on local stakeholders. Current private sector initiatives tend to be tailored to multi-national corporations, and often are ill-fitted to the needs of smaller firms or national firms operating in emerging markets. The facility has called upon IFC's global experience and expertise in environmental and social issues to assist emerging markets companies in areas such as sustainability reporting, best agricultural practices, and corporate social responsibility strategy development.

## *Highlights*

### **Helping create a sustainable bamboo supply in Vietnam**

An agricultural training program supported by IFC aims to increase the income of farmers in Thanh Hoa, one of the poorest provinces in Vietnam, through improvements to the sustainability of bamboo cultivation and enhancements to the supply chain. Through provision of training and technical assistance, 533 ha of new bamboo plantations will be ready for harvest by 2010 and are expected to be operational for 20-30 years, generating roughly \$159,000 in local income over this period. The project has been instrumental in creating over 200 new jobs in planting and cultivation of bamboo. The project also established two village-based preprocessing units, employing nearly 100 people. The number of people employed in preprocessing activities is increasing rapidly through the replication of this village-based model in six other locations, bringing the total number of units to 8. The average wage in these preprocessing units is \$45 per month—three times the local average. Furthermore, it is estimated that over 80% of workers in preprocessing units come from ethnic minorities and over 60% are women. Beyond direct employment, the knock-on effects of an enhanced bamboo market are significant for the region—roughly 4,000 farmers are supplying these preprocessing centers. By providing information on bamboo pricing, the local bamboo factory's quality requirements, as well as organizing farmer groups, the project has significantly strengthened local people's position in the bamboo value chain. This, coupled with rising demand has already resulted in a 20% increase in bamboo prices bringing benefits to the entire region.

### **Enhancing community and local enterprise development in Rajasthan**

IFC has enhanced the ability of Cairn Energy India Ltd. to develop the communities in Rajasthan near its project sites. IFC used donor funds to pay for an additional community development specialist in Cairn's office in Barmer, and organize a mapping study of the local business environment for small enterprises. The community development specialist has been instrumental in design and implementation of projects locally. Cairn has installed or repaired rainwater harvesting tanks in 600 villages throughout the Barmer District in Rajasthan. The company has also improved infrastructure at 9 local schools, leading in one case to an increase in attendance of 40%. The mapping study identified barriers to entrepreneurship as well as a variety of opportunities for local income generation. The company intends to commit \$1.8 million of its own funds to

train local entrepreneurs on basic business skills, as part of a partnership with IFC to increase business opportunities and access to finance for local small businesses.

**Building capacity of local people to participate in consultations in the DRC**

The Kolwezi Tailings Project is based on the reclamation and treatment of stockpiled copper-cobalt tailings produced since 1952 by a mineral concentrator facility in Kolwezi, Democratic Republic of Congo. As the reclamation process is environmentally intensive, consultation with local people is key to the project's success. The Social Responsibility team has been called upon to work with local people to ensure they are well-prepared to participate in the consultation process and better able to understand the project's purpose and local impacts, and their opportunities to benefit from its presence. Two multi-stakeholder capacity building workshops were held in 2006 with co-funding from donors through IFC and the company. Both workshops were well attended and regulators in DRC intend to replicate the process and format with other key mining projects in Katanga, with the advice of IFC. Several key stakeholders, including local NGOs have indicated that they would begin placing pressure on existing projects to demonstrate adherence to good environmental and social practices.

# Environmental Opportunities Facility

The Environmental Opportunities Facility helps innovative businesses to overcome market barriers and commercially deliver environmental and social benefits. It supports projects in cleaner technologies whose financial risks are too high or that need to mature before being considered for traditional financing. To identify and make these demonstration projects happen, the facility leverages IFC staff expertise in cleaner technologies and local knowledge with its emerging markets project structure expertise.

The facility helps businesses to overcome market barriers that are the result of the uncertainty associated with new markets, new technologies, and new ways of doing business. It operates in the fields of cleaner production, sustainable energy (efficiency, renewable and cleaner energy), water (access to clean water, waste water management), waste (minimization, solid or hazardous waste management), and air quality management. It is also active in the area of environmental management systems and the sustainable use of natural resources.

EOF promotes both *demand for* and *supply of* cleaner technologies. Demand is stimulated mainly through technical assistance offered to potential buyers and supply is promoted mainly through investments in providers of cleaner technologies.

The facility uses grants and risk capital, such as debt and equity. It chooses the instruments that deliver the least subsidy necessary to catalyze action by the private sector. It also seeks to demonstrate the financial viability of an innovation at the earliest opportunity.

## ***Highlights***

### **Stimulating demand for cleaner technologies**

This year, the Environmental Opportunities Facility focused its technical assistance on raising awareness about cleaner production opportunities among IFC clients. The first new project is an energy efficiency audit for Pronaca, an Ecuadorian food processor. Preliminary estimates point at \$1.1 million per year of potential energy savings.

For the other project, IFC used donor funds to provide a cleaner production audit for the Chaîne Azalai Hôtels, an African group with four hotel operations in Mali and Burkina Faso. Now that they are available, the results of this audit are expected to improve the operational procedures leading to important savings in energy and water as a result of implementing the recommendations of the audit through a number of investments over the next two years. The cleaner production recommendations could increase the net income of the hotel group by over 50%, while reducing water and energy use. This is an example of how cleaner production strongly aligns environmental and financial benefits.

### **Promoting supply of cleaner technologies**

IFC has invested in four cleaner technology businesses to date.

#### **Cogeneration technology brings environmental benefits to India**

In 2006, IFC used donor funds to invest \$600,000 of equity in Turbotech, a designer and manufacturer of small turbines for cogeneration applications, based in Bangalore, India. The engagement of the facility has catalyzed a similar investment in equity by a local investor of up to \$600,000 and the extension of a loan from a bank of up to \$421,000. This has provided Turbotech with the funding it needs to potentially triple its sales to \$5.7 million in three years by expanding its manufacturing capacities and launching a new line of gas turbines.

Turbotech uses aerospace technology to bring cogeneration applications to Indian industries at an attractive scale and price. Customers have recouped the cost of Turbotech's energy conservation steam turbines in as little as 12 months by reducing the purchase of electricity. At the same time, these turbines are reducing carbon dioxide and sulfur dioxide emissions by an estimated 90% compared to grid-supplied electricity, which is mostly generated by low sulfur coal-fired plants. If Turbotech achieves its 2010 sales target, its turbines will have reduced carbon emissions by 1 million tons of CO<sub>2</sub> per year.

### **MBA Polymers Incorporated**

IFC invested its second and final investment tranche of \$600,000 in MBA Polymers, the world's first commercial recycler of the high value plastics used in electronic and white goods. IFC's total investment of \$1,200,000 supported the establishment of MBA Polymer's first plant, in Nansha, China. The plant was commissioned in October 2005 and a second plant was commissioned in the first quarter of 2006 in Austria. For the first time, recycled resin from mixed streams of plastic waste is being produced in China and incorporated into a variety of new electronic and other plastic goods. So far, MBA Polymer has produced 200 tons of recycled resin in China.

The technology delivers substantial environmental benefits. It is estimated that for every ton of recycled resin produced, two tons of carbon dioxide emissions are avoided. The technology also avoids ground soil contamination and NO<sub>2</sub> and SO<sub>2</sub> air pollutants by using scrap plastic that would otherwise be destined for landfills and incineration.

### **Creating businesses to bring clean drinking water**

This year, IFC invested a final \$340,000 in WaterHealth International (WHI), bringing its investment to a total of \$1.2 million. WHI helps supply affordable drinking water to some of the poorest communities in the world, with operations now in the Philippines, Sri Lanka, and India. Over the period of IFC's engagement, WHI has transformed from an equipment supplier to a franchiser of water stores and systems. It is estimated that WHI now serves 266,000 clients through over 40 small and medium enterprises and company-owned water stores. Notably, WHI is serving 52,000 people in regions of Sri Lanka that were hit by the tsunami of 2004, thanks to a grant of \$250,000 from the US Trade and Development Agency trust fund at IFC and \$946,000 in contributions from Global Giving, Acumen Fund, and in-kind contributions from the company. This water purification infrastructure is expected to serve 100,000 people adversely impacted by the tsunami for the next 5 years, at which time the local communities will take over the operation, giving a long-term impact to an emergency intervention.

### **Conox Limited**

IFC made an initial investment in Conox, a company with a new wastewater treatment technology, focusing on the black liquor waste stream from non-wood pulp plants, a major source of river pollution in several developing countries. The project is undergoing a fundamental restructuring since Conox has sold its technology to investors in the paper and chemical industries. Given the technological and economic advantages of the Conox technology over the alternatives, IFC is reviewing a potential follow-on investment in this new entity.

# Sustainable Financial Markets Facility

The Sustainable Financial Markets Facility assists financial institutions in emerging markets to incorporate sustainability risk management and new product opportunities into their business models by demonstrating the sound business case for doing so. The facility aims to improve lending and investment practices and understanding of environmental and social sustainability through training and capacity building, market research, and technical assistance and advisory projects.

