



Innovative and workable carbon Financing Expectations from COP15, Copenhagen

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Context

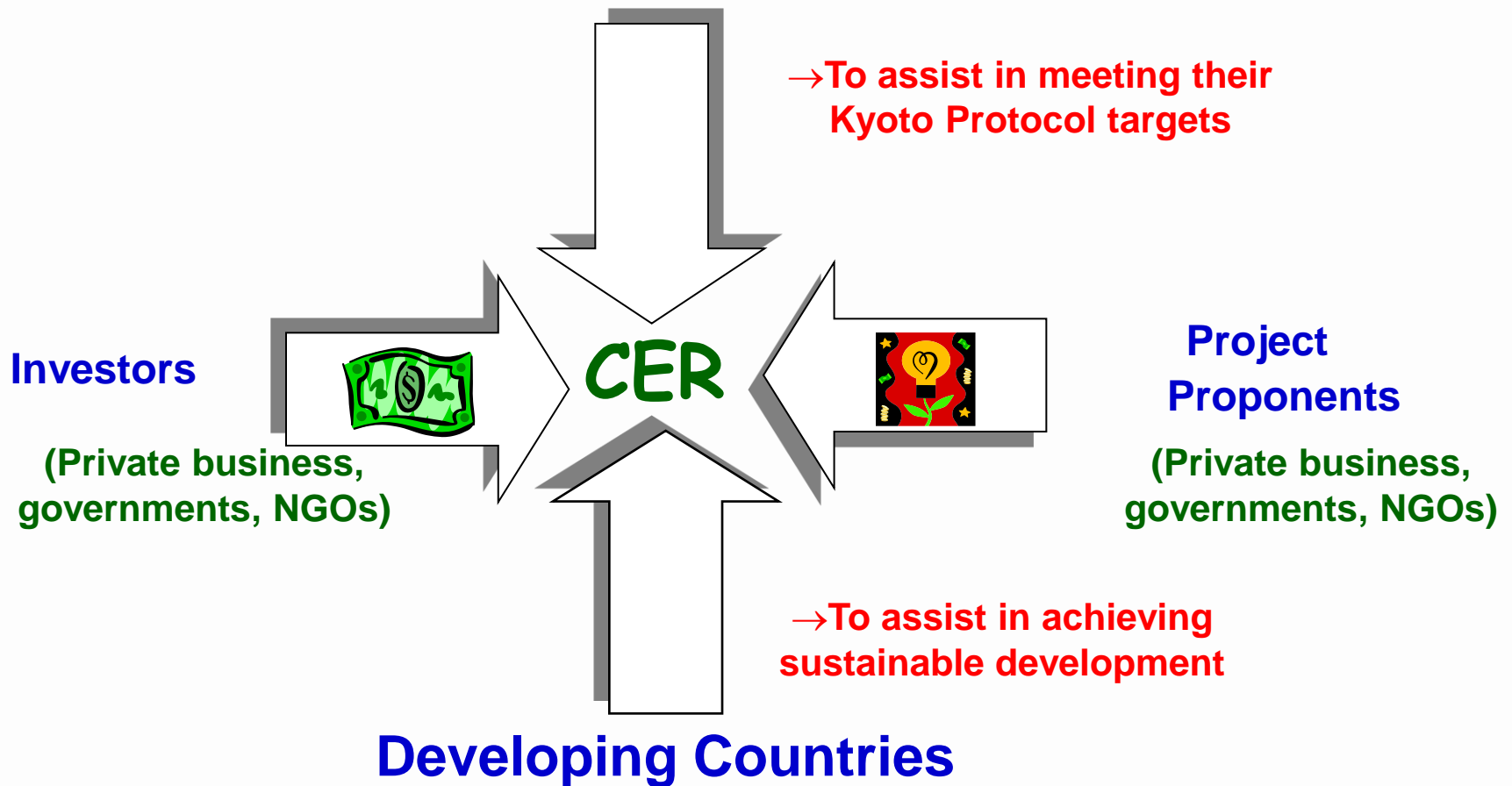
- **Global problem in need of a global solution**
- **IEA estimate: Global energy demand will grow by 55% by 2030**
- **World-wide energy supply infrastructure will require investment of 22 trillion dollars (about half in developing countries)**
- **Economic development and poverty eradication cannot happen without energy**
- **Where will the 11 trillion dollars worth of energy investment needed in developing countries come from?**

Carbon market tools

- **We will need all of the tools at our disposal to really rise to the challenge**
- **The Kyoto Protocol created some of these tools by introducing JI, CDM & ET**
- **The Kyoto Protocol sowed the seed for the growing carbon market**
- **CDM has been successful in creating a carbon currency and mobilizing private sector support for mitigation and adaptation**

