



Department for  
Energy Security  
& Net Zero

# Transformative Carbon Asset Facility (TCAF) Annual Review 2025



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## Section A: Summary and overview

<b>Title:</b> Transformative Carbon Asset Facility (TCAF)		
<b>Programme Value £ (full life):</b> £60m CDEL		<b>Review date:</b> July 2025 (review period 1 April 24 – 31 March 25)
<b>Programme Code:</b> GB-GOV-13-ICF-0027-TCAF	<b>Programme start date:</b> March 2017	<b>Programme end date:</b> Extended from 2028 to December 2031.

Year	Dec 17	Jul 18	Jul 19	Jul 20	Jul 21	Jul 22	Jul 23	Jul 24	July 25
<b>Overall Output Score</b>	n/a	A	A+	B	B	A	A	A	A
<b>Risk Rating</b>	Mod.	Mod.	Mod.	Maj.	Maj.	Mod.	Mod.	Mod.	Mod.

<b>Business Case:</b>	<a href="https://devtracker.fcdo.gov.uk/projects/GB-GOV-13-ICF-0027-TCAF/documents">https://devtracker.fcdo.gov.uk/projects/GB-GOV-13-ICF-0027-TCAF/documents</a>
<b>Logframe:</b>	The updated Logframe is published on devtracker alongside this Annual Review.
<b>Previous Annual Review</b>	<a href="https://science-and-innovation-network.s3.eu-west-2.amazonaws.com/BEIS+ICF/TCAF/TCAF+Annual+Review+2024.docx">https://science-and-innovation-network.s3.eu-west-2.amazonaws.com/BEIS+ICF/TCAF/TCAF+Annual+Review+2024.docx</a>

### Description of programme

TCAF is a multilateral trust fund, established through a partnership between the World Bank Group ('the Trustee') and seven Contributors, which helps ODA-eligible countries to host emission reduction projects and prepare them to trade resulting carbon credits under the Paris Agreement. It does this primarily by:

- developing 'scaled up' proposals for projects at a sector or economy-wide level;
- developing new crediting methodologies (ways to demonstrate that an activity has generated a carbon credit);
- building host capacity to monitor and report on reductions;
- piloting new UN rules under Article 6 (A6) of the Paris Agreement for the generation and trade of carbon; and,
- sharing its lessons widely with the international community.

The UK's contribution of £60m (34%) means we sit on the decision-making Facility Board, alongside Norway (\$80m, 38%), Sweden (\$25m, 12%), Switzerland (\$25m, 12%). Non-Board donors are Spain (\$4.6m, 2%), Canada (\$3m CAD, 1%), and Germany (\$2m, 1%).

### Summary of progress and supporting narrative for the overall score

Overall, FY25 was marked by significant achievements for TCAF despite external challenges, with highlights including the first ever Emission Reduction Payment Agreement (ERPA) payment being made, promising pipeline development and lessons learnt including from the Uzbekistan program, with the Kyrgyz Republic's pre-Project Information Note (PIN) preparation, and strong knowledge management work delivered. However, TCAF has also

faced delays to pipeline development and programs maturing to transaction stage. Despite some setbacks, TCAF is positioned for further progress as it pursues new programs and with the replication benefits of the Uzbekistan Innovative Carbon Resource Allocation for Energy Transition (iCRAFT) program expected to start to bear fruit, including through the potential Kyrgyz Republic program. **The programme has been awarded an overall score of “A”, “outputs met expectations”** and continues to be assessed as moderate risk rating programme.

The largest milestone in this reporting period was completion of TCAF’s first ever ERPA payment. Following the first successful ERPA verification concluding in April 2024, the \$7.5 million payment for 500,000 metric tons of CO2 emission reduction payment was made to the iCRAFT in June 2024. This marks a critical step forward for TCAF.

In parallel, the Government of Uzbekistan advanced its domestic Article 6 infrastructure, including finalising legislation and preparing a national carbon registry with support from Neyen Consulting. These efforts will benefit the iCRAFT program and should inform broader Article 6 capacity-building initiatives and replication in other TCAF countries—demonstrated most clearly by the Kyrgyz Republic’s submission of a pre-PIN modelled on the Uzbekistan approach.

Progress was also made in pipeline development. The Pakistan Finance for Lowering Emissions in Waste Sector (PAK-FLOW) project advanced with formal PIN endorsement in June 2024. The programme aims to cut methane emissions by transforming sanitation and solid waste systems, including landfill gas capture, for electricity generation.

However, other areas of pipeline development have been more challenging. The Nepal Clean Air Policy Crediting Program was advanced this reporting period through the submission of a formal PIN in December 2024. However, the UK raised concerns about additionality and conservative baseline setting and the need to better embed such principles earlier on in program design. After Contributor comments were raised at the December 2024 TCAF meeting, the Trustee worked with the Government of Nepal to revise the submission and prepare a detailed technical note addressing concerns around additionality and baseline setting—particularly in relation to the country’s electric vehicle (EV) policy. The revised PIN was presented to the contributors at the June 2025 TCAF annual meeting in Seville (outside this review period) where the UK requested further work be done to strengthen the proposal.

Regarding the Vietnam Program, following the TCAF Contributors’ review of the PIN in December 2023, the Government of Viet Nam submitted the revised PIN in May 2024. Contributors raised various comments and conditionally endorsed the PIN in September 2024. As part of the 2024 September PIN endorsement decision, the UK and other contributors requested the PIN be updated to address various comments.

TCAF’s financial performance in FY25 reflected both progress and persistent bottlenecks on spending. Total expenditure reached \$10.86 million against a planned \$16.34 million, with significant underspending on Article 6 capacity-building funds due to delays in program advancement, especially in Nepal and Vietnam. There was also stronger-than-anticipated investment income, estimated at \$2 million—well above the projected \$500,000. For FY26, expenditure is expected to reach \$30.2 million, including business development, knowledge management, trustee expenses and with largest \$20.83 million share allocated for results-based finance (RBF) payments, including Mitigation Outcome Purchase Agreement (MOPA) and ERPA disbursements. As in previous years, knowledge management and communications were key pillars of TCAF’s work. The Trustee organized and participated in

a series of workshops, including events at COP29, the Innovate for Climate conference, and regional technical exchanges with governments and stakeholders. TCAF produced several technical reports in FY25, including guidance on scaled-up crediting approaches, and strategies for host countries to harmonise carbon pricing with carbon market instruments. These resources are available on [TCAF's knowledge platform](#) and continue to contribute to global carbon market discourse and host country capacity building.