The facility targets the sectors of banking, private equity, and asset management/institutional investing. It aims to increase the interest and ability of financial institutions to adopt sustainable policies and practices, thereby helping to mitigate environmental and social risks. It also increases the availability of new financial products that benefit the financial institutions themselves and encourage sustainable, profitable practices in companies.

The facility acts as a catalyst and provides targeted market interventions to support the development of sustainable capital markets. It has provided support for the start up of regional networks for sustainable investment professionals in Asia, Latin America, and Africa to support the local development of expertise. Examples of where IFC is raising awareness among investors and companies, both in the domestic markets and internationally, are the establishment of the Sustainability Index on the Bovespa Stock Exchange and the research grant competition for equity research on the sustainability performance of emerging market companies.

The Sustainable Financial Markets Facility also provides information and a range of training programs for top-level managers of financial institutions banks. One example is the competitive business advantage training program. This training is frequently adapted to respond to new issues—such as HIV/AIDS, small and medium enterprises and microfinance, energy efficiency, and women entrepreneurs—and to provide up-to-date case studies relevant for each region and country. By working with local institutions, it also helps to build local capacity for ongoing support and local delivery of expertise.

Finally, the facility also develops and supports research reports, case studies, guidebooks and other publications to demonstrate the business case for sustainable finance.

## *Highlights*

### **Helping microfinance institutions to cope with HIV/AIDS**

IFC worked with AfriCap, the leading African microfinance investment fund, in collaboration with the African Microfinance Network to develop tools for microfinance institutions to manage the risks presented by HIV/AIDS across the continent of Africa. Non-governmental organizations, donors, microfinance institutions, and health specialists contributed to developing a guidebook outlining risks and steps for mitigation. An international workshop in Cape Town, South Africa in April 2006 was held to discuss the guidebook and to identify risk mitigation strategies of the HIV/AIDS Pandemic in small-scale financial institutions. The conference attracted 60 participants from private consulting firms, donor agencies, NGOs, and 9 African microfinance institutions. 3,000 copies of the guidebook will be disseminated throughout Africa and can be used for microfinance institutions in South Asia, the Caribbean, and other regions with growing HIV/AIDS cases.

### **Competitive business advantage in China**

Through a strategic partnership with the Shanghai International Business Financial Institute, IFC is helping to raise sustainable finance awareness in China. In June 2006, this work was kick started with a one-day awareness raising event in Shanghai. The event was attended by 120 senior bank officials and stakeholders of the financial sector, and included participants from 25 local banks. The event was the first of its type in China and has since spawned requests for follow-up and interest in sustainable finance products. The Institute will be offering the capacity building advantage training program to financial institutions across the country.

### **“Taking Stock” report**

This year, IFC provided a grant to the Association for Sustainable and Responsible Investment in Asia (ASrIA) to create a report on the current and potential future market for socially responsible investment in China, India, Indonesia, Malaysia, Philippines, South Korea, and Thailand. This report has been highlighted at a number of conferences and is being circulated to fund management companies, investors, and other financial institutions. Approximately 2,000 reports have been disseminated.

### **Development of the BOVESPA Sustainability Index**

Following the report “Towards SRI in Emerging Markets” and its dissemination in Brazil, the Sao Paolo stock exchange, Bovespa, sought IFC’s assistance to create a Sustainability Index to provide domestic and international investors with information on the corporate social responsibility performance of Brazilian firms. Development of the index began in 2004 and it was successfully launched in December 2005. A key goal of the Index is to provide market-based incentives for more sustainable company behavior, and the initiative includes an awareness-raising program for Brazilian companies. In the short time since its launch, the Index has consistently matched or outperformed its benchmark.

### **“Banking on Sustainability”**

"Banking on Sustainability" is being prepared by the facility and is currently in its final stages. The report is designed as a guide for financial institutions that want to improve their competitive advantage by integrating social and environmental sustainability concepts, management systems, products, and services into their businesses. It features practical examples and case studies of commercial banks, leasing companies, and microfinance institutions that have taken concrete steps to integrate environmental and social sustainability into their policies, practices, products, and services. 14 case studies from 12 countries are presented, clearly highlighting the business case.

The report is based on the results of the ‘IFC Sustainability Survey of Financial Institutions (2005)’ that surveyed over 500 banking professionals who attended the various trainings, and contains data from more than 120 financial institutions in 43 emerging market countries. 3000 copies of “Banking on Sustainability” will soon be widely distributed to senior banking officials in emerging markets.

## Monitoring and Evaluation

The monitoring and evaluation of our projects have been improved over the years to strengthen reporting to donors and management. Last year, IFC introduced more systematic data collection processes to better monitor the performance of projects, from inception through completion. It has also upgraded the capacity of its staff to plan and collect monitoring information. For each project, senior manager supervision is required every six months and staff prepare a project completion report upon termination. It is expected that these mechanisms will lead to improved supervision and monitoring by indicating to task leaders when adjustments must be made to an initiative to improve the prospects for favorable outcomes. Furthermore, as the systems and the quality of data improve, so will the quality of evaluation reports for donors, management, and other IFC stakeholders.

As of July 2006, 38 projects have gone through the project supervision phase. Of these, 97% are judged to be on or near the target to accomplishing their goals. About 68% of the projects were judged to be on schedule, operating within the expected budget and meeting the intended objectives.

- A total of nine EOF projects were subject to supervision over the past six months. All of them were on target or close to target on meeting their objectives. Close to 45% of these projects are on schedule, operating within budget and on target or better with respect to meeting their objectives.
- CCF has 18 active projects, 17 of which are generally on track to meeting their objectives. About 45% of the projects are on schedule, within expected budget and on target or better.
- All of 11 SFMF projects are generally on target to meeting their objectives. Overall, close to 55% of the projects are operating in a manner that is consistent with our initial expectations with regard to budget cost, timeliness, and project objectives.

While the completion reporting is yet to be fully operational, a pilot was conducted during the last year, which showed that 78 % of SBAP projects were rated satisfactory or better, indicating that these initiatives have met their objectives and are likely to generate the desired impact.

## Sustainability Business Innovator

Building on the success of the Sustainability Business Assistance Program, IFC has established the Sustainability Business Innovator, which will include the activities carried out by the three facilities of SBAP and add three more practice areas. It will create greater synergies between the different practice areas and more efficient management, administration, and fundraising. The Innovator was launched on July 1<sup>st</sup>, 2006 and will exist in parallel with SBAP until the latter is gradually phased out during fiscal year 2007. You will find a more detailed description of each practice area in the following pages.

### *Social Responsibility*

The activities of the Corporate Citizenship Facility will be assumed by the Social Responsibility practice area under the Sustainability Business Innovator. This new practice area will strategically focus on enhancing private sector contributions to social development in emerging markets. Other practice areas within the Innovator will absorb the environmental stewardship activities.

More and more emerging market companies are seeing the value of committing to responsible business practices. A strong strategy and reputation as a responsible business can help these companies build trust with local stakeholders, thereby ensuring a license to operate, while aspects of corporate social responsibility such as progressive labor relations have been shown to enhance productivity and reduce costs associated with recruitment and turnover. A visible commitment to corporate social responsibility helps emerging market firms attract multinational partners, access international sources of capital, and reach socially-conscious consumers with their products and services.

The Social Responsibility practice area will assist companies directly and support the development of innovative products and approaches in three broad areas relevant to corporate social responsibility:

1. Community development and stakeholder engagement
2. Sustainability strategy and communications
3. Labor practices and human rights at work

Each area of engagement is designed to improve business performance by addressing key issues of corporate social responsibility. By demonstrating its business and social benefits, the program aims to encourage companies throughout emerging markets to embrace corporate social responsibility as a key strategic business principle.

### *Cleaner Technologies*

The Environmental Opportunities Facility will become part of the new Sustainability Business Innovator from the end of FY07 under the name of Cleaner Technologies. The range of interventions will remain the same, but the emphasis will change to keep with positive changes in market conditions for cleaner technologies. For instance, because of the recent increase in energy prices, we anticipate greater focus on cleaner production technical assistance to leverage the increased profitability of energy efficiency. We will also explore ways in which Cleaner Technologies may catalyze local venture capital for innovative projects. The team will also work with local fund managers in emerging markets to see how it could increase its activities in cleaner technologies investing. The strong interest of fund managers was notable at IFC's Eighth Annual Private Equity Conference in May 2006, where the facility helped organize a panel on cleaner technologies investing in emerging markets.

## ***Sustainable Investing***

As the Sustainable Financial Markets Facility transitions to the Sustainability Business Innovator, its activities will focus on sustainable investing. In keeping with our philosophy of using donor funds to incubate new business models and investments, and graduating mature and proven programs to others for wider roll-out and delivery, we will transfer the successful competitive business advantage banking training program to IFC's financial markets department, where it will be managed going forward.

The goal of the Sustainable Investing practice area is to generate an increase in the volume and quality of sustainable and responsible investments to emerging markets. Socially responsible investment in public equities currently amount to around \$2.7 trillion and has played a key role in developed economies as a mechanism for economically, socially, and environmentally sustainable development. IFC seeks to bring the power of socially responsible investment to emerging and developing country economies.

