



# PARTNERSHIP FOR MARKET READINESS (PMR): ANNUAL BUDGET PROPOSALS – FY11 AND FY12

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# Objectives

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- ◆ **To share budgeting methodology and process**
  
- ◆ **To seek approval of proposed FY11 budget**
  - **Design/Development Phase: Sept. 1, 2010 to Mar. 31, 2011**
  - **Operational Phase: Apr. 1, 2011 to Jun. 30, 2011**
  
- ◆ **To seek approval of FY12 operating budget proposal**

# Budgeting Methodology and Process

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## ◆ Budgeting Methodology

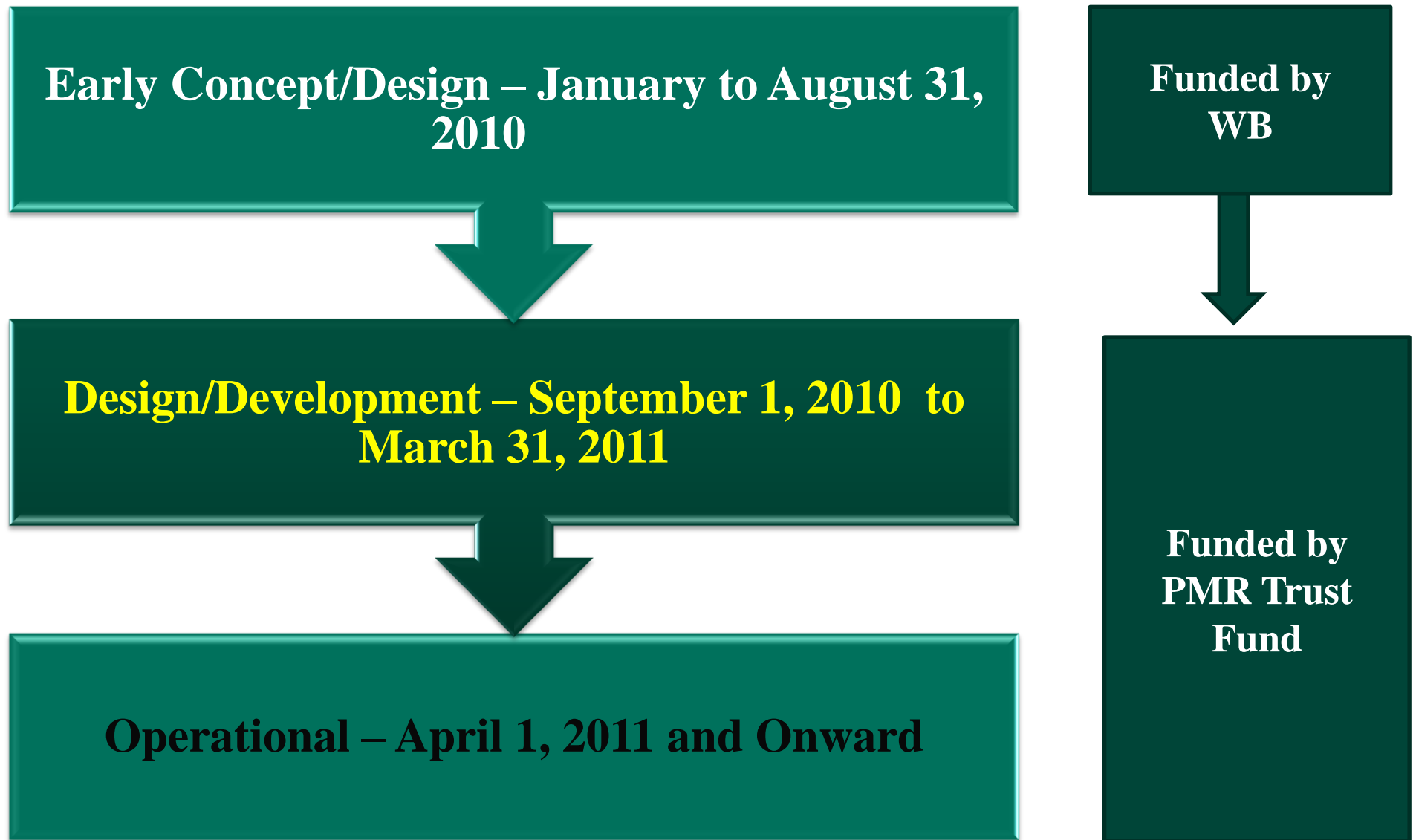
- Zero-based budgeting (build the budget from zero)
- Activity-based budgeting
- Benchmarking