A recap of the Basic Concept of CDM

Industrialized Countries



Participation of Africa in CDM

- Complexity of the CDM and high cost
- Low level of emissions
- Lack of institutional capacity

Number of registered CDM projects

Chile – 37

Peru – 23

Colombia – 21

Honduras – 18

Ecuador – 13

Panama – 7

Bolivia – 6

Costa Rica – 6

Nicaragua – 4

South Africa – 17

Egypt – 6

Morocco – 5

Nigeria – 3

Tunisia – 2

Uganda – 2

Kenya – 1

Tanzania – 1

Ghana – 0

Botswana – 0

Algeria – 0

Malaysia – 87

Indonesia – 47

Philippines – 43

Sri Lanka – 10

Pakistan – 6

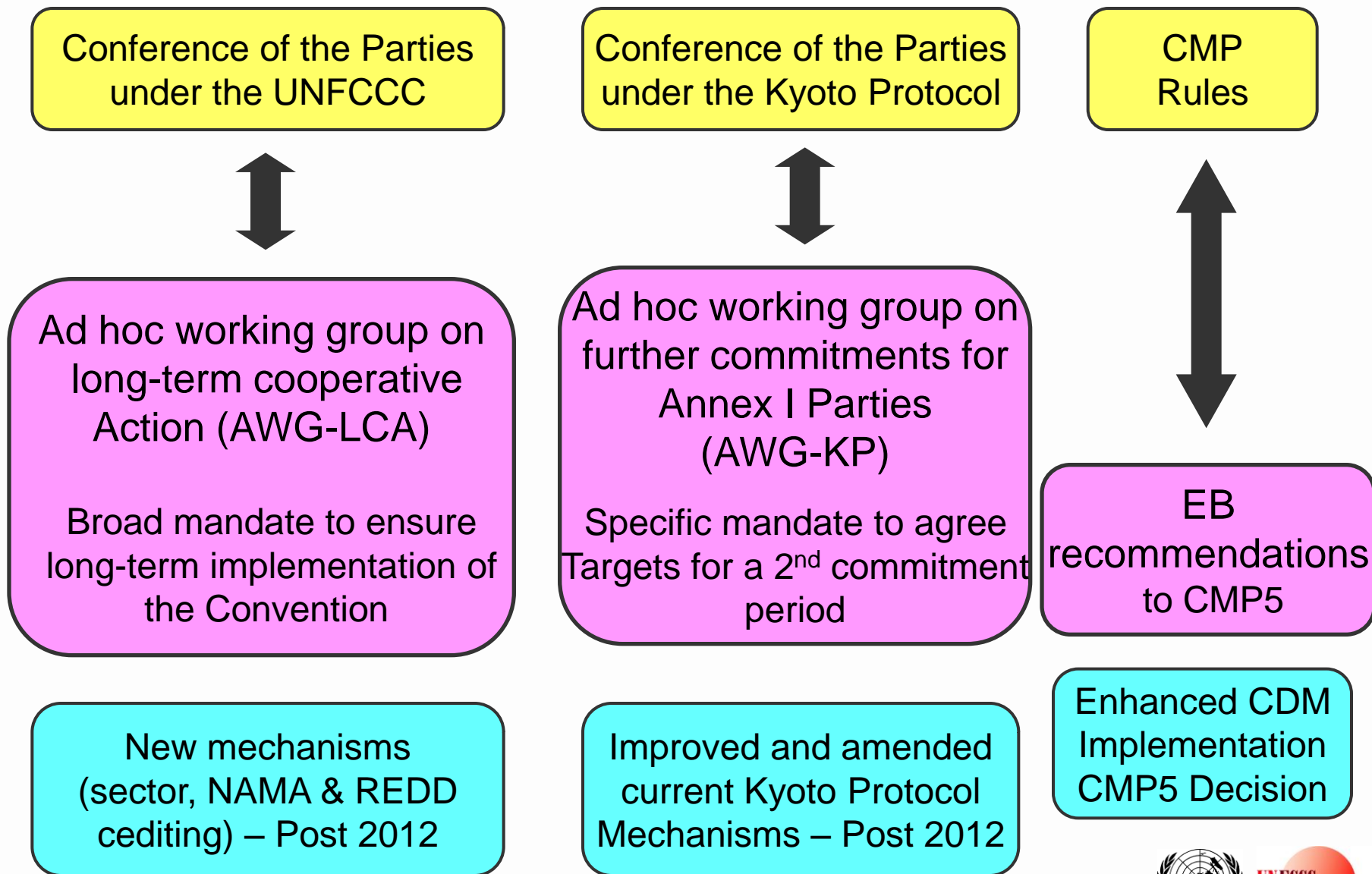
Cambodia – 4

Mongolia – 3

Nepal – 2

Bangladesh – 2

Future directions



Expectations from COP15 & CMP

AWG-LCA (Post 2012)

- New mechanism for sector-wide crediting?
- REDD crediting?
- NAMA crediting?