To harness the power of this type of investment, the practice area will be working in partnership with investors, policy makers, regulators, and companies to address market development barriers. These market interventions range from support for increased availability of company performance data to development of frameworks and standards for institutional investors. It will disseminate best practice, support research and development for new investment vehicles, and aim to increase market investments to \$5 billion by fiscal year 2008. Through this, donor funds will help businesses create durable value and economic growth, and will improve job creation, labor standards, environmental protection, eco-efficiency, and corporate citizenship.

*Practice areas added to the Innovator*

## ***Biodiversity***

Biological diversity supports life and the possibility to adapt to change. As the basis for many development sectors (e.g. agriculture, forestry, fisheries, tourism, and water resources), biodiversity yields several goods and services, such as food products, clean air, and medicine. Numerous companies depend on these products, either through their core business or supply chain. Even if it does not represent a central concern to their operations, many responsible companies are also getting involved in the active protection of biodiversity and thus making a positive contribution to their corporate image. IFC's work in biodiversity combines conservation, risk mitigation, and business opportunity. It is directed at supporting companies interested in the sustainable use of biodiversity resources, developing business models that are based on nature, and moving markets to more sustainable practices. Each approach emphasizes environmental benefits as well as commercial viability and benefits to people.

How it works:

- IFC helps businesses to seamlessly blend biodiversity protection with better overall business management, bringing them improved performance and reputation, reduction in supply chain risks and production costs, access to new markets, and increased company value.
- IFC will also help businesses to develop new revenue streams from nature. Bio-businesses, such as ecotourism, derive value from nature by applying a practice or technology that maintains nature. IFC does this mostly through financial intermediaries which, in turn, support micro, small and medium-sized enterprises.
- In addition, IFC works closely with several partners to provoke large-scale changes in given industry sectors that have a high impact on natural habitats. It will seek to transform markets by promoting the use of sustainable practices. IFC is applying this approach in the ornamental fish market, as well as in high impact commodities, including palm oil, sugar, soy beans, cocoa, and others.
- IFC works with financial institutions, think tanks, non-governmental organizations and other research institutions to develop new financial products beneficial to biodiversity.

## ***Sustainable Energy***

The Sustainable Energy practice area promotes the development of markets for renewable energy and energy efficiency. It does so by removing market barriers that deter private investments in sustainable energy, such as lack of information on opportunities or technologies, perception of excessive commercial or technical risks, or high market development costs. These interventions are targeted and limited in duration to create a self-sustaining market that will promote renewable energy and energy efficiency. The Sustainable Energy team currently oversees a project portfolio of \$200 million across all regions. Importantly, this provides IFC with expertise in frontier or high impact segments of renewable energy and energy efficiency markets, thus positioning IFC to mobilize commercial finance through its complementary mainstream operations. By developing these new markets, often in partnership with private companies, IFC also catalyzes a broader private sector engagement in promoting renewable energy and energy efficiency businesses.

How it works:

- The practice area funds the development of commercial pilots of sustainable energy technologies with high economic and social impact. The aim is to promote understanding of the technical and market challenges, as well as opportunities for the private sector.
- IFC establishes partnerships with private companies, such as financial intermediaries or industrial and commercial entities, to provide them with a combination of credit lines, risk sharing product, and/or technical assistance that reduces the initial risks and costs of investing in this sector.
- Finally, we support innovative financing solutions with high demonstration value and development impact by helping to mitigate the risks associated with investment in frontier markets.

## ***Gender Entrepreneurship Markets***

*The Gender Entrepreneurship Markets program complements the Innovator by addressing gender issues in sustainable private sector development.*

Gender inequalities in national legislation, policy, or practice inevitably prevent the equal participation of men and women in the private sector. Women lack formal property rights in many countries and are often not recognized as valuable customers by financial institutions, limiting their ability to start or grow their own businesses. Specific legal impediments or cultural norms mean that women are also more likely to be stuck in the informal sector. These realities represent a significant, lost opportunity for women as well as the wider private sector. Gender Entrepreneurship Markets (GEM) helps to better leverage the untapped potential of women in emerging markets while at the same time integrating gender issues into IFC's approach to its investments. The program was launched in 2004 to introduce a systematic focus on gender as a comparative advantage for clients, and has developed a mix of tools to facilitate replication and scaling up of a gender focus across regions and departments.

How it works:

- The team's work involves advisory services to governments on removing discriminatory laws and regulations through gender and growth assessments which involve extensive consultation with women's business associations and civil society groups.
- It also helps financial intermediaries to reach out to the women's market for both profit and social good.
- Finally, it provides a gender dimension to IFC investment projects, for instance by ensuring women's small and medium enterprises benefit from linkages created by the investments.



Annex 1

**Portfolio of projects by region**



Country	Project Name	Beneficiary/Target audience	Net funding (USD)	Facility	Status	Project Description
<b>Africa</b>						
Cameroon	Indigenous Peoples Community Development Plan	Bakola/Bagyeli Communities	150,000	CCF	Pipeline	To support the Foundation for Environment and Development (FEDEC) in the formulation of a strategic long term development plan for pygmy communities impacted by the construction/operation of an oil pipeline.
Nigeria	HIV/AIDS in the Workplace	Employees and families	63,000	CCF	Ongoing	To support the development of a complete HIV/AIDS workplace and community program at MTN and become a benchmark for corporate HIV/AIDS programs in Nigeria and West Africa.
Congo DRC	Stakeholder Capacity Building around Copper Mine	Project affected communities	80,000	CCF	Ongoing	To support stakeholder capacity building so that NGOs and other stakeholders are better able to engage with an IFC sponsor on project and development issues.
Kenya	Fair Trade Certification for Honey Production in Kenya	Third party honey gatherers	48,000	CCF	Completed	To work with a Kenyan cooperative to develop fair trade markets for honey. The cooperative has already been recognized for its efforts to enhance biodiversity in its operations. Access to price premium fair trade markets in Europe will help to reinforce good practices.
Ghana & Gabon	Pomoting more Sustainable Agribusiness Commodities	Third party SME and community forestry operations	56,000	CCF	Completed	To work with an international agricultural commodities merchandiser to develop and test timber certification protocols and TA training for third party communities to ensure that sustainable forest management practices are embedded in supply chains.
Kenya	Community Development Around Kenyan Mine	Communities and company	100,000	CCF	Completed	To support capacity building and needs assessment/priority setting for a community development plan around a Kenyan soda mine.
South Africa	Sustainable Mining Workshop for the South Africa Extractive Sector	South Africa Mining sector	33,000	CCF	Completed	To prepare and deliver an executive development course on Corporate Social Responsibility and competitiveness for an extractive sector client and subsequently deliver the course to other extractive sector companies in the region.
South Africa	South Africa Pro-Poor Tourism Guidelines	South Africa Tourism Sector & Local Communities	122,000	CCF	Completed	To support the Pro-Poor Tourism Consortium in the development of four guidelines: partnerships with communities, boosting local input in the tourism supply chain, stimulating local tourism products and SMEs, and addressing pro-poor issues within a company.
South Africa	Africa Clean Development Mechanism (CDM)	Government, Companies	30,403	CCF	Completed	To produce a "Clean Development Mechanism" guide to investors to enable governments and companies to earn Certified Emissions Reductions (CERs) by investing in climate change mitigation projects in developing countries.
Nigeria	CCF Eleme CDP	Communities and company	150,000	CCF	Pipeline	To assist the company in building the capacity of the community to engage in a constructive dialog on development needs and expectations, and in designing and implementing a successful community development program, which is expected to have a demonstration impact in the petroleum industry in the Niger Delta.
Tanzania	Irrigation Foot Pumps for Rural Poor	Individual and SME farmers	43,346	EOF	Completed	Loan and grant to a hand-operated irrigation pump manufacturer in Tanzania.