## ◆ Budgeting Process

- Bottom-up approach
- Validation within World Bank units
- Annual budget approval by the Partnership Assembly (PA)

# Budgeting – PMR Operational Phases

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# Design/Development Phase: September 2010 to March 2011

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## ◆ Main Activities

- Design Phase:
  - Stakeholder consultations (e.g., Tianjing workshop)
  - PMR launch in Cancun
  - Prepare Expression of Interest (EOI) template
- Development Phase:
  - Dialogue with potential implementing countries
  - Review EOI submissions
  - Fund mobilization
  - Trust Fund set-up, including World Bank internal review and approval

## ◆ Funding Source

- ◆ Retroactive financing (\$298k-Slide 9) from PMR Contributing Participants

# Operational Phase - Main Activities: April 2011 & Onward (1 of 2)

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## Implementing Country Participants

- **EOI phase**
- **Preparation phase: Formulate market readiness proposal (grant amount for each country:  
US \$350k x 15 countries = US \$5.25 million)**
- **Implementation phase: Build/Implement market readiness components**

## World Bank

- **Country delivery support and advisory services**
- **Secretariat services**
- **Trust Fund Management**

# Operational Phase – Funding: April 2011 and Onward

## (2 of 2)

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### ◆ Funding Sources

- PMR Contributing Participants (i.e., Donors); and
- Stand-alone external contributions, if and when received

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# **FY11 Budget Proposal**

## **September 1, 2010 to June 30, 2011**



# PMR FY11 Budget Proposal: Use of Funds

<b>FY11 Budget: Use of Funds</b>	
<i>Use of Funds</i>	<i>In US \$ Thousands</i>
<b>From September 1, 2010 to March 31, 2011</b>	
<b>PMR Design/Development</b>	<b>298</b>
<b>From April to June 30, 2011</b>	
<b>Country Delivery Support and Advisory Services</b>	<b>178</b>
<b>Secretariat Services</b>	<b>354</b>
Organization and PA meetings	310
Other secretariat services	44
<b>Trust Fund Management</b>	<b>25</b>
<b>Subtotal</b>	<b>557</b>
<b>Total FY11 Use of Funds</b>	<b>856</b>

## FY11: PMR Source of Funds

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### **FY11 Budget: PMR Source of Funds September 1, 2010 - June 30, 2011**

<i>Source of Funds</i>	<i>In US \$ Thousands</i>
<b>Stand-alone external funding – Korea and United Kingdom</b>	<b>80</b>
<b>Trust Fund for PMR</b>	<b>776</b>
<b>Total FY11 Source of Funds</b>	<b>856</b>

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# **FY12 Budget Proposal**

## **July 1, 2011 to June 30, 2012**

# FY12 World Bank Activities: Country Delivery Support & Advisory Services (Total Budget \$1,794k-Slide 21)

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## EOI Phase

Engage five additional countries to participate as Implementing Country Participants

Working meetings with Implementing Country Participants to support and/or facilitate preparation of their Organizing Framework of the PMR Activities

## Preparation/Implementation

As a delivery partner, carry out fiduciary activities in order to enter into the preparation grant agreements/arrangements (e.g., discuss grant request activities, procurement and financial management, when applicable)

Provide technical support by the delivery partner(s) and the PMR secretariat (e.g., feasibility study and training)

# FY12 World Bank Activities: Secretariat Services

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## ◆ **Manage overall PMR Programs**

- Mobilize funds (target \$100 m) and prepare administrative agreements
- Prepare progress report(s)

## ◆ **Provide Secretariat services**

- Including at least for the meetings of the PMR Partnership Assembly and two workshops

## ◆ **Facilitate knowledge management**

## ◆ **Total Budget for the above is \$1,110k (Slide 15)**

# FY12 World Bank Activities: Trust Fund Administration

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- ◆ **Maintain the PMR trust fund account**
- ◆ **Prepare the budget proposal**
- ◆ **Monitor expenditures against budget**
- ◆ **Provide accounting services**
- ◆ **Meet fiduciary responsibilities**
- ◆ **Total budget \$126k (Slide 15)**

# PMR FY12 Budget Proposal: Use of Funds

<b>FY12 Budget: Use of Funds</b>	
<i>Use of Funds</i>	<i>In US \$ Thousands</i>
<b>Country Delivery Support and Advisory Services</b>	<b>1,794</b>
<b>Secretariat Services</b>	<b>1,110</b>
Participant Assembly meetings	433
Workshops	400
Other Secretariat Services	277
<b>Trust Fund Management</b>	<b>126</b>
<b>Contingency</b>	<b>300</b>
<b>Total FY12 Use of Funds</b>	<b>3,330</b>