Looking ahead, the replication benefits of the iCRAFT program are expected to increase and the Trustee will pursue the addition of one or two new programs under the proposed TCAF funding allocation strategy to ensure full commitment of the portfolio by December 2026. With the facility now extended through December 2031, the Trustee expects all RBF disbursements to be made by June 2031. Achieving this will depend on resolving open issues related to additionality and baseline assessment in Nepal and Vietnam, advancing ERPA/MOPA negotiations in Pakistan, and continuing strong implementation in Uzbekistan.

### Progress against recommendations from the last review

Recommendation	Progress
<p>The <b>Trustee</b> should continue to engage with a broad spectrum of carbon market stakeholders, including engaging and contributing to the Paris Agreement Crediting Mechanism’s work and voluntary carbon market actors, to help ensure replication of TCAF experience, and where appropriate, alignment of practices, on an ongoing basis. This engagement work should be presented at the next annual meeting and Contributors should be informed prior to TCAF related content being published.</p>	<p><b>Achieved.</b> The Trustee engaged with a broad spectrum of carbon market stakeholders. This included: a virtual seminar on carbon crediting standards and MRV methodologies for technology-based carbon dioxide removal (October 2024); a policy crediting event with the Zurich Carbon Market Association targeting the private sector and use of the voluntary carbon market (April 2024); an expert roundtable discussion co-hosted with the UK on using new Results Based Climate Finance (RBCF) approaches to support climate mitigation in developing countries (June 2024); Workshop on status of international/ national ITMO regulation and market development (June 2024); a private sector roundtable (June 2024); a meeting with the Swiss Federal Office of Environment and Klik Foundation to discuss the Swiss CO2 Ordinance and ITMO authorisation process; and a meeting in Bonn with the UNFCCC Secretariat and the Methodological Expert Panel (MEP) to present and discuss TCAF’s experience of policy crediting, to provide input to a concept note on large-scale crediting programs that the Methodological Expert Panel was drafting for Article 6.4. This engagement work was presented at the TCAF 2025 annual meeting (June 2025).</p>

<p>The <b>Trustee</b> should continue to focus on the development of new projects, supporting replication of the success of the TCAF Uzbekistan Project, with an aim to over-programme the pipeline, to help increase the likelihood of TCAF funding being committed to high quality projects. This should include 1 new pre-PIN, 2 new PINs and agreement of a set of commercial terms before the end of the review period.</p>	<p><b>Partially Achieved:</b> 1 pre-PIN was prepared and presented (Nepal) during the review period and 2 new PINs (Pakistan and Nepal) were presented. Due to delays in the Pakistan program, commercial terms were not presented or approved.</p>
<p>The <b>Trustee</b> should look to enlist the use of surveys at WB led events and after each annual meeting, to better track, incorporate, and present how feedback from contributors and key stakeholders has been taken on board at the next annual meeting.</p>	<p><b>Not Achieved:</b> Whilst the Trustee has been actively engaged with the Contributors and the key stakeholders regarding their feedback/views on TCAF operations and events throughout, specific surveys were not carried out in the reporting period. However, the Trustee has since organised surveys following the events including in the margins of the I4C conference in June 2025.</p>
<p>The <b>Trustee</b> should continue to work to secure TCAF's extension and assist DESNZ in reviewing and updating logframe indicators to ensure that they allow for robust assessment of the programme, allow for the extension and are based on expected pipeline results, with the exercise to conclude before October 2024.</p>	<p><b>Partially Achieved:</b> has prepared a fund resolution for the TCAF extension to be adopted. The logframe was not updated by October 2024 but the Trustee has been in discussions with the UK. Areas for updates have been identified.</p>

Recommendations that were not achieved or remain relevant have been carried over to the recommendations made by this year's review. Some have been amended following discussions with the Trustee or due to the evolving carbon market landscape.

### Major lessons and recommendations for the year ahead

This year, we propose the following 4 recommendations:

Recommendation	Due Date
<p>1. The <b>Trustee</b> should continue to focus on the development of new projects, supporting replication of the success of the TCAF Uzbekistan Project, with an aim to over-programme the pipeline, to help increase the likelihood of TCAF funding being committed to high quality projects. This should include 1 new pre-PIN, 2 new PINs and agreement of a set of commercial terms before the end of the review period.</p>	<p>31/03/2026</p>
<p>2. The <b>Trustee</b> should look to enlist the use of surveys at WB led events to better track, incorporate, and present how feedback from key stakeholders such as host ministries, the private sector, and international organisations (e.g. UNFCCC and ICAO) has been taken on board.</p>	<p>31/03/2026</p>

<p>3. The <b>Trustee</b> should continue to engage with a broad spectrum of carbon market stakeholders, including engaging and contributing to the Paris Agreement Crediting Mechanism’s work and voluntary carbon market actors, and with key stakeholders related to the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) to help ensure replication of TCAF experience, and where appropriate, alignment of practices, and awareness raising of Article 6 authorisation use case options on an ongoing basis. This engagement work should be presented at the next annual meeting.</p>	<p>31/03/2026</p>
<p>4. The <b>Trustee</b> should share lessons learnt with other World Bank Programmes (including the Partnership for Market Implementation, Carbon Initiative for Development, Scaling Climate Action by Lowering Emissions program) and seek out joint opportunities for facilitating knowledge exchange (including through conferences such as Innovate4Climate).</p>	<p>31/03/2026</p>

## Section B: Theory of change and progress towards outcomes

### Summary of the programme's theory of change, including any changes to outcome and impact indicators from the original business case.

The underlying premise for TCAF is that carbon pricing and international market mechanisms can play an important role reducing GHG emissions, by creating incentives for countries to develop in a low-carbon sustainable way that offers development benefits. Lessons from these projects will demonstrate to the global practitioner and investor community how carbon market mechanisms can help deliver or exceed the targets set out in countries' emissions reduction targets. The main outcome for TCAF is: *'An increase in the use of carbon pricing mechanisms leads to verified emissions reductions through: a) participating jurisdictions possess the capacity and are able to manage and use new and innovative GHG emission reduction crediting mechanisms (including baseline methodologies and MRV) and b) non-participating jurisdictions are better able to consider and implement new and innovative crediting mechanisms as a result of knowledge provided by TCAF'*. The outcome and impact indicators for TCAF are set out in the section below.