Country	Project Name	Beneficiary/Target audience	Net funding (USD)	Facility	Status	Project Description
South Africa	Exploring Non-timber Revenue Streams from Sustainable Forestry	Major forestry company	146,728	EOF	Ongoing	Grant to a leading FSC certified forest products company to develop new revenue streams from its timber and land holdings in South Africa.
Ghana	Worldwide Distributed Drinking Water Purification	New technology company/Low income households in rural and peri--urban areas	1,224,641	EOF	Ongoing	Equity investment in a distributed, potable water service provider targeting emerging markets and using an innovative ultra-violet (UV) technology platform. This will provide safe drinking water on a sustainable basis to low-income families in emerging markets.
Mali and Burkina Faso	Technical Assistance grant to African Hotel Group	Hotel operator	33,300	EOF	Ongoing	Technical assistance to undertake an energy audit and design review of SMPH's existing hotel operation in Mali and Burkina Faso.
South Africa	South Africa Solar Water Heating Fund	Solar water heating market in South Africa	550,000	EOF	Pipeline	To catalyze the expansion of the solar water heating market in South Africa for institutional and residential clients. Fund will focus on both vendor and consumer finance.
Tanzania	Plastic Recycling	Recycling company	2,000,000	EOF	Pipeline	Investment in establishing commercial and residential plastic recycling facility in Tanzania.
Ghana	SFMF Africap - Kumasi Iron Workers	Iron Workers	55,791	SFMF	Completed	SFMF provided a grant to AfriCap, which in turn contracted staff of the Kumasi National Science and Technology University (KNUST) to conduct a study of the Environmental, Health and Social risks across a variety of types of iron workers.
Kenya	SFMF Aureos Safepak II	Private Equity fund managers	40,000	SFMF	Completed	The project consisted of a technical and economic feasibility study of Safepak's outline proposal to create a PET recycling facility in Kenya. This project comes within the Portfolio Company Grant Program established under SFMF for IFC's private equity fund.
Kenya	SFMF Africap Microfinance HIV/AIDS	Microfinance Institutions, people with HIV/AIDS and women	70,000	SFMF	Completed	The objective of the project is to raise awareness and develop risk management tools for the microfinance (MFI) sector in Africa on HIV/AIDS. A guidebook was developed and will be disseminated continent-wide.
Kenya	SFMF Women Bankers Association	Women entrepreneurs	60,000	SFMF	Pipeline	To add value to financial markets deals for financial institutions interested in leveraging the women's market for profit and targeting women entrepreneurs.
Nigeria	SFMF Competitive Business Advantage Nigeria 06	Financial Institutions	50,000	SFMF	Pipeline	Competitive Business Advantage workshop to be held in Lagos in partnership with Lagos Business School, including train-the-trainer and local capacity building
South Africa	SFMF Competitive Business Advantage Workshop Jo'burg 05	Financial Institutions	31,155	SFMF	Completed	Delivery of the 'Competitive Business Advantage' workshop in Johannesburg, South Africa attracting 25 participants.
South Africa	SFMF Africa Sustainable Banking	Financial Institutions	38,483	SFMF	Completed	Partial sponsorship of case study-based research study managed by African Institute of Corporate Citizenship (AICC) in conjunction with UNEP Finance Initiative's Africa Task Force, to assess current practice of African banking sector with respect to environmental and social risk management.

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South Africa	SFMF Africa Bank-Sustainability Strategy	Financial Institutions	105,000	SFMF	Completed	SFMF engaged AICC to provide strategic consulting support to Africa bank on its sustainability management systems and annual sustainability reporting. The project assisted Africa Bank to use its external reporting process.
South Africa	SFMF Competitive Business Advantage Jo'burg 07	Financial Institutions	29,800	SFMF	Pipeline	Follow-up CBA workshop to address market demand.
<b>East Asia and the Pacific</b>						
Indonesia	Sustainable Seaweed	SME and community seaweed businesses	69,680	CCF	Ongoing	To work with the Program for Eastern Indonesia SME Assistance (PENSA) to develop environmentally sustainable and socially equitable seaweed businesses with rural communities in Indonesia.
Vietnam	Thanh Hoa Bamboo Growers Support	Farmers and local bamboo industry	220,830	CCF	Ongoing	To create a sustainable increase in the income of the farmers in Thanh Hoa Province through the development of bamboo cultivation and its supply chain, support the development of a stable, sustainable supply of quality bamboo to a bamboo flooring factory.
Cambodia	Cambodia Corporate Citizenship Award	Private sector companies	121,225	CCF	Ongoing	To work with Mekong Project Development Facility, the Global Fairness Initiative and others to promote a national award program for exemplary corporate citizenship practices in Cambodia.
China	China Development Marketplace	Civil society organizations	93,100	CCF	Ongoing	To grant the Corporate Citizenship awards aimed at implementing poverty alleviation projects in rural China via public-private partnerships. The awards are granted in the context of the world Bank Group's Development Marketplace program.
Papua New Guinea	PNG Fisherwomen II	Local communities	68,130	CCF	Ongoing	To increase women's participation in the seafood industry in Papua New Guinea by equipping them with the skills required to better process, preserve and market fish and other seafood.
Lao, Cambodia and Vietnam	Bamboo Lao Supply Chain Study	Farmers and local bamboo industry	74,850	CCF	Ongoing	To conduct a study that will collect both local data on resources, supply chain and related socio-economic conditions as well as that on the international market for bamboo products and latest technological developments.
Lao, Cambodia and Vietnam	Mekong Bamboo Sector Development Phase 2	Farmers and local bamboo industry	160,000	CCF	Pipeline	Phase 2 of the bamboo sector development will include a range of projects and activities at regional and national levels, based on potential benefits, interests of stakeholders, and the required magnitude to bring about economic benefits.
Vietnam	Ha Tien Wetland Survey and Land Use Management	Local biodiversity and rural communities	32,300	CCF	Completed	To work with an IFC client, local government and communities in the development of an integrated conservation and development program around the Ha Tien wetland in Vietnam. This project later won a World Bank Development Market Place Award and has entered a further phase of implementation (the strengthening of sustainable rural enterprises) which is being undertaken by local and international groups.

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Philippines	Sustainability Reporting for Metro Manila Utility	Sponsor and stakeholder groups	30,300	CCF	Completed	To support a private utility's efforts to develop a corporate sustainability strategy and to produce the Philippines' first GRI-based sustainability report.
Indonesia	Sustainable Wood Export Markets	Small scale timber companies	33,185	CCF	Completed	To work with the Program for Eastern Indonesia SME Assistance (PENSA) wood program to create greater understanding over the needs and market expectations for sustainable forest management in Indonesia.
Papua New Guinea	Building Women's Fishery Skills for Sustainable Harvest	SME Fisherwomen	54,000	CCF	Completed	To work with the Pacific Enterprise Development Facility to support the capacity of rural fisherwomen to enhance their abilities to process and market fish.
China	China CSR Program	Wider private sector	300,000	CCF	Pipeline	To develop an integrated Sustainability awareness raising and capacity building program.
China	CCF China Health & Safety	Local industries, communities	77,000	CCF	Completed	To conduct a Sustainability and Health and Safety Seminar for the IFC chemical and petrochemical clients of the East Asian region in the city of Hangzhou in China between September 26 and September 28, 2005. The aim is to facilitate a discussion and to exchange experiences about sustainability and health and safety practices (H&S) and to identify actions that can further enhance profitability, reduce risks, and improve the overall development prospects of IFC clients by improving the H&S practices of IFC projects in the region.
Malaysia	Low-impact Submarine Logging	Forestry company	200,000	EOF	Pipeline	Grant to finance a pilot phase of an underwater logging operation in Malaysia as an alternative to traditional submarine logging which has a destabilizing impact on the lake's ecology.
China	Plastics Recycling	New technology recycling company	1,268,765	EOF	Ongoing	Equity investment to finance a durable goods and electronics equipment plastics recycling start-up in Nansha, China. The project has been successfully commissioned.
China	Straw Pulp Waste Water Treatment Technology I	New technology company focused on China's market	735,139	EOF	Ongoing	Equity investment to help finance pilot project in China of a new wastewater treatment technology for straw pulp mills. New financing round under review. (See Straw Pulp Waste Water Treatment Technology II.)
Philippines	Worldwide Distributed Drinking Water Purification	New technology company/Low income households in rural and peri-urban areas	1,224,641	EOF	Ongoing	Equity investment in a distributed, potable water service provider targeting emerging markets and using an innovative ultra-violet (UV) technology platform. This will provide safe drinking water on a sustainable basis to low-income families in emerging markets.
Mongolia	Wind Power Generation	Private Mongolian project developer	38,377	EOF	Ongoing	Technical assistance reimbursable grant to co-finance consultant expenses associated with technical review, regulatory, policy and project structuring advisory services to develop a 30-50 MW wind power generation project on a site at Salkhit Mountain near Ulaanbaatar in Mongolia.
China	Straw Pulp Waste Water Treatment Technology II	New technology company focused on China's market	500,000	EOF	Pipeline	Follow-on investment for completion of reference project in China.

Country	Project Name	Beneficiary/Target audience	Net funding (USD)	Facility	Status	Project Description
China	Wind Turbine Manufacturer	Chinese company going through privatization	1,200,000	EOF	Pipeline	To support growth of local Chinese wind turbine manufacturer and support its access to financial markets for further capitalization.
Cambodia	SFMF GVEP Regional Financiers Workshop	Financial Institutions	45,000	SFMF	Completed	Joint WB/IFC collaboration on sustainable energy. Workshop held in Phnom Penh, Cambodia to increase investor awareness of profitable sustainable energy business opportunities in East Asia.
China	SFMF CDH China Training	Private Equity fund managers	24,264	SFMF	Completed	Sustainable investment training for this \$100M private equity fund based in Beijing. The training was delivered by a multidisciplinary team from IFC's Private Equity and Investment Funds Department and Environment & Social Development Department.
China	SFMF ASrIA Country Profiles	SRI investors	36,460	SFMF	Completed	IFC provided a grant to ASrIA for the research and publication of a report into the current and potential future market for SRI in China, India, Indonesia, Malaysia, Philippines, South Korea and Thailand. The report is publicly available from IFC and ASrIA.
China	SFMF Reputex	SRI investors	82,846	SFMF	Completed	Grant of \$75k to Reputex for consultation with Chinese and international stakeholders on Reputex's methodology for a CSR/SRI rating product aimed at Chinese companies. Ultimately driven by Chinese government.
China	SFMF ASrIA SRI SECTOR STUDY	SRI investors	109,711	SFMF	Completed	The project has been implemented by the Association for Sustainable & Responsible Investment in Asia (ASrIA). The purpose was to provide sector specific information that can bridge the gap between available sustainability/SRI information and the needs of the investor industry. The publication "Taking Stock" has been widely released and has had several high profile media launches.
China	SFMF Private Equity Training course design	Private Equity fund managers	126,300	SFMF	Ongoing	Development of a new, highly-customized training course geared specifically to emerging market private equity funds. Once developed, the course will be delivered by IFC 2-4 times as an 'open course' (available to all IFC funds plus non-IFC funds) a year.
China	SFMF Competitive Business Advantage China: Shanghai International Business and Finance Institute/ASrIA	Financial Institutions	150,000	SFMF	Ongoing	Competitive Business Advantage workshops in China, and building local capacity with partnership between SFMF and SIBFI in Shanghai.
Singapore	SFMF Competitive Business Advantage ASEAN Region/ RIET Singapore Partnership Development	Financial Institutions	171,200	SFMF	Ongoing	Proposed series Competitive Business Advantage workshops and capacity building in ASEAN region, probably Singapore, Manila. Partnership development with RIET.
Vietnam	SFMF Bank Training Centre Vietnam	Financial Institutions	309,000	SFMF	Ongoing	The project has been developed jointly by the Bank Training Center, IFC's MPDF and SFMF. In summary, BTC and IFC seek to promote and improve the level of environmental and social commitment through the delivery of a 12 month capacity building program of

