



# UNIDO considerations on special funding facility

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# OBJECTIVES

As a Specialized Agency for Industry:

- To select the most long-term sustainable technologies with least impact on climate and environment.
- To develop concepts and methodologies to identify and quantify the additional climate benefits of HCFC phase-out and ODS destruction activities.
- To identify sources of financing for additional climate benefits.
- To set up of the most promising operational modalities combining MLF and other sources of financing.

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# CLUSTERING OF PROJECTS #1

## MANAGEMENT OF UNWANTED ODS BANKS PROJECTS

Two main families:                      1: Collected banks;                      2 Banks to be collected

Direct and indirect emission reductions (replacement of old appliances with more energy efficient ones)

To maximize the benefits for the destruction projects, a combination of financial sources would be required. The following options are considered by UNIDO:

- Voluntary Markets (destruction)
- CDM for the energy efficiency (collection)
- National Programmes
- UNIDO co-financing

Involvement of the private sector (Producer Responsibility Program - PRP)

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# CLUSTERING OF PROJECTS #2

## HCFC PHASE-OUT PROJECTS

Two main families: 1: HFC alternative as Business as Usual scenario (BAU);  
2: possible non-HFC alternatives

To maximize the benefits for the HPMP implementation, a combination of financial sources would be required.

The following options are considered by UNIDO:

- CDM for the “second step conversion to low GWP” (where the HFC is the BAU scenario)
- GEF for energy efficiency
- Bilateral donors
- National Programmes
- UNIDO co-financing

Sector or national approach to address the needs of SMEs

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# BENEFITS FROM THE FACILITY

UNIDO plans to establish methodologies in 2 pilot projects:

- HCFCs phase out project
- Management and destruction of ODS banks

The concepts and methodologies will serve as a model for replication with other similar activities and projects.

Different financial modalities for co-financing will be explored.

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## UNIDO focus

UNIDO has a specific mandate to link industry with the energy and environment.

The Organization has:

- A fund mobilization unit
- A branch dealing with climate change matters, with a special focus on energy
- UNIDO is chairing the UN Energy Group
- A branch dealing with chemical destruction (e.g. 3 GEF demonstration projects under implementation on non-combustion technologies)

Last, UNIDO will convene a conference in 2010 on Carbon Financing mainly focusing on MP activities ..... all of you will be most welcome!

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