### Progress against the expected outcomes and impact, and actions planned for the year ahead

At the outcome level, we measure progress according to four indicators:

<b>Outcome Indicator</b>	<b>Milestone this review period</b>	<b>Performance during the review period and commentary</b>
Number (cumulative) of participating jurisdictions to implement TCAF mechanisms	4	<b>Not Achieved: (1)</b> Implementation is underway in Uzbekistan. That said three PINs have been approved and program design is underway. These include Uzbekistan, Pakistan, and Viet Nam.
Quantity of verified emissions reductions directly resulting from implementation of TCAF mechanisms in supported jurisdictions	2.25 MtCO <sub>2</sub> e	<b>Exceeded: (~12.5 MtCO<sub>2</sub>e)</b> . For vintage years 2022 and 2023.
Volume of (a) private sector and (b) public sector finance leveraged by TCAF programmes as a result of TCAF support	a) 120m b) 80m	<b>Not achieved:</b> a) Data not available for the private sector. This has been retired as part of the 2025 Logframe refresh b) 9.3m
Number of climate change mitigation programs in non-participating jurisdictions that refer to TCAF interventions or use TCAF programme design elements	2	<b>Exceeded (3):</b> Kyrgyz Republic, Ecuador and Tanzania. <ul style="list-style-type: none"> <li><b>Kyrgyz Republic:</b> the Government is seeking to implement the same policy reforms and policy crediting</li> </ul>

		<p>aspects as the Uzbekistan iCRAFT program.</p> <ul style="list-style-type: none"> <li>• <b>Ecuador:</b> The Trustee has been working with the Country and Transport teams to help estimate ERs from fuel subsidy reform in transport. The Government is using the policy crediting methodology and model developed and used in TCAF.</li> <li>• <b>Tanzania:</b> The Trustee is working with Tanzania Rural Clean Water Supply and Sanitation project to examine the mitigation potential to replicate the key design features of Pakistan Water Sector Sanitation project to access carbon market. The goal is to help Tanzania water project to access carbon markets.</li> </ul>
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**Has the logframe been updated since the last review?**

The logframe has been updated for effective measurement and to reflect change in circumstances given World Bank management formally approved the TCAF extension to 2031 in August 2024. The updated logframe is published alongside this annual review on devtracker.

**Impact Indicator target changes:** For all Impact Indicators targets have now been set for 2031. Impact Indicator 4: *Number of non-participating jurisdictions that are implementing programmes using TCAF design elements as a basis* did not have a target set for 2028 therefore a target was also set for 2028 for this indicator.

**Outcome Indicator target changes:** For all Outcome Indicators targets have now been set on an annual basis for 2031 with the exception of (b) of Outcome Indicator 3 which has been retired due to the challenge in predicting and tracking private sector finance leveraged by a TCAF.

**Output Indicator and target changes:**

Changes to the logframe output indicators were last agreed by the Trustee & DESNZ in February 2024. Since then, the Trustee and DESNZ have agreed further changes to the logframe outcome indicators for more effective measurement.

Output	Status	Output in 2025 Logframe
1.1	Retained	Number of programmes at a) Pre-PIN (i.e. pre-PIN has been presented by the Trustee) and b) PIN stage (i.e. PIN has been presented by the Trustee)
1.3	Retained (now 1.2)	Number of (a) ERPA terms (cumulative) that are approved by the Facility Board (b) projects approved by host country.
1.4	Retained (now 1.3)	Volume of results-based financing disbursed to TCAF programmes in support of crediting interventions that is a) climate finance, b) carbon finance (million \$).

2.1	Removed and replaced	Removed but replaced with more appropriate new Output Indicator (2.3)
2.2	Retained	Number of ministries in host country that have received carbon markets capacity building support via TCAF.
2.3	<b>New</b>	Percentage of ministries reporting that TCAF engagement and knowledge products have significantly improved their capacity to support, participate in or implement broader carbon markets work.
3.1	Retained	a) Number of TCAF knowledge products published b) Cumulative number of downloads of TCAF technical reports: ( <a href="https://tcafwb.org/knowledge-center">https://tcafwb.org/knowledge-center</a> )
3.2	Retained	Number of enquiries from non-participating TCAF jurisdictions/ sector / areas that express interest in TCAF-style methodologies.
3.3	Retained	Number of external events delivered by the Trustee to inform and consult on TCAF, build capacity of UNFCCC negotiators, engage the private sector and non-participating jurisdictions, and disseminate programme experience. Not cumulative.
3.4	<b>New</b>	Percentage of private sector, other relevant stakeholders and non-participating jurisdictions reporting that TCAF engagement has improved their knowledge of TCAF transaction blueprints, opportunities, and lessons learnt.

Output Indicator targets are now set annually through 2031. The targets for Output Indicator 1.1 are provisional and depend on the final pipeline allocation strategy; if the current programme pipeline advances, additional programme PINs may not be needed as the TCAF fund concludes.

## Section C: Output scoring

***Output 1: Results-based finance provides necessary incentive to allow implementation of new and innovative GHG emission reduction crediting mechanisms.***

Output number:	1	Output Score:	<b>A</b>
Impact weighting (%):	40	Weighting revised since last AR?	No
Risk rating	Moderate	Risk revised since last AR?	No

Indicator(s)	Milestone(s) for this review	Progress
1.1 Number of programmes at: a) Pre-PIN stage – i.e., pre-PIN has been presented by the Trustee – and b) PIN stage – i.e., PIN has been presented by the Trustee. Both cumulative.	a) 19 b) 5	a) 22: Progress exceeded expectation (1 additional pre-PIN (Kyrgyzstan) fell just outside the review period) b) 6 <sup>1</sup> : Progress exceeded expectation
1.3 a) Number of ERPA terms that are approved by the Facility Board	1	1: Progress met expectations
b) Number of projects approved by host country	1	1: Progress met expectations
1.4 Volume of results-based financing disbursed to TCAF programmes in support of crediting interventions that is a) climate finance, b) carbon finance (million \$). (\$m).	a) 12.5 b) 3.5	a) 7.5: Progress did not meet expectation <sup>2</sup> b) 0: Progress did not meet expectations <sup>3</sup>

### Output summary and supporting narrative for the score

The review period saw tangible advances in the operationalisation of TCAF’s country programmes, anchored by the milestone delivery of the facility’s first — for \$7.5 million—to Uzbekistan’s iCRAFT project. This marked the successful completion of verification cycles for 0.5 million tonnes of CO<sub>2</sub>e reductions and demonstrated the practical functioning of RBF under the ERPA model. In parallel, TCAF worked closely with the Government of Uzbekistan to finalise MOPA verification protocols and provide legal and technical support for registry development, laying the foundation for the first ITMO transfer expected in late 2025.