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<b>South Asia</b>						
Maldives	Coral Reef Rehabilitation and Protection	Tour operators and companies and the marine environment	125,282	CCF	Ongoing	To work with IFC sponsors (resort hotels), local NGOs, specialists and tour operators to test methods of rehabilitating coral reefs that have been affected by human activity (sediment, building materials extraction, etc.).
India	Community Development around an Oil and Gas Project	Surrounding community	105,086	CCF	Ongoing	To help sponsor develop community development program (including expectation management) for their operations in remote rural areas in Rajasthan.
India	OHS Training for Powerlinks	Stakeholder and Local Communities	78,079	CCF	Ongoing	To increase awareness of contractors and employees of workplace health and safety issues and good practice, reduce the incidence of job-related accidents, and raise general health awareness among T-line workers, their families and communities, and (d) establish a model for OHS training for infrastructure projects that can be applied to other IFC-financed projects.
India	Enhancing the Capacity of IFC Clients to face HIV/AIDS in India	Companies, Employees and Local Communities	163,269	CCF	Ongoing	To improve the ability of corporations to proactively address HIV/AIDS in three possible spheres of action: (a) the workplace (b) at companies' clinical facilities, and (c) in the community.
India	Lead Battery Certification	Public Health	56,576	CCF	Ongoing	To develop, test, and ultimately implement a protocol for conducting environmental audits in lead battery plants globally.
India	CCF Tourism E & S	Hotels, IFC tourism clients	18,000	CCF	Completed	To develop and deliver a 1-2 day business to business workshop on specific aspects of Environmental, Social and Health & Safety best practice for selected key players in the Tourism and Hospitality sector, probably in Delhi, in the second quarter of FY06 (currently target dates are between 12 October and 1 November). The workshop likely will showcase work of IFC clients, raise awareness levels among key actors in the industry, and promote IFC to others in the sector.
India	HIV AIDS BILT	Companies, Employees and Local Communities	75,220	CCF	Ongoing	To improve the ability of the client to proactively address HIV/AIDS in three possible spheres of action: (a) the workplace (b) at companies' clinical facilities, and (c) in the community.
India	CCF North Delhi Power Limited	Local business, communities	110,000	CCF	Ongoing	To organize a study tour to Manila Water Company for an IFC private utility client - North Delhi Power Limited (NDPL, India). This project aims to build management capacities of NDPL so that it can better design and implement its corporate strategies in relation to management of rights-of-way in urban areas and community engagements thus increasing sustainability and quality of its services.

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India	CCF India Report	IFC partners, Local business, communities	90,000	CCF	Ongoing	The objective of this project is to design and carry out a two-day training programme for managers of Indian firms, on sustainability reporting. Participants in the training will be drawn from members of TERI-BCSD (Indian CSR business association) and selected IFC clients.
India	KGVK Women's Enterprise Development	Local communities	26,300	CCF	Completed	To support community development and capacity building amongst rural poor populations near the cities of Ranchi and Jamshedpur. Training services will be provided by the Indian NGO SEWA.
India	Small-scale Cogeneration Turbine Manufacturing	Small engineering company	791,347	EOF	Ongoing	Equity investment to partially finance the beta-testing of a new low cost gas turbine and the expansion of production of mini-steam turbines to thereby introduce cogeneration to Indian industries which have been until now unable to harness the efficiencies of distributed electricity generation via combined heat and power applications.
India	Electric Car Manufacturing	New technology company serving Indian and world market	1,127,701	EOF	Ongoing	Equity investment in first electric car vehicle manufacturer in India.
India	Worldwide Distributed Drinking Water Purification	New technology company/Low income households in rural and peri--urban areas	1,224,641	EOF	Ongoing	Equity investment in a distributed, potable water service provider targeting emerging markets and using an innovative ultra-violet (UV) technology platform. This will provide safe drinking water on a sustainable basis to low-income families in emerging markets.
Sri Lanka	Worldwide Distributed Drinking Water Purification - Tsunami Relief	New technology company/Low income households in rural and peri--urban areas	0	EOF	Ongoing	Technical assistance to provide safe drinking water on a sustainable basis for at least 100,000 Sri Lankan tsunami survivors in temporary shelters and private institutions, such as schools and orphanages, where temporary water provision measures are inadequate or cannot be sustained. EOF helped obtain \$250,00 from the US Trade and Development Agency (USTDA) to complete the funding package.
India	SFMF Competitive Business Advantage India Partnership Development	Financial Institutions	91,744	SFMF	Ongoing	The objective of the project is to establish a local partnership in India to deliver the Competitive Business Advantage workshops.
Pakistan	SFMF Competitive Business Advantage Lahore	Financial Institutions	50,000	SFMF	Pipeline	Competitive Business Advantage workshop to be held in Lahore using external consultants
<b>Europe and Central Asia</b>						
Georgia, Caucasus, Azerbaijan	BTC Capacity Building for Local NGO Monitoring	NGOs , civil society and the public	291,115	CCF	Ongoing	To build the capacity of local NGOs and other civil society groups so they can (i) provide better and more effective monitoring of the BTC pipeline construction (ii) work with the sponsor to deliver broader developmental benefits from the project

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Kyrgyzstan	Kumtor Snow Leopard Conservation and Biodiversity Project	Local communities	153,816	CCF	Ongoing	To improve the management of the protected area via capacity building activities and community-based activities intended to promote linkages between the sustainable development of surrounding local communities and the conservation of the area's biodiversity.
Russia	Capacity Building for civil society and government around an Aluminum Project	Communities, NGOs and local government stakeholders	36,000	CCF	Completed	To support a series of capacity building workshops and a stakeholder forum so that NGOs and other stakeholders are better able to engage with an IFC sponsor on project and development issues.
Russia	Sustainable Forest Management (SFM)	Local community	29,115	CCF	Completed	To demonstrate the value that SFM could bring to the Russian forestry sector, both through enhanced supply chain quality and fidelity and improved access to increasingly discriminating buyer markets.
Serbia, Bosnia Herzegovina	Herbal Development Initiative	Herbal sector, collectors and rural poor	49,000	CCF	Completed	To work with IFC Southeast Europe Enterprise Development (SEED) office to develop an environmentally and socially sustainable herbal sector in the Balkans.
Georgia, Caucasus, Azerbaijan	BTC Multistakeholder Forum (MSF)	BTC stakeholders	72,500	CCF	Completed	To support a series of meetings that will address macro development issues (revenue management, economic development, regional protected areas, etc.) for the BTC pipeline.
Serbia, Bosnia Herzegovina	Herbal Development Initiative 2	Herbal sector, collectors and rural poor	92,500	CCF	Completed	To develop herbal associations that aim to promote environmental and social sustainability -as well as economic development opportunities- for rural SMEs and herbal collectors, and identify opportunities to create specific value added markets for organic or fair trade product lines.
Turkey	Turkey Market Assessment of Waste Recycling Sector	Several IFC clients based in Turkey and the wider private sector	95,457	EOF	Ongoing	Market assessment to identify business opportunities for IFC/EOF in the waste recycling sector in Turkey.
Bosnia-Herzegovina	Producer of MedicinalHerbs and Health Products	Small Bosnian company with innovative organic agriculture products	71,750	EOF	Ongoing	Reimbursable grant to a Bosnian producer of organic, fair trade medicinal herbs and health products derived from traditional recipes.
Serbia	Tyre and Rubber Waste Recycling Project	Recycling company	32,040	EOF	Ongoing	Technical assistance to assess market for recycled rubber products.
Turkey	Industrial used oil recycling	Oil recycling start-up company	2,000,000	EOF	Pipeline	Project consists of an investment in the first used oil recycling facility in Turkey.
Georgia	SFMF Competitive Business Advantage Russia and Georgia 07	Financial Institutions	45,603	SFMF	Pipeline	Following the succesful CBA workshop in Russia, there is a demand for a workshop in Tblisi, Georgia.
Global	SFMF Business Drivers Central Europe	Financial Institutions	72,324	SFMF	Completed	IFC commissioned Pricewaterhouse Coopers to research and prepare a report on the key sustainability drivers affecting business and industry in a number of EU accession countries. The report included analysis and discussion of the corresponding risks/opportunities for the financial sector.

