Latin American Carbon Forum
OLADE, UNEP/RISO, FB, IADB, IETA, MAE

The Carbon Centre
A Public Private CDM Facility in Panama

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Background – The Carbon Centre (TCC)

• The Carbon Centre (TCC) is a Panama-registered private Foundation
  – TCC resulted from ANAM Workshop on Renewable Energy & Carbon Finance held in Panama City, 24-25 November 2005
  – Affiliated with:
    • Panama’s Cuidad del Saber
    • Centro del Agua del Tropico Humedo para America Latina y el Caribe (CATHALAC), and

• TCC’s mission is to promote the development of the Carbon Market in Latin America and the Caribbean through:
  – Awareness-raising activities (seminars, workshops, trade fairs, data, etc)
  – CDM Project origination activities
  – Services to enhance the bankability of CDM projects
  – Financial arranging for bankable CDM projects
  – CDM management and CER marketing services
  – Promoting Panama as a (Non-Annex I) regional centre for carbon finance
TCC’s Main Focus

• **Awareness Raising**
  – Workshops, seminars, corporate briefings, etc
  – Complement the work of ANAM (access to carbon capital; understanding carbon risk; pricing and trading; access to carbon market data; facilitate deal-making and transacting; etc)

• **Financial Services**
  – Assist investors to find and screen bankable RE and CDM projects
  – Assist developers to obtain financing for bankable projects from local and external sources
  – Advise and where possible participate in the development of carbon investment vehicles

• **CDM Consulting Services**
  – Assist project developers to prepare business plans, investment memoranda, and other project financing documentation
  – Assist project developers to register projects with the CDM Executive Board, and the Brazilian Mercantile & Futures Exchange (BM&F)

• **CER Marketing Services**
  – Advise and assist CDM project developers to sell CERs
  – Assist carbon buyers to obtain access to CERs
Some Early Activities

1. Panama’s Renewable Energy Carbon Facility (RECAF)
   – Creating a pool of renewable energy CDM projects
   – Creating a pool of investment resources (equity, debt, guarantees, etc)
   – Matching projects with investment resources

2. Financial Guarantees (for down payments by CER buyers)
   – Aim to provide 100% guarantee for down payments by CER buyers against future delivery of CERs
   – Would give project developers greater access to project equity by integrating CER value into project finance
   – Pilot initiative under development with Panamanian insurance company

3. Project Origination via Targeted Workshops & Trade Fairs
   – CDM project developers workshop (Sao Paulo, Brazil, 2006)
   – Financial institutions workshop (Panama City, 2006)
   – Technology providers workshop (Mexico, 2006)
   – Latin American Carbon Trade Fair (Panama City, 2007)
Panama’s RECAF Arrangement

The Investors Group

- Lead Bank
- Local Investors
- Foreign Investors

- Custodian Account
- Escrow Account

The Projects Pool

- P1, P2
- P3, P4, P5
- P6, P7

- Registry

Group Coordinator

Facility Manager
The Carbon Centre

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