Significant progress was also made on upstream pipeline development. Pakistan’s PAK-FLOW program reached formal PIN approval, with program documents advancing toward validation. In Nepal and Vietnam, extensive engagement with government counterparts and TCAF. The UK and other contributors helped narrow down concerns around additionality and baseline credibility. These challenges impacted formal approval timelines but led to constructive institutional learning, culminating in the introduction—just outside the review period—of a formal two-step assessment process for baseline and additionality. This approach is designed to manage expectations, streamline PIN endorsement, and safeguard environmental integrity in scaled-up crediting programs.

Despite some underutilisation of Article 6 capacity-building funds due to program delays, the lessons learned have directly informed strategic adjustments for FY26. Notably, Uzbekistan’s progress serves as a replicable model for Kyrgyz Republic’s proposed program, demonstrating the potential for scalability when technical and institutional conditions align

<sup>1</sup> PINs presented: Uzbekistan PIN (June 2022), India: EESL (2019), Colombia Solid Waste Management (June 2022), Vietnam Low Carbon Rice (June 2023), Pakistan Wastewater (June 2024), Nepal Clean Air Policy (December 2024).

<sup>2</sup> Note that post the review period the Trustee expects to make a second ERPA payment of \$7.50 million to the Uzbekistan program by June 2025, which would bring the total disbursed in ERPA payments to \$15 million.

<sup>3</sup> First MOPA payment to Uzbekistan of \$8.33 million is expected in the second half of 2025.

early. Overall, the mixed pace of implementation across countries reflects both the complexity of operationalising Article 6-aligned crediting and the varying degrees of institutional readiness in host countries. The score reflects the achievement of key results, particularly in Uzbekistan and Pakistan.

**Changes to this output, and any planned changes as a result of this review**

Output	Status	Output in 2025 Logframe
1.1	Retained	Number of programmes at a) Pre-PIN (i.e. pre-PIN has been presented by the Trustee) and b) PIN stage (i.e. PIN has been presented by the Trustee)
1.3	Retained	Amended Number of (a) ERPA terms (cumulative) that are approved by the Facility Board (b) projects approved by host country
1.4	Retained	Volume of results-based financing disbursed to TCAF programmes in support of crediting interventions that is a) climate finance, b) carbon finance (million \$).

**Progress on recommendations from the previous AR, lessons learned this year**

Progress on previous AR recommendations under *Output 1: Results-based finance provides necessary incentive to allow implementation of new and innovative GHG emission reduction crediting mechanisms* has included strengthening the operationalisation of country programs through enhanced technical engagement, Article 6 readiness, and more robust baseline and additionality assessment processes. In response to Contributor feedback, TCAF introduced greater rigour in its PIN review process—most notably through the development of technical notes on policy additionality and baseline setting for Nepal and Vietnam. The year also reinforced the value of early engagement with host countries on registry development and legal readiness for ITMO transfers, as demonstrated in Uzbekistan. Lessons learned highlight that data gaps and the evolving carbon market landscape (including given agreement of Article 6 rules at COP29) can impact PIN approval and ERPA negotiation. To address this, the Trustee introduced—just outside the review period—a clearer two-step approach to assessing additionality and baseline. These adjustments are already informing the FY26 pipeline development strategy, including the potential addition of one or two new programme to manage portfolio-level delivery risk.

**Recommendations for the year ahead**

The **Trustee** should continue to focus on the development of new projects, supporting replication of the success of the TCAF Uzbekistan Project, with an aim to over-programme the pipeline, to help increase the likelihood of TCAF funding being committed to high quality projects. This should include 1 new pre-PIN, 2 new PINs and agreement of a set of commercial terms before the end of the review period.

***Output 2: Relevant knowledge transferred to participants resulting in increased capacity and readiness for the effective and sustainable management of carbon pricing mechanisms (including baseline methodologies and MRV).***

Output number:	2	Output Score:	<b>Not scored</b>
Impact weighting (%):	30	Weighting revised since last AR?	No
Risk rating	Moderate	Risk revised since last AR?	No

Indicator(s)	Milestone(s) for this review	Progress
2.1. Percentage of TCAF Contributors reporting that TCAF engagement and knowledge products have significantly improved their capacity to support, participate in or implement broader carbon markets work	N/A	<b>No data.</b> However the Bank has had positive verbal feedback on this.
2.2. Number of ministries in host countries that have received carbon markets capacity building support via TCAF.	4	<b>6:</b> Progress exceeded expectation as TCAF, in this review period, has supported capacity building in many countries incl. Uzbekistan, Viet Nam, Nepal, Pakistan, and Egypt.
2.3 Percentage of ministries reporting that TCAF engagement and knowledge products have significantly improved their capacity to support, participate in or implement broader carbon markets work.	N/A	<b>No data.</b> However, the Bank has had positive verbal feedback on this and the UK has found the work and knowledge products helpful, have an important role in disseminating lessons learnt and feeding into multilateral processes, are produced to a high quality and often relevant to various teams across Government. The UK has also observed positive responses from other donors, and TCAF host country officials (including Uzbekistan).

### **Output summary and supporting narrative for the score**

This was reported on but not scored due to no output target set for Indicator 2.1 and 2.3 this review period. These indicators have since been reviewed and updated to better track progress towards this output. New milestone targets have been set to reflect the TCAF programme's extension to 2031. These are set out in the updated logframe published alongside this annual review.

Regarding indicator 2.1, this was not assessed via a survey therefore there is no quantitative data. However, on an annual basis the Trustee presents the following year's knowledge work program, which is approved by the Contributors. At the following annual meeting, the Trustee then presents on the outcomes/work done, which is shared with the Contributors on a regular basis throughout the year. The UK and other contributors have not raised an objection with the work program or commented that it is not helpful.

Regarding indicator 2.3, a survey was not conducted during the reporting period. However, a survey was undertaken after the host country/contributor workshop and knowledge forum in June 2025 outside this reporting period. As such, this will be reported for the next review period. As with indicator 2.1, for indicator 2.3 the Trustee have reported that all the ministries with which TCAF is engaging have positive feedback and the Trustee has reported it continues to receive requests for additional capacity building. The Trustee and DESNZ have since discussed future use of surveys to better track progress against this indicator as part of the logframe update.