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# PMR Long Term Plan



# PMR Long Term Plan (LTP) Assumptions

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## Assumptions:

- ◆ Capital size: US\$100 million
- ◆ Support 15 Implementing Country Participants
- ◆ Market readiness implementation grant size ranges from \$3m to \$10m (average \$5m)
- ◆ If multiple delivery partners are used to provide country delivery support, assume the same cost structure
- ◆ The average length of implementing the PMR activities (both preparation and implementing phases) at implementing country level is 5 years
- ◆ Two workshops and two PMR Participant meetings per year

# PMR LTP Overview

Item	Activity	One Country	Fifteen Countries	%
1	Preparation Grant	350	5,250	5%
2	Country Implementation Grant	5,000	75,000	75%
3	Delivery Support & Advisory Services provided by WB or Multilateral development bank or UN agencies	659	9,890	10%
	<b>Total Received by Countries</b>	<b>6,009</b>	<b>90,140</b>	<b>90%</b>
4	Secretariat Services	416	6,237	6%
	a. Participant Meetings and workshops	307	4,600	5%
	b. Other secretariat services	109	1,637	2%
5	Trust Fund Management	55	824	1%
6	Contingency	120	1,800	2%
7	WB Central Unit costs	67	1,000	1%
	<b>Total Secretariat, trust fund management &amp; Others</b>	<b>657</b>	<b>9,860</b>	<b>10%</b>
	<b>Total</b>	<b>6,667</b>	<b>100,000</b>	

The current pledged funding is \$70m, which will support 10 countries.

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# Annexes

# FY 11 Budget-Country Delivery Support and Advisory Services by Activity

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Activity Description	FY11 Estimate
Review EOI	7
Dialogue with Implementing Countries-WB Country Team	52
Dialogue with Implementing Countries-WB Secretariat	75
Dialogue with Implementing Countries-Experts	44
<b>Total</b>	<b>178</b>

# FY 12 Budget-Country Delivery Support and Advisory Services by Activity

Activity Description	FY12 Budget	Phase
Engage with Potential Implementing Countries and EOI Review	55	EOI
Working Meetings with Implementing Country Participants and support for developing Organizing Framework for scoping PMR activities (Preparation grant :\$350K)	346	EOI
Support for formulating MRP and associated funding proposal ( Grant for implementation phase- amount to be determined)	508	Preparation Phase
Support for MRP Implementation Phase	124	Implementation Phase
Grant Preparation and Supervision	380	Preparation/Implementation Phase
Other Technical Support	380	Preparation/Implementation Phase
<b>Total</b>	<b>1,794</b>	

## FY 12 Budget-Secretariat Services

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<b>Activity Description</b>	<b>FY12 Budget</b>
Participant Meetings (2)	433
Workshops (2)	400
Program Management	106
Knowledge Dissemination & Communication	44
Progress Report	34
Other Secretariat Services	93
<b>Total</b>	<b>1,110</b>

# Thank You

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FOR MORE INFORMATION ON THE PARTNERSHIP FOR MARKET READINESS (PMR),  
PLEASE CONTACT:

PMR SECRETARIAT

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# FY 11 Design /Development Phase –Expenditures from Sep 2010 to March 31, 2011

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<b>Activity Description</b>	<b>FY11 Actual</b>
Stakeholder Consultations	61
PMR Launch	43
EOI-prepare template & engage potential IC, review EOI	16
Working Meetings with Implementing Countries	100
Program Management, set up, etc	25
Other Secretariat Services	36
Trust Fund Mangement	18
<b>Total</b>	<b>298</b>



# FY 11 Meeting Costs

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Activity Description	FY11 Estimate
Preparation , Meeting Attendance & Travel	106
Venues, Equipment & food services	58
Participants Travel, Hotel & Per Diem	147
<b>Total</b>	<b>310</b>

## FY 12 Budget-Meeting /Workshop Budget

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<b>Activity Description-Two Meetings</b>	<b>FY12 Budget</b>
Preparation , Meeting Attendance & Travel	173
Venues, Equipment & food services	47
Paticipants Travel, Hotel & Per Diem	213
<b>Total</b>	<b>433</b>

<b>Activity Description-Two Workshops</b>	<b>FY12 Budget</b>
Preparation , Meeting Attendance & Travel	130
Venues, Equipment & food services	48
Paticipants Travel, Hotel & Per Diem	166
Standing Experts	56
<b>Total</b>	<b>400</b>