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Hungary	SFMF Erste Bank	Financial Institutions	8,500	SFMF	Completed	SFMF's grant assisted Erste Bank to successfully develop and market new energy efficiency financing products in Hungary. The project was managed by IFC's Hungary Energy Efficiency Co-financing Program project office in Budapest.
Hungary	SFMF Competitive Business Advantage Workshop Hungary/INEM 07	Financial Institutions	48,603	SFMF	Pipeline	Competitive Business Advantage Workshop planned and early discussions with potential partner; INEM.
<b>Latin America and Caribbean</b>						
Guatemala	Community Development Around Gold Mine	Local community	98,920	CCF	Ongoing	To work with company's foundation to establish community-run tree nurseries to supply mine reforestation needs.
Bolivia	Sustainable Electricity	Local community	40,000	CCF	Ongoing	To enhance stakeholder engagement efforts by a privatized utility in Bolivia.
Brazil	Better Management Practices - Amaggi II	Amaggi, Fundacao Mato Grosso, local communities	77,126	CCF	Ongoing	To build and strengthen the foundations for a sustainable soy certification system in Brazil, through a private sector-NGO initiative to disseminate a preliminary set of soy Better Management Practices and environmental education in the state of Mato Grosso.
Colombia	CCF Petrotesting	Local community, IFC clients	70,000	CCF	Ongoing	The overall goal is to support Petrotesting, a local Colombian oil and gas company, in achieving environmental and social best practice. The project objective is to assist the company in writing and publishing its first sustainability / CSR report.
Regional	LAC Business to Business Sustainability Workshop	general manufacturing companies	24,113	CCF	Completed	To finance a workshop for IFC's general manufacturing clients in Latin and Central America. The partnering of "enthusiastic" sponsors with those who have already adopted some sustainable practices in their operations has proved a significant and powerful agent for change in IFC's client base.
Ecuador	Environmental and Labor Aspects of Supply Chains in the Banana Industry	Small bana suppliers	77,174	CCF	Completed	To work with an IFC client in Ecuador to improve social equity and environmental sustainability throughout the company's supply chains. Reducing poverty and ensuring continued access to international markets for many rural communities.
Mexico	Enhancing Environmental Performance in the Mexican Waste Sector	Municipality and end users	47,181	CCF	Completed	To strengthen the environmental and social development components of the waste water management program for a Mexican municipality. Particular attention will be paid to the development of a sustainable waste management plan for the region.
Peru	ICMM/IUCN Forum	Mining company	4,245	CCF	Completed	To sponsor mining junior's participation in ICMM/IUCN conference on biodiversity best practices.
Brazil	Soy Stakeholder Dialog and Development of Better Management Practices	Soy farmers and the environment	24,150	CCF	Completed	To support the development of consultation and dialogue between an IFC soy sponsor and NGOs in relation to soy production in the Cerrado.

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El Salvador	CSR and Business Development Support for Retailers in El Salvador	Retailers & Students	25,210	CCF	Completed	To work with the SME dept and a El Salvadorean business school to enhance the ability of the school to deliver training in the business case for sustainability with students and to support intern and business mentoring placements that address gender, equity and base of the pyramid type opportunities
Brazil	Aracruz	Aracruz, local communities	16,062	CCF	Completed	To strengthen the Brazilian forest certification program to the point where it is fully international best practice with respect to forest certification standards.
Ecuador	Facilitating Labor Relations	Field workers	6,860	CCF	Completed	To facilitate a meeting between trade union organizers and management, to discuss possibility of unions on plantations.
Regional	Indigenous Peoples Business Summit	Indigenous Peoples	14,658	CCF	Completed	To support a Canadian indigenous leader in laying the groundwork for an indigenous Business Conference associated with the Fourth Summit of the Americas.
Colombia	CP TA for Sugar Company	Major sugar company/Sugar industry cluster	16,898	EOF	Completed	Cleaner Production grant for external wastewater treatment specialists to execute a holistic review of the existing wastewater system to identify cost-effective design improvements for two sugar mills in Colombia.
Jamaica	Extending Marketing Reach of Sustainable Mariculture Conch Farm	Mariculture farm	50,949	EOF	Completed	Grant to cover the costs of a market feasibility study for an early stage mariculture company in the Caribbean that has developed a proprietary technology to commercially raise Queen Conch.
Mexico	Grant to Install New Water Recovery Technology	Lime manufacturer	41,404	EOF	Completed	Grant to pilot a new water recovery technology in a leading mineral lime producer facility in Mexico which is an IFC client.
Brazil	Exploring Non-timber Revenue Streams from Sustainable Forestry	Major forestry company	136,984	EOF	Ongoing	Grant to an FSC certified forest products company to develop new revenue streams from its timber and land holdings in Brazil.
Mexico	CP Grant to trial-test Compressed Natural Gas Commuter Buses in the City of Mexico	Gas company	61,520	EOF	Ongoing	Grant to support trial operation of two CNG buses to reduce emissions of pollutants and greenhouse gases from buses in the City of Mexico.
Ecuador	Cleaner Production Project with Pork and Poultry Processor	Fully integrated poultry and pork processor	133,831	EOF	Ongoing	Reimbursable grant to partially finance comprehensive energy audit.
Peru	Cleaner Production Project with Agro-industrial Company	Agribusiness client of IFC	300,000	EOF	Pipeline	Reimbursable grant to partially finance an agro-industry's Cleaner Production Program with the objective to minimize water consumption and wastewater effluents.
Brazil	SFMF FGV Competitive Business Advantage	Financial Institutions	17,000	SFMF	Completed	Competitive Business Advantage workshops in Brazil, and building local capacity with FGV.
Brazil	SFMF FGV Conference	Financial Institutions	39,665	SFMF	Completed	Sustainable finance conference in Sao Paulo organized in association with FGV

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Brazil	SFMF Bovespa Sustainability Index	SRI investors	87,500	SFMF	Completed	SFMF, in conjunction with FGV, assisted the Sao Paulo stock exchange, Bovespa, to design and launch a new 'Sustainability Index' of publicly-listed Brazilian companies that meet high standards of corporate governance and environmental and social performance. The index was launched in 2006 and early results are promising with the sustainability index gains greater than those on the main bourse.
Brazil	SFMF FGV Competitive Business Advantage Conference Forum	Financial Institutions	231,000	SFMF	Ongoing	The objective of this partnership with Fundacao Getulio Vargas will promote and develop an international network of sustainable finance players in developing countries and create a forum that will bring together regional institutions to examine sustainabl
Colombia	SFMF Competitive Business Advantage Medellin SECO Cleaner Production	Financial Institutions	50,746	SFMF	Ongoing	The objective of the project is to deliver the Competitive Business Advantage workshop in Medellin, Colombia to support the Green Credit Line from the Swiss State Secretariat for Economic Affairs (SECO).
Costa Rica	SFMF Competitive Business Advantage LAC	Financial Institutions	93,000	SFMF	Pipeline	Roll-out of Competitive Business Advantage course in LAC (apart from Brazil) in association with INCAE business school, Costa Rica.
Global	SFMF LAC SRI Association 07	SRI investors	100,000	SFMF	Pipeline	Support for the LAC social investment forum.
Peru	SFMF ASBANC Awareness raising and long term capacity building	Financial Institutions	67,000	SFMF	Ongoing	Long-term awareness raising and training program with Peruvian Bankers Association
Trinidad and Tobago	SFMF Competitive Business Advantage Trinidad 07	Financial Institutions	36,600	SFMF	Pipeline	Competitive Business Advantage for FIs in Trinidad.
United States	SFMF Competitive Business Advantage Miami May 2005	Financial Institutions	39,000	SFMF	Completed	Competitive Business Advantage workshop for LAC region.
<b>Middle East and North Africa</b>						
United Arab Emirates	CCF Dana Gas	IFC client, local community	62,000	CCF	Ongoing	To provide advisory services on CSR to a natural gas company in UAE as part of a Corporate Advisory Services project.
Pakistan	CP TA for Textile Company	Textile company/Textile manufacturing cluster	26,219	EOF	Completed	Cleaner Production grant to pay for a comprehensive review of a textile factory's water use in Pakistan in order to identify cost-effective improvements and novel implementation options, such as out-sourcing wastewater treatment to a reputable service provider.
Jordan	Water Recycling for Industrial Park	Owner of industrial park and its tenants	1,000,000	EOF	Pipeline	Investment in a pilot water recycling facility in a qualified industrial zone in Jordan.
Egypt, Arab Rep	SFMF Egyptian FI Training	Financial Institutions	0	SFMF	Completed	SFMF delivered a week-long training course to Egyptian FIs and other organizations involved in a US AID environmental financing project in Egypt, on behalf of US AID.
Egypt, Arab Rep	SFMF Union of Arab Bankers Support	Financial Institutions	32,625	SFMF	Ongoing	Financial and technical support to UAB, to disseminate information in Arabic on sustainable finance to the large membership.