As for the TCAF engagement and knowledge products themselves, FY25 was a productive year for TCAF. TCAF delivered a suite of technical work products aligned with its three core workstreams: RBCF intelligence, Article 6 intelligence, and operational intelligence. Among the most significant outputs was the report: [Carbon Crediting – A Results-Based Approach to Mobilizing Additional Climate Financing](#), which provides the first consolidated typology of crediting approaches—project-level, programmatic, jurisdictional, policy, and sectoral—and offers practical guidance for selecting among them. This report has already informed internal World Bank discussions and shaped external dialogues with host governments.

In the Article 6 workstream, the Trustee produced several timely and targeted updates. These included summaries of COP29 and SBSTA 61 negotiations, as well as analysis of Article 6.4 operational modalities with a focus on their relevance to policy crediting. A dedicated report assessed the alignment of TCAF’s Uzbekistan and Nepal programs with Article 6.4 standards—providing a basis for future inclusion of these models under the evolving regulatory landscape. Additionally, TCAF completed technical guidance on harmonising domestic carbon pricing and market instruments, supporting host countries in navigating overlapping market frameworks.

The RBCF workstream also delivered key insights. A technical note on optimising crediting line setting proposed a refined formula to ensure crediting baselines are set below NDC trajectories—thereby preserving environmental integrity and incentivising ambition. This work builds directly on TCAF’s core parameter note and is likely to inform future discussions on Article 6.4 methodology design.

***Changes to this output, and any planned changes as a result of this review***

Output	Status	Output in 2025 Logframe
2.1	Removed and replaced	Removed but replaced with more appropriate new Indicator (2.3)
2.2	Retained	Number of ministries in host country that have received carbon markets capacity building support via TCAF.
2.3	New	Percentage of ministries reporting that TCAF engagement and knowledge products have significantly improved their capacity to support, participate in or implement broader carbon markets work.

***Recommendations for the year ahead***

The **Trustee** should look to enlist the use of surveys at WB led events to better track, incorporate, and present how feedback from key stakeholders such as host ministries, the private sector, and international organisations (e.g. UNFCCC and ICAO) has been taken on board.

**Output 3: Relevant knowledge transferred to targeted non-participants, including UNFCCC negotiations, by effectively sharing TCAF blueprints and lessons learnt**

Output number:	3	Output Score:	<b>A++</b>
Impact weighting (%):	30	Weighting revised since last AR?	No
Risk rating	Minor	Risk revised since last AR?	No

Indicator(s)	Milestone(s) for this review	Progress
3.1 a) Number of TCAF knowledge products published	7	<b>8:</b> Progress exceeded expectations.
b) Cumulative number of clicks from the TCAF Knowledge Centre.	15% year-on-year increase	<b>224%:</b> Progress exceeded expectations. 1067 from March 1, 2024 from baseline of 329 in 2023.
3.2 Number of enquiries from non-participating TCAF jurisdictions/sectors/areas that express interest in TCAF-style methodologies (cumulative).	11	<b>18:</b> Progress exceeded expectations as 22 pre-PINs have been submitted to the Trustee over time, with the intent to apply a TCAF methodology to the proposed program. 4 out of the 22 proposed programs have passed the PIN stage, taking into account conditional approval/endorsement by Contributors.
3.3 Number of external events delivered by the Trustee to inform and consult on TCAF, build capacity of UNFCCC negotiators, engage the private sector and non-participating jurisdictions, and disseminate programme experience. Not cumulative.	4	<b>7:</b> Progress exceeded expectations.

**Output summary and supporting narrative for the score**

The Trustee has had a very active year for its technical work programme promoting the experiences and lessons learned from TCAF. The TCAF technical work programme in FY25 has been delivered through three work streams: RBCF intelligence, A6 intelligence, and operational intelligence.

**RBCF intelligence workstream**

Under RBCF intelligence workstream the Trustee has delivered the following technical reports/notes: optimizing crediting line setting for RBCF operations; technology-based

removals regulatory and methodological requirements; RBCF – carbon market synergy potential; guidance on scaled-up crediting mechanisms.

- The note on **optimizing crediting line setting for RBCF operations** was produced in-house by the TCAF team. It builds on the baseline setting approach outlined in the TCAF core parameter note and discusses how baselines could be best set to incentivise ambition and align with long term climate targets. A key result of this work is suggesting a simple formula to further operationalize the TCAF core parameters approach ensuring that the crediting emissions baseline is the lower, the lower the NDC ambition is. This means the perverse effect of rewarding low NDC ambition through high volume of emission reductions is avoided and lower NDC ambition leads to lower credit volumes. This approach could be of interest for baseline setting under Article 6.4 as well and the study will inform potential World Bank outreach to the Article 6.4 Supervisory Board, e.g., via World Bank (independent and separate from TCAF) submissions in response to calls for public input.
- The report on **technology-based removals regulatory and methodological requirements** provides an overview and assessment of existing carbon crediting standards for technology-based Carbon Dioxide Removal (CDR), with focus on methodologies, but also including procedural and governance aspects where specific to technology-based CDR. The report provides a comprehensive assessment of technical tech-CDR carbon crediting readiness with a focus on developing countries.
- The note on **RBCF – carbon market synergy potential** produced in-house by the TCAF team explains how RBCF can be used to overcome barriers to access carbon markets and then benefit from effectiveness and efficiency gains due to alignment with carbon market requirements.
- The report **guidance on scaled-up crediting mechanisms** constitutes a major deliverable of the TCAF FY25 technical work program. This is the first report providing a comprehensive overview of the full range of carbon crediting approaches including project-based crediting, programmatic crediting, jurisdictional crediting, policy crediting, and still untested sectoral and economy-wide crediting. It compares these approaches, outlines areas of application, provides concrete examples of implementation, and discusses respective strengths and challenges. It was written in close collaboration with the OECD, which was working on a similar report.

## A6 intelligence workstream

Under the A6 intelligence workstream the Trustee has provided TCAF Contributors with a note on status update of Articles 6.2 and 6.4 after COP29, a note on outcomes of the A6 SBSTA negotiations, a report on Article 6.4 – operational modalities and potential, and a note on challenges and proposed strategies for host countries to harmonize carbon pricing and carbon market instruments. Further detail on these is set out below:

- The **Note on Status of Article 6 rules and requirements after COP29 and application to TCAF programs** shows the achieved breakthrough in operationalising Articles 6.2 and 6.4 focusing on the authorization process and the registry requirements and services.
- The **Update Note on Article 6 after SBSTA 61** is a very short summary of SBSTA 61 discussions based on observation of the SBSTA process by consultancy Climate Focus.
- The **Article 6.4 – operational modalities and potential** report focuses on applying Article 6.4 regulatory and methodological requirements to policy crediting. It provides an approach to develop policy crediting methodologies for submission for approval to the Article 6.4 Supervisory Board. The report includes further an assessment of Article

6.4 alignment of the TCAF Uzbekistan iCRAFT policy crediting program and methodology, as well as an assessment of the TCAF Nepal transport policy crediting program and methodology. The report will inform inclusion of policy crediting activities under Article 6.4, which although technically challenging, would, if included, mean that Article 6 could support crediting through many more climate policies than it can today.