AWG-KP (Post 2012)

- Improvements to current mechanisms for second commitment period
- Increasing the scope of CDM projects (forestry, CCS, nuclear)?

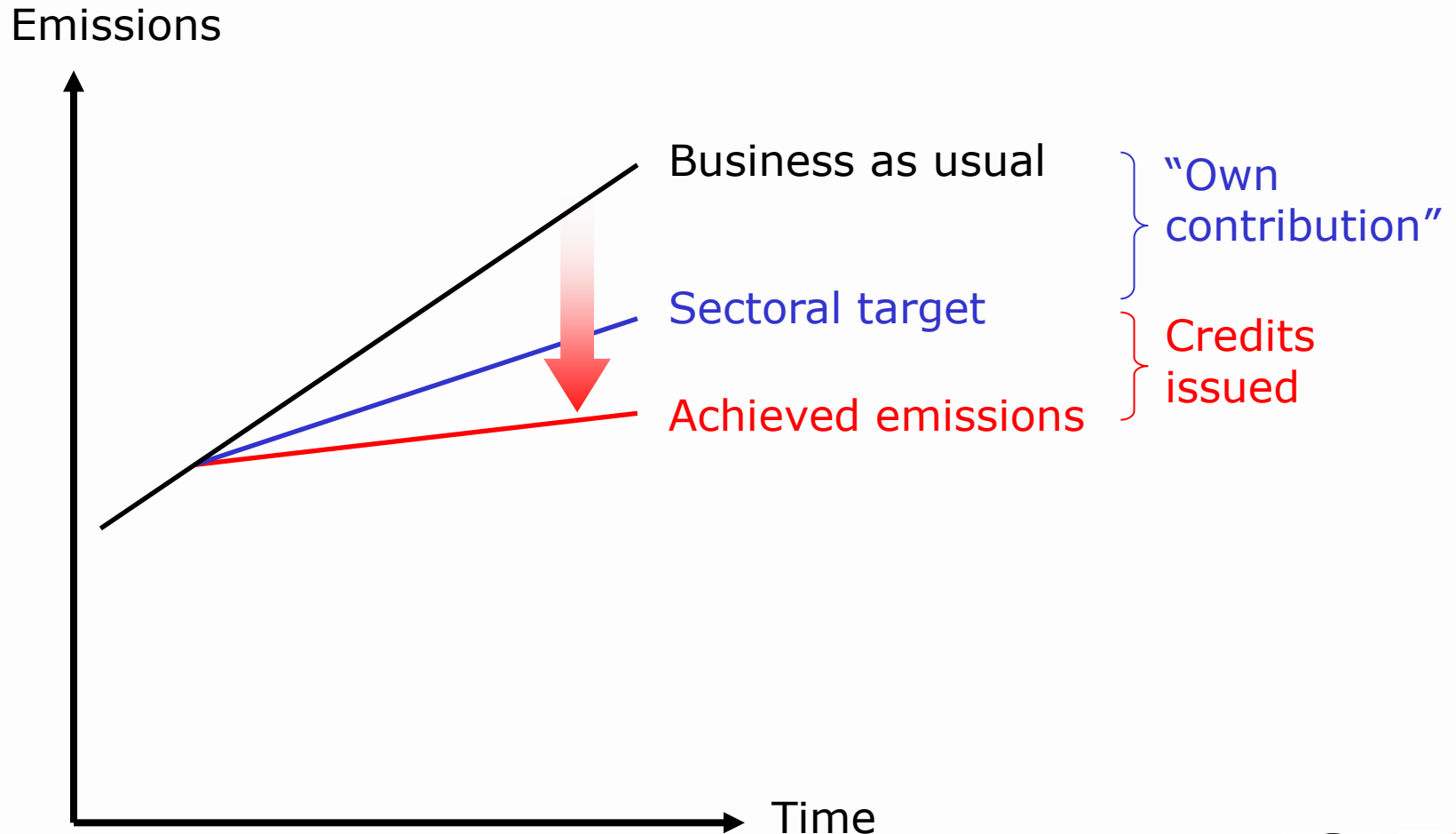
CMP rules (2008-2012)

- Positive/negative lists for additionality?
- Measures to enhance contribution to sustainable development?
- Measures to improve the regional distribution of CDM projects?

Nothing is yet agreed!



Sector-wide crediting?



Opportunity for Africa

At COP15, CMP will consider, among others, the following recommendations from the CDM-EB:

- Abolishment of payment of registration fee and SOP for LDCs and SIDS**
- Defer payment of registration fee and SOP until first issuance for other countries with fewer than 10 CDM projects**
- The development of a positive list of project types**
- Creation of a CDM project development fund**

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