

Carbon Market Investment and Financial Flows

**OECD/IEA Climate Change Expert Group
OECD Development Co-operation Directorate
Workshop on Tracking Climate Finance Flows
Paris, November 10, 2011**

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Investment in CDM Projects

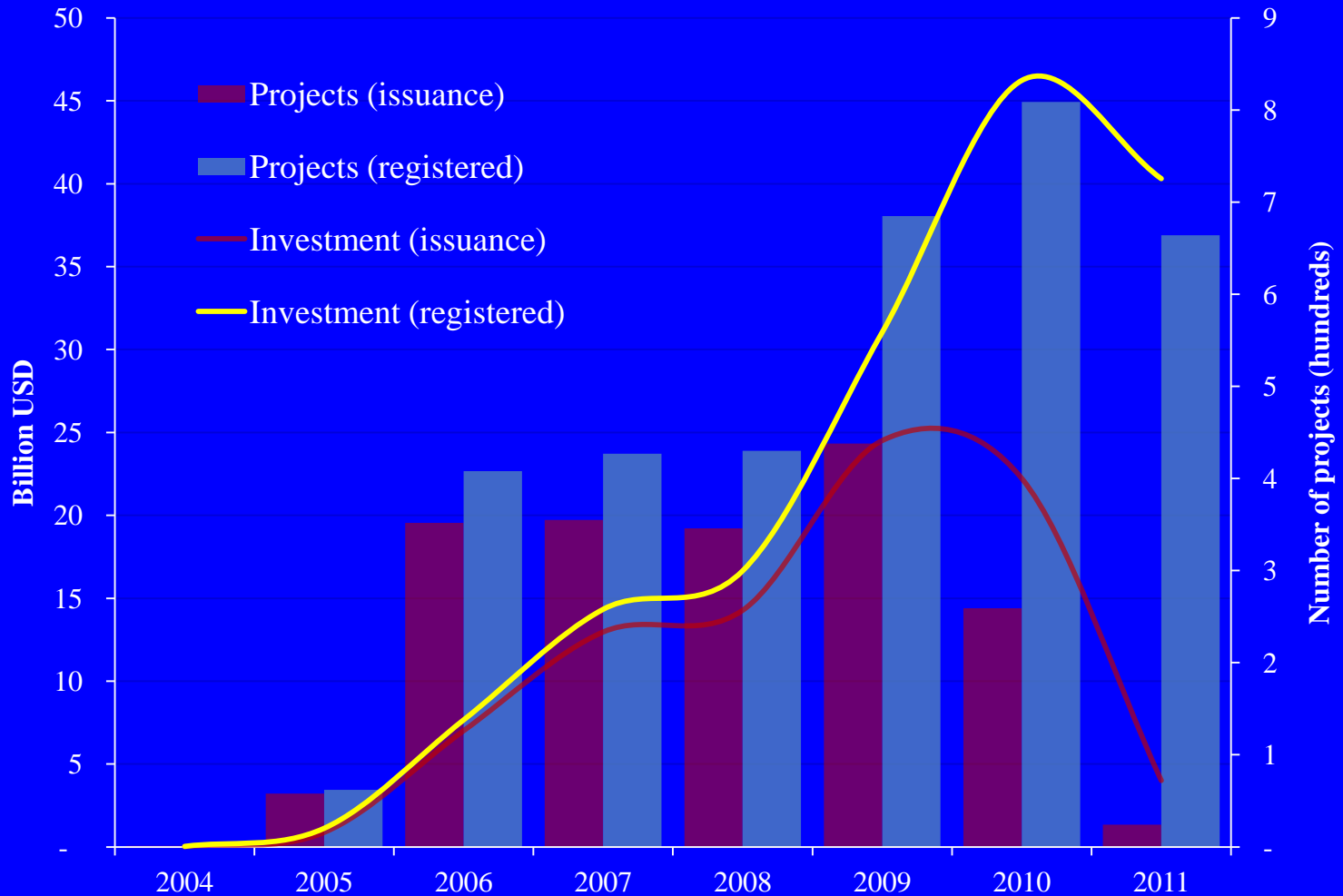
Capital expenditure (investment) data collected from 1407 registered projects covering all project types and host countries