- The **Note on challenges and proposed strategies for host countries to harmonize carbon pricing and carbon market instruments** supports (potential) host countries to navigate the complexity and the challenges in their strategic decision-making around how to make use of international carbon markets.

### **Operational intelligence workstream**

Under the operational intelligence work stream the Trustee produced a note on “*Opportunities for Scaling up Paris Aligned Carbon Transaction in WB Country Operations - Insights from TCAF’s Experience*” leveraging TCAF’s post-2021 operational experience to support the scaling up of Paris aligned carbon crediting transaction in World Bank operations. The note covers TCAF’s experience in supporting ITMO-related initiatives in Pakistan, Nepal, Viet Nam and Uzbekistan, including challenges, practical insights and lessons learned from TCAF’s ITMO-related work; innovative financing models and solutions to scale up ITMO operations; and link with TA on carbon crediting mechanisms focusing on results-based climate and carbon finance. The Trustee plans dissemination of the note for September 2025.

### **Other knowledge transfer**

TCAF held a regional workshop on Article 6 for its client countries (Pakistan, Uzbekistan, Nepal, and Vietnam) in Berlin in September 2024. The objective was to assist them in navigating their path towards Article 6 participation and leveraging international carbon finance, as well as to leverage knowledge sharing and lessons learned from various countries in Article 6 implementation and capacity building.

Opportunities were pursued for applying learning from TCAF’s technical work programme to the design and development of prospective TCAF-supported operations in select countries. For instance, the status update of Articles 6.2 and 6.4 after COP 29, note on outcomes of A6 SBSTA negotiations, and note on challenges and proposed strategies for host countries to harmonize carbon pricing and carbon market instruments were used for in-country TA and capacity strengthening as part of TCAF program development across its emerging portfolio of countries.

Within the World Bank Group, various activities were undertaken to share TCAF knowledge and lessons with other task teams and units, to generate increased interest and understanding of various models for potential application alongside World Bank operations. For example, the TCAF-supported policy crediting program in Uzbekistan and related technical work, for instance, the energy policy MRV methodology and the tailored ex-post MRV tool to quantify ERs from energy tariff reforms, have been used to inform dialogue and technical discussion of the Trustee and the Government of Kyrgyzstan in designing the Kyrgyzstan Energy Subsidy Reform program for which a pre-PIN was submitted in April 2025 (just outside this reporting period).

Similarly, an MRV learning series on featured TCAF-supported work and examples in agriculture and municipal solid waste, building on prospective operations in these areas. Transport policy crediting and MRV was also discussed during a global retreat of the World Bank’s Transport Global Practice.

Taking advantage of the biennial global retreat of the Global Departments of Agriculture, Water, Transport, that bring the colleagues from the country offices to DC in February 2025, the Trustee team held several learning events in partnership with the respective practice teams to disseminate the knowledge and build understanding of carbon market opportunities for their respective sector clients. These have generated several interested inquiries and discussion of program opportunities in India (low carbon rice), Tanzania (rural water and sanitation service supply), Pakistan (livestock), Sri Lanka (green port).

**Progress on recommendations from the previous AR, lessons learned this year**

TCAF has enabled many lessons to be learnt by the WB which are being applied to programmes now in development. These include:

Overarching lesson learnt	Detail
<p><b>Additionality is challenging to address given TCAF's nature</b></p>	<p>Over the review period, the way some Contributors have begun to apply/assess additionality is different from how it is outlined in the agreed Core Parameters Note. The challenge arises from the incompatibility of existing tools/methodologies or the lack of appropriate ones. For example, the current Article 6.4 Additionality Tool is only applicable to projects, not policy or scaled up crediting applications. Considering the emphasis placed on additionality, the Trustee has had to reevaluate the types of programs it can look for and for which work is already underway, e.g., the Nepal program.</p> <p>It can become challenging to apply the various additionality, conservativeness, transformational, and sustainable development co-benefit requirements to large scale programs. Further, the more these elements are simultaneously applied, the viability, as assessed in ER volume, decreases quite substantially. The Trustee is likely to focus more closely on policy crediting because investment programs take longer to implement, and TCAF is intended to be a piloting programme with a relatively high risk tolerance.</p>
<p><b>Two-step process and clear decision points (for Contributors) critical for efficiency</b></p>	<p>Related to the above lesson, the Trustee has proposed and implemented a two-step process, to help address some of the challenges that have arisen. This has resulted in a two-step process and a reevaluation of what is possible in the PIN. For future programs the Trustee will seek Contributor approval of the baseline approach (not the final baseline however) and the additionality narrative as the two key elements of the PIN. Recognizing a higher level of data requirement, particularly as the level of conservativeness around baselines becomes more important, much of the key data and work for this will be addressed in the CPDD. This helps facilitate the process with both the World Bank and government counterparts as it is difficult to ensure buy-in and engagement if there has not been any commitment on the side of TCAF. For this to work, the Trustee will need to establish concrete decision points for the Contributors, where either a go or no-go decision is needed. This will avoid the need to continually revise and update documents</p>
<p><b>Need to over-program but in the meantime manage the expectation</b></p>	<p>TCAF programs face high risk of delays due to the large scale of the interventions, the many and varied stakeholders involved, and the risk of ER under-delivery after signing ERPA/MOPA. The Trustee has realised that there is a need to over-program the pipeline. While this is a sound strategy to help mitigate under-delivery risk, the level of engagement needed by both the World Bank and government counterparts means that program development must be done while also managing expectations.</p>

<b>of pipeline</b>	<b>new</b>
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These lessons have been taken into account in developing the recommendations made in this review.