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Egypt, Arab Rep	SFMF METAP	Financial Institutions	198,295	SFMF	Ongoing	Collaboration with World Bank METAP program concerning banker training on sustainability related issues, and the development of financial sector environmental/social guidelines for Egypt and Morocco.
Jordan	SFMF Competitive Business Advantage: Arab Academy Business Finance Sciences	Financial Institutions	80,000	SFMF	Ongoing	Through the development of a partnership with the Arab Academy for Banking and Financial Sciences, SFMF plans to hold sustainable finance awareness raising events across the Middle East, to be followed by CBA workshops.
<b>Global</b>						
Global	Biodiversity Good Practice Guide	Private sector companies and natural resources	292,448	CCF	Ongoing	To work with IFC clients to develop a practical guide for businesses in emerging markets who wish to understand and incorporate biodiversity in their operations. This guide will be the fourth publication in the "good practice" series.
Global	Better Management Practices 2	Agribusiness commodity producers, processors, retailers and financiers	74,720	CCF	Ongoing	To work with WWF and other stakeholders to identify production and processing practices for cotton, sugar, soy, and other commodities that enhance the environmental, social and labor impacts and generate better business prospects through enhanced access to market and capital
Global	Human Rights Impact Assessment	Private sector companies	135,562	CCF	Ongoing	To develop an introductory guide to human rights impact assessment for use across sectors by companies in the field.
Global	CCF Better Work	Communities, local businesses	350,000	CCF	Ongoing	The objective of the Better Work Program is to improve, in partnership with the International Labor Organization (ILO), the working conditions in global supply chains in various industries including garment/footwear, plantations, electronic equipment and light manufacturing.
Global	Tourism and Poverty Reduction 'How To' Manual	Tourism industry and local communities	150,000	CCF	Pipeline	To develop a manual of good practice that a typical hotel can put into action, including measures for systematic networking with the local economy and for inclusion of the local population that is beneficial for the hotel and the local community.
Global	Better Management Practices	Agribusiness commodity buyers, producers, end users	238,032	CCF	Completed	To work with agribusiness commodity buyer/producers and banks that invest in agribusiness commodities to develop better management practices (BMPs) which can be used as investment screens.
Global	Humane Treatment of Livestock	Agribusiness livestock companies	36,700	CCF	Completed	To work with IFC's agribusiness department to develop and test principles and good practice materials that would guide IFC livestock sponsors in the implementation of livestock welfare guidelines.
Global	Animal Welfare Good Practices Note (GPN)	Livestock Sponsors and Wider Livestock Sector	15,000	CCF	Completed	To draft and produce a Good Practice Note on animal welfare for IFC livestock clients and the private sector generally.

Country	Project Name	Beneficiary/Target audience	Net funding (USD)	Facility	Status	Project Description
Global	OLAM - SFM Sustainable Commodities	Stakeholder, Local Communities	4,026	CCF	Completed	The project will build on work already undertaken between CCF and Olam to engage more broadly with the company on ways in which their trading systems and contracts globally can be further developed to address sustainability and fair trade opportunities where practical.
Global	Indigenous Peoples & Impact Assessment	Indigenous Peoples and Communities	14,384	CCF	Completed	To provide a technical forum for Indigenous Peoples leaders, practitioners of impact assessment and other stakeholders to discuss, exchange and share successes and failures of experiences with Indigenous Peoples and impact assessment.
Global	Worldwide Distributed Drinking Water Purification	New technology company/Low income households in rural and peri--urban areas	74,717	EOF	Completed	Initial technical assistance grant (convertible into equity) in order to refine business plan prior to an equity investment in a distributed, potable water service provider targeting emerging markets and using an innovative ultra-violet (UV) technology platform.
Global	Cleaner Production Initiative to promote CP uptake among IFC clients	Various industries	300,000	EOF	Ongoing	Reimbursable grants to IFC clients to undertake energy, water and raw material audits to promote cleaner production initiatives. EOF has obtained US\$200,000 from Bavaria to help execute this program.
Global	SFMF/SII/SRI in the Rockies Conference	SRI investors	21,189	SFMF	Completed	SFMF funded an emerging markets panel discussion at North America's foremost annual SRI conference. Project was successful in raising awareness of key SRI investors and fund managers, and will feed into SFMF's broader SRI strategy.
Global	SFMF Webside Development/Newsletter	Financial Institutions	25,705	SFMF	Completed	Development of a web-based information portal on sustainability issues and resources for emerging market FIs.
Global	SFMF Emerging Market SRI Inventory	SRI investors	69,650	SFMF	Completed	Research into current market and future potential for socially responsible investment (SRI) in developing country listed equities, assessing investor appetite, key barriers/incentives, existing research infrastructure. Report has been widely distributed and well received in the market.
Global	SFMF Aureos	Private Equity fund managers	594	SFMF	Completed	1-day sustainability training course at the annual conference of Aureos fund management subsidiaries and investors.
Global	SFMF Global Compact Coordination	Global Knowledge building	73,180	SFMF	Ongoing	The project comprises an investor summit to be co-hosted by IFC, the Swiss Government and the UN Global Compact in Zurich on August 25th, 2005. The purpose of the summit is plan new action within the international investment community on mainstreaming SRI.
Global	SFMF Emerging Market Sustainable Finance Summit 2006	Financial Institutions	100,000	SFMF	Ongoing	The project consists of a sustainable finance awareness-raising and engagement program with leading members of the 'mainstream' international and emerging market investment community, consistent with the "SRI White Paper" presented to IFC senior management.

Country	Project Name	Beneficiary/Target audience	Net funding (USD)	Facility	Status	Project Description
Global	SFMF Financial Institution Market Research	Financial Institutions	120,000	SFMF	Ongoing	An evaluation of the Competitive Business Advantage workshop participants' sustainability experiences, together with other research leading to the production of a best practice publication. The book; "Banking on Sustainability", to be released in October 2006, will not only showcase best practice, but highlight sustainability related products and services of highest priority to emerging market FIs.
Global	SFMF Building a Network of Regional Service Providers	Financial Institutions	137,335	SFMF	Ongoing	The creation and development of the network of regional providers will strengthen the capacity building process and increase the efficiency of the regional partners to deliver sustainability related products and services in order to further integrate sustainable practices in FIs
Global	SFMF DFID Eco-securities Research and Development	SRI investors	175,000	SFMF	Ongoing	Market research and product development focusing on the potential to use asset-backed securitization to promote sustainable & responsible institutional investment in the emerging market forest resources
Global	SFMF EHSS CD-ROM	Financial Institutions	206,235	SFMF	Completed	Following on from initial market research undertaken in FY03, SFMF has developed a multi-media training aide and reference tool for use by emerging market FIs, "ESAT". The product will supply FIs with a high quality, comprehensive and user-friendly reference to assess risk and identify opportunity while assessing SMEs. Copies are being distributed to all participants in the CBA workshop program
Global	SFMF Sustainable Private Equity	Private Equity fund managers	207,360	SFMF	Ongoing	Case studies on the role of social and environmental performance in adding shareholder value to companies in the portfolios of IFC's private equity funds were developed. The aim is to illustrate how fund managers can incorporate sustainability into their portfolio companies. The reprotos will be distributed in September 2006.
Global	SFMF Aureos Private Equity	Private Equity fund managers	250,000	SFMF	Ongoing	This highly innovative project will work with Aureos fund managers to channel technical and financial assistance to Aureos investee SMEs, to carry out environmental and social improvement projects. This will improve the business operations of the SME and assist in promoting and facilitating E&S improvements, by demonstrating the business case. The program will be focussed initially in Africa.
Global	SFMF Sustainability Research Initiative (on Emerging Market Public Listed Companies)	SRI investors	527,220	SFMF	Ongoing	SFMF will provide a grant to support organizations that provide sustainable investment equity research, rating and other relevant professional services in the emerging markets. The aim is to stimulate more sustainable investment in emerging market listed companies.
Global	SFMF Competitive Business Advantage Update II '07	Financial Institutions	50,000	SFMF	Pipeline	To ensure Competitive Business Advantage material is responding to market demands, the modules will be reviewed and updated.
Global	SFMF Competitive Business Advantage Alumni 07	Financial Institutions	54,600	SFMF	Pipeline	Create an alumni network for past Competitive Business Advantage participants to enhance best practices and communication.