Investment converted to USD, outliers checked

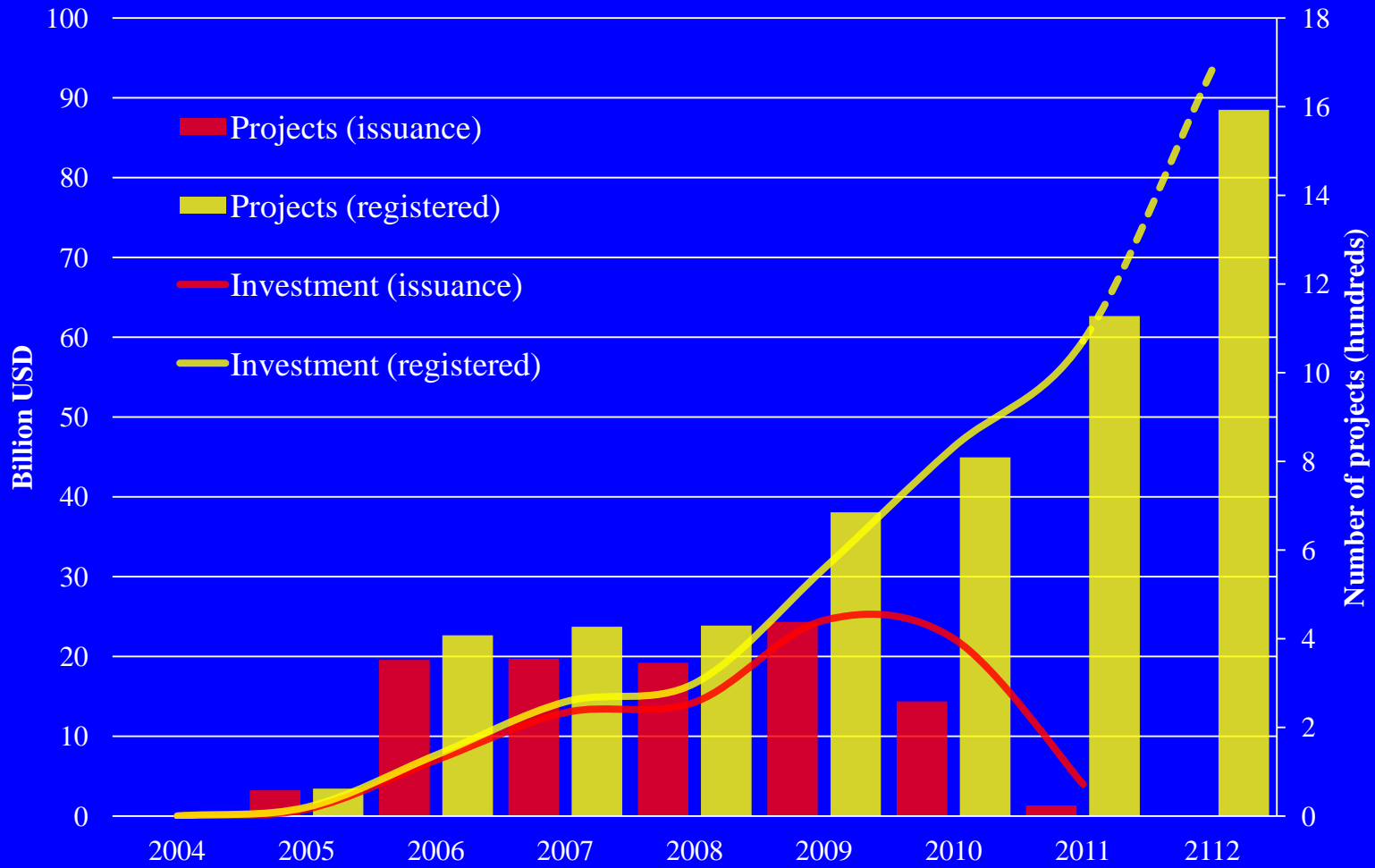
Total investment by Risø project type (sub-type for HFC and Solar) divided sum of expected annual CO₂ reductions to get weighted average Investment/CO₂ eq/year

Average is applied to other projects in Risø Oct. 2011 pipeline