***Changes to this output, and any planned changes as a result of this review***

Output	Status	Output in 2025 Logframe
3.1	Retained	a) Number of TCAF knowledge products published b) Cumulative number of downloads of TCAF technical reports: ( <a href="https://tcafwb.org/knowledge-center">https://tcafwb.org/knowledge-center</a> )
3.2	Retained	Number of enquiries from non-participating TCAF jurisdictions/ sector / areas that express interest in TCAF-style methodologies.
3.3	Retained	Number of external events delivered by the Trustee to inform and consult on TCAF, build capacity of UNFCCC negotiators, engage the private sector and non-participating jurisdictions, and disseminate programme experience. Not cumulative.
3.4	<b>New</b>	Percentage of private sector, other relevant stakeholders and non-participating jurisdictions reporting that TCAF engagement has improved their knowledge of TCAF transaction blueprints, opportunities, and lessons learnt.

***Recommendations for the year ahead***

The **Trustee** should continue to engage with a broad spectrum of carbon market stakeholders, including engaging and contributing to the Paris Agreement Crediting Mechanism’s work and voluntary carbon market actors, and with key stakeholders related to the Carbon Offsetting and Reduction Scheme for International Aviation (CORSA) to help ensure replication of TCAF experience, and where appropriate, alignment of practices, and awareness raising of Article 6 authorisation use case options on an ongoing basis. This engagement work should be presented at the next annual meeting.

## **Section D: Programme performance not captured by outputs**

Whilst not captured by the outputs, the Trustee, has invested significant time and effort into supporting host countries, Uzbekistan in particular, to prepare the Article 6 agreement (the 'MOPA') and transaction. This process requires the coordination of multiple stakeholders within government, along with external support and stakeholders. Support and coordination with the Article 6 credit buyers is also necessary but not captured by the outputs.

Another area of programme performance not captured relates to the [World Bank's Carbon Asset Tracking System \(CATS\)](#) which the Trustee has set up for TCAF. This is an Emission Reduction (ER) Transaction Registry, designed and implemented to support the issuance and transactions of ER units generated under World Bank Programs. The Trustee has onboarded the Climate Finance Contributors and completed the onboarding for the Carbon Market Contributors.

The Trustee has also finalised updated Validation and Verification protocols in preparation for the Pakistan ERPA/MOPA validation and for TCAF's first MOPA payment to Uzbekistan.

## Section E: Risk

**Overall risk rating: Moderate**

Risk Type and Description	Mitigation Strategy, Owners and Timeframe	Residual RAG
<p><b>Political:</b> TCAF host governments unwilling or unable to comply with TCAF provisions from the Paris Agreement, resulting in a lack of demand for TCAF.</p>	<p>This remains a major risk as demonstrated by delays in program advancement in Nepal and Vietnam during this reporting period. That said, this reporting period saw agreement of final Article 6 rules at COP29, proving more clarity on the mandatory provisions that must be complied with. To mitigate the ongoing risk that governments are unwilling to comply with these, TCAF will allow the host country to retain a proportion of the results generated, for use towards their own NDC, helping to improve its offer. In some cases it may be impossible to fully mitigate the risk that a host government chooses to not to commit to selling credits internationally until they are clearer on their NDC strategy. However, this will not prevent UK ICF being disbursed. To ensure A6 crediting methodologies are still piloted through TCAF, ongoing capacity building (particularly in Uzbekistan) and also with other support providers has been helping to build the institutional capacity and frameworks needed for ITMO authorisation, including on carbon accounting and other A6 requirements related to monitoring, UNFCCC reporting and verification, and baseline setting. (Owner: Trustee. Timeframe: ongoing)</p>	<i>Maj</i>
<p><b>Delivery:</b> Potential host countries reject the transaction structure, so UK ICF cannot be disbursed to achieve results.</p>	<p>Since the last Annual Review, further countries have not concluded agreements under the same transaction structure, therefore this risk has not been fully mitigated. However, donors have given projects approval at various preliminary stages, and a milestone \$7.5 million payment was made to the Uzbekistan Innovative Carbon Resource Allocation for Energy Transition (iCRAFT) in June 2024. As this has not fully mitigated the risk the rating remains moderate, however if 1-2 additional countries conclude agreements under the structure, then this risk could become minor.</p>	<i>Mod</i>
<p><b>Delivery:</b> Emerging global geopolitical and</p>	<p>The Trustee has monitored and reported regularly on changes to the priority assigned to TCAF by</p>	<i>Mod</i>

<p>economic headwinds (e.g. the rising cost of energy) result in host countries deprioritising TCAF interventions.</p>	<p>host governments this reporting period to make contributors aware of risks (e.g. in Vietnam, Nepal and Pakistan). This rating remains moderate. Impacts will vary by sector (e.g. solid waste management projects may be less exposed than energy sector projects) and risk can therefore be partially mitigated by continuing to pursue a diverse portfolio. (Owner: Trustee. Timeframe: 6 monthly updates)</p>	
<p><b>Political:</b> Change in host country government jeopardises TCAF activity</p>	<p>This remains a moderate risk. World Bank country offices remain alert to broader political changes and the priorities of host governments and continues to assess these in TCAF proposals. UK uses embassies and high commissions to understand likely local views and promote benefits of participation to them. However, while bi-partisan support for TCAF can be pursued, it may be impossible to fully mitigate the risk of policy change under a new administration. (Owner: Trustee. Timeframe: 6 monthly updates)</p>	<p><i>Mod</i></p>
<p><b>Financial/Reputational:</b> UK pays for non-additional activity (i.e. that would happen in the absence of TCAF)</p>	<p>This review period saw continued negative commentary in the UK press relating to non-additionality of carbon credits on voluntary carbon markets and criticism of some of the first Article 6 transactions. Under TCAF, conservative baseline setting helps ensure non-additional effort is not credited. This review period has seen improvements in this area and further mitigations (e.g. introduction of a two-step approval process). In future, programs the Trustee will get Contributor approval of the baseline approach and the additionality narrative as the two key elements of the PIN. Where host NDC data is non-specific, extra modelling or capacity building will help to develop a suitable approach. UK units are not used to 'offset' emissions elsewhere, which lowers our exposure to some criticism, but the case for TCAF support in new projects must be clear and not unduly influenced by a desire to commit remaining funds. (Owners: Trustee, UK. Timeframe: ongoing)</p>	<p><i>Mod</i></p>
<p><b>Delivery:</b> The Covid response in host countries means TCAF work is deprioritised.</p>	<p>This is no longer a risk to delivery and missions have been successfully carried out. (Owner: Trustee. Timeframe: risk closed during this Annual Review)</p>	<p><i>Risk closed in this Annual Review</i></p>

<b>Delivery/reputational:</b> hosts decide that TCAF emission reductions contractually committed to Contributor countries are required for their NDC achievement.	This remains a minor risk. A UK decision for its share of TCAF abatement to remain with the host country has reduced this risk to zero on the UK side. Should another TCAF Contributor insist on a transfer in a case where a host country requires TCAF funded abatement for their own NDC achievement, the risk of association with this is likely to be low for the UK. Furthermore, the Trustee's engagement with host countries in advance of a deal being agreed is ensuring host countries are aware of this risk and able to consider mitigation strategies. (Owners: other Contributors, Trustee. Timeframe: ongoing)	<i>Min</i>
<b>Financial:</b> Fraud or corruption in the host country	This remains a minor risk. World Bank due diligence and risk management processes are in place to manage delivery and potential fraud. (Owner: Trustee. Timeframe: ongoing)	<i>Min</i>

### **Overview of risk management**

The overall risk rating remains 'moderate'. Agreement of overarching Article 6 rules at COP29 in November 2024, increases in host country understanding and improved joint support and events across support providers and the other World Bank carbon funds has have created a more certain environment for TCAF projects. The completion of TCAF's first ever Emission Reduction Purchase Agreement (ERPA) payment this reporting period also marks a critical milestone offering proof of concept that could create further demand for TCAF and to some extent mitigating risks related to transaction structure. Whilst reputation risks remain, this review period has seen improvements in this area and further mitigations (e.g. introduction of a two-step approval process around baseline setting and additionality). Finally, all grants financed by Trust Funds continue to be subject to the World Bank's operational policies and procedures that apply to their financing, including the Bank's framework on governance and anti-corruption.

TCAF remains a piloting facility for innovative crediting, so a higher risk tolerance is factored into this overall score. Upcoming actions proactively managing the evolving risks. DESNZ remains content with the Bank's approaches to reporting risks and mitigations to Contributors on a quarterly basis.

## **Section F: Programme management: delivery, VfM, commercial and financial performance**

### ***Summary of the performance of partners and DESNZ, notably on commercial and financial issues, and including consideration of VfM.***

During this review period the Trustee has continued to be a pro-active partner and there has been a continuing good working relationship, including regular and detailed updates to Contributors. The UK continues to enjoy a close, collegiate partnership with the Trustee and other Contributors. Shortly after the review period, the Trustee will present the Contributors with the FY25 Annual Report which provides a comprehensive overview of several critical areas. Firstly, it details the pipeline development status, highlighting the progress made in key projects such as the Uzbekistan iCRAFT project, and the advancement of programs in Vietnam, Pakistan, Nepal and Kyrgyzstan. Secondly, it addresses facility management issues, including the strategies employed to navigate political and regulatory challenges in host countries and the adjustments made to the transaction structures to facilitate smoother operations. Thirdly, the report discusses current and future knowledge management activities, emphasizing the importance of disseminating lessons learned and technical knowledge through international events, workshops, and technical reports. Finally, the financial update section provides an in-depth analysis of the actual expenditures versus the planned budget for FY25, reasons for variances, and the proposed financial plan for FY26, including expected calls of funds and anticipated programme costs.

FY25 saw completion of TCAF's first ever Emission Reduction Purchase Agreement (ERPA) payment which marks a critical milestone for TCAF and provides proof of concept. However there have been delays in achieving results, including due to a lack of program advancement in Nepal and Vietnam during this reporting period.

**Economy:** The total use of funds for FY25 is \$9.93 million versus the planned amount of \$30.22 million. The primary driver of the difference is significantly less RBF was made than forecast and since no new ERPAs/MOPAs were signed, fees were not assessed. In addition, Trustee expenses, program expenses, and business development expenses were lower than expected.

**Efficiency:** TCAF continues to operate efficiently given the challenging operating environment (due to factors such as the complexity of larger scale carbon market transactions, need for significant ministerial coordination and political will, and evolving carbon market rules and best practice). The Trustee's administrative costs were lower than expected. Program expenses were significantly lower than expected because there were delays in implementing two of the programs. Additionally, ensuring expectations from DESNZ, and some of the other contributors around additionality and conservative baseline setting mean several on-going programs needed to be revised.

**Effectiveness:** The Trustee continues to operate the Facility and achieve many of the targets<sup>6</sup> and exceed others, outlined in the logframe. It should be noted that this reporting period saw some challenges resulting from shifting of how programs are assessed. This has required the Trustee to find additional projects or assess existing ones differently than in the past.

Nonetheless, the Trustee continues to adjust to the evolving external landscape and Contributor expectations.

**Equity:** As TCAF engages with potential host countries, from an equity perspective it is important that the Trustee helps hosts understand the costs and options for achieving their NDCs and how the TCAF activity does not make this more expensive or adversely affect local populations. When presenting proposals, the Trustee has demonstrated consideration of equity issues (e.g. the distributional effects of a carbon pricing intervention on one sector’s informal workers). Capacity building activities under TCAF will follow the World Bank’s Investment Project Financing process, which includes gender mainstreaming. The UK has also strongly advocated for gender equality, disability and social inclusion to be embedded across TCAF . This includes ensuring TCAF program design prioritises social protection measures, including in the Uzbekistan and Kyrgyz Republic programme. Finally, TCAF Contributors have agreed not to pursue the cheapest available abatement in host countries, as this could lead to NDC achievement becoming more costly for the host country.

### Paris Alignment Assessment

Paris alignment pillar	Description of activity
How have you taken a proportional approach to climate and environment risk assurance?	Risks will be monitored through the standard ICF risk management processes.
How have you taken a proportional approach to using shadow carbon pricing?	Yes, as the nature of the TCAF programme is to use carbon pricing to support clean energy access in low-income countries. TCAF uses performance payments to support projects in low-income countries that use clean and efficient technologies. These payments are based on reduced emissions.
Does the programme adhere to HMG’s fossil fuel policy?	Yes, this programme does not include elements relating to fossil fuel support and thus does not undermine the fossil fuel policy.
Are you ensuring the programme does not undermine impacted countries climate plans?	Yes, we make sure to engage with post in the region to ensure TCAF projects are integrated within country climate plans.

Date of last narrative financial report	June 18, 2024 (Date of FY24 Annual Meeting) in Stockholm
Date of last audited annual statement	Part of World Bank Single Audit of Trust Funds, conducted annually at the conclusion of each fiscal year: <a href="#">FY24 Trust Funds Single Audit Report</a> , published on September 9, 2024