Country	Project Name	Beneficiary/Target audience	Net funding (USD)	Facility	Status	Project Description
Global	SFMF Private Equity fund manager training roll out	Private Equity fund managers	100,000	SFMF	Pipeline	Roll out of new training program for Fis and fund managers.
Global	SFMF investment innovation	SRI investors	200,000	SFMF	Pipeline	Testing investment strategies for performance using historical stock data. Research into asset backed securities, credit derivatives, market research, etc.
Global	SFMF Micro Training	Financial Institutions	50,000	SFMF	Pipeline	Environmental and social management training for microfinance institutions



Annex 2  
**Financial Report**



Sustainable Business Assistance Program

As of June 30, 2006

**Donor Funding Status - Consolidated (USD)**

	Cycle Plan	Committed	Received
Other Donors	45,000,000	22,177,991	18,989,989
IFC	10,000,000	10,000,000	6,655,428
<b>Total</b>	<b>55,000,000</b>	<b>32,177,991</b>	<b>25,645,417</b>

**Donor Contributions**

<b>Receipts:</b>	<b>FY03</b>	<b>FY04</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>	<b>Cycle</b>
Netherlands	2,656,411	2,841,666	3,167,780	2,438,660	-	11,104,517
Norway	400,000	550,000	550,000	400,000	-	1,900,000
Switzerland	750,000	-	750,000	-	-	1,500,000
Italy	-	1,500,000	-	-	-	1,500,000
Austria	-	1,184,300	-	-	-	1,184,300
Luxembourg	-	-	394,800	250,000	-	644,800
New Zealand	-	-	197,700	-	-	197,700
Denmark	-	-	784,782	-	-	784,782
UK	-	-	-	173,890	-	173,890
IFC	1,786,292	-	3,120,000	1,749,136	-	6,655,428
<b>Total</b>	<b>5,592,703</b>	<b>6,075,966</b>	<b>8,965,062</b>	<b>5,011,686</b>	<b>-</b>	<b>25,645,417</b>

<b>Donors Commitments:</b>	<b>FY03</b>	<b>FY04</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>	<b>Cycle</b>
Netherlands	2,656,411	2,841,666	3,167,782	2,438,660	1,640,000	12,744,519
Norway	400,000	550,000	550,000	800,000	800,000	3,100,000
Switzerland	750,000	-	750,000	-	-	1,500,000
Italy	-	1,500,000	-	-	-	1,500,000
Austria	-	1,184,300	-	-	-	1,184,300
Luxembourg	-	-	394,800	250,000	-	644,800
New Zealand	-	-	197,700	-	-	197,700
Denmark	-	-	784,782	-	-	784,782
UK	-	-	-	173,890	348,000	521,890
IFC	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
<b>Total</b>	<b>5,806,411</b>	<b>8,075,966</b>	<b>7,845,064</b>	<b>5,662,550</b>	<b>4,788,000</b>	<b>32,177,991</b>

## Donor Funding Status - By Facility (USD)

As of 30-Jun-06

### CCF

	Expected	Committed	Received
Other Donors	12,500,000	5,736,877	4,869,876
IFC	2,500,000	2,500,000	1,731,626
<b>Total</b>	<b>15,000,000</b>	<b>8,236,877</b>	<b>6,601,502</b>

#### Donor Receipts:

	FY03	FY04	FY05	FY06	FY07	Cycle
Netherlands	774,875	824,083	918,656	708,482	-	3,226,096
Norway	100,000	150,000	150,000	125,000	-	525,000
Italy	-	500,000	-	-	-	500,000
Luxembourg	-	-	171,080	250,000	-	421,080
New Zealand	-	-	197,700	-	-	197,700
IFC	286,292	-	920,000	525,334	-	1,731,626
<b>Total</b>	<b>1,161,167</b>	<b>1,474,083</b>	<b>2,357,436</b>	<b>1,608,816</b>	<b>-</b>	<b>6,601,502</b>

#### Donor Commitments:

	FY03	FY04	FY05	FY06	FY07	Cycle
Netherlands	774,875	824,083	918,657	708,482	492,000	3,718,097
Norway	100,000	150,000	150,000	250,000	250,000	900,000
Italy	-	500,000	-	-	-	500,000
Luxembourg	-	-	171,080	250,000	-	421,080
New Zealand	-	-	197,700	-	-	197,700
IFC	500,000	500,000	500,000	500,000	500,000	2,500,000
<b>Total</b>	<b>1,374,875</b>	<b>1,974,083</b>	<b>1,937,437</b>	<b>1,708,482</b>	<b>1,242,000</b>	<b>8,236,877</b>

### SFMF

	Expected	Committed	Received
Other Donors	12,500,000	7,463,707	6,323,706
IFC FM TAAS	2,500,000	2,500,000	2,000,000
<b>Total</b>	<b>15,000,000</b>	<b>9,963,707</b>	<b>8,323,706</b>

#### Donors Receipts:

	FY03	FY04	FY05	FY06	FY07	Cycle
Netherlands	774,875	824,083	918,656	708,482	-	3,226,096
Norway	200,000	200,000	200,000	100,000	-	700,000
Switzerland	750,000	-	750,000	-	-	1,500,000
Italy	-	500,000	-	-	-	500,000
Luxembourg	-	-	223,720	-	-	223,720
UK	-	-	-	173,890	-	173,890
IFC	500,000	-	1,000,000	500,000	-	2,000,000
<b>Total</b>	<b>2,224,875</b>	<b>1,524,083</b>	<b>3,092,376</b>	<b>1,482,372</b>	<b>-</b>	<b>8,323,706</b>

#### Donors Commitments:

	FY03	FY04	FY05	FY06	FY07	Cycle
Netherlands	774,875	824,083	918,657	708,482	492,000	3,718,097
Norway	200,000	200,000	200,000	200,000	200,000	1,000,000
Switzerland	750,000	-	750,000	-	-	1,500,000
Italy	-	500,000	-	-	-	500,000
Luxembourg	-	-	223,720	-	-	223,720
UK	-	-	-	173,890	348,000	521,890
IFC	500,000	500,000	500,000	500,000	500,000	2,500,000
<b>Total</b>	<b>2,224,875</b>	<b>2,024,083</b>	<b>2,592,377</b>	<b>1,582,372</b>	<b>1,540,000</b>	<b>9,963,707</b>

### EOF

	Expected	Committed	Received
Other Donors	20,000,000	8,977,407	7,796,407
IFC FM TAAS	5,000,000	5,000,000	2,923,802
<b>Total</b>	<b>25,000,000</b>	<b>13,977,407</b>	<b>10,720,209</b>

#### Donors Receipts:

	FY03	FY04	FY05	FY06	FY07	Cycle
Netherlands	1,106,661	1,193,500	1,330,468	1,021,696	-	4,652,325
Norway	100,000	200,000	200,000	175,000	-	675,000
Italy	-	500,000	-	-	-	500,000
Austria	-	1,184,300	-	-	-	1,184,300
Denmark	-	-	784,782	-	-	784,782
IFC FM TAAS	1,000,000	-	1,200,000	723,802	-	2,923,802
<b>Total</b>	<b>2,206,661</b>	<b>3,077,800</b>	<b>3,515,250</b>	<b>1,920,498</b>	<b>-</b>	<b>10,720,209</b>

#### Donors Commitments:

	FY03	FY04	FY05	FY06	FY07	Cycle
Netherlands	1,106,661	1,193,500	1,330,468	1,021,696	656,000	5,308,325
Norway	100,000	200,000	200,000	350,000	350,000	1,200,000
Italy	-	500,000	-	-	-	500,000
Austria	-	1,184,300	-	-	-	1,184,300
Denmark	-	-	784,782	-	-	784,782
IFC	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
<b>Total</b>	<b>2,206,661</b>	<b>4,077,800</b>	<b>3,315,250</b>	<b>2,371,696</b>	<b>2,006,000</b>	<b>13,977,407</b>

Note: EOF also manages a \$250,000 TA project funded by the United States Trade and Development Agency. These funds are not reflected in the above statements as they do not transit through SBAP trust fund accounts.

## Cumulative Funding and Expenditures (FY03-FY06) (USD)

		Donor Funds Received	Trust Fund Interest Income	Cost Recovery	Total Expenses	Funding Carried Forward to FY07
<b>CCF</b>						
	<b>FY03</b>	1,161,167	19,190	7,437	(477,275)	
	<b>FY04</b>	1,474,083	15,307	-	(895,407)	
	<b>FY05</b>	2,357,436	47,826		(1,237,126)	
	<b>FY06</b>	1,608,816	66,498	7,480	(1,802,741)	
	<b>Cumulative</b>	6,601,502	148,821	14,917	(4,412,549)	2,352,691
<b>SFMF</b>						
	<b>FY03</b>	2,224,875	32,402	43,520	(673,131)	
	<b>FY04</b>	1,524,083	32,156	76,124	(1,464,625)	
	<b>FY05</b>	3,092,376	62,243	81,398	(2,241,372)	
	<b>FY06</b>	1,482,372	66,344	18,039	(2,347,608)	
	<b>Cumulative</b>	8,323,706	193,145	219,081	(6,726,736)	2,009,197
<b>EOF</b>						
	<b>FY03</b>	2,206,661	47,458	-	(472,450)	
	<b>FY04</b>	3,077,800	40,354	-	(1,201,629)	
	<b>FY05</b>	3,515,250	96,572	20,000	(2,483,379)	
	<b>FY06</b>	1,920,498	136,409	30,000	(2,613,319)	
	<b>Cumulative</b>	10,720,209	320,793	50,000	(6,770,777)	4,320,225
<b>SBAP</b>						
	<b>FY03</b>	5,592,703	99,050	50,957	(1,622,856)	
	<b>FY04</b>	6,075,966	87,817	76,124	(3,561,661)	
	<b>FY05</b>	8,965,062	206,641	101,398	(5,961,877)	
	<b>FY06</b>	5,011,686	269,251	55,519	(6,763,669)	
	<b>Cumulative</b>	25,645,417	662,759	283,998	(17,910,063)	8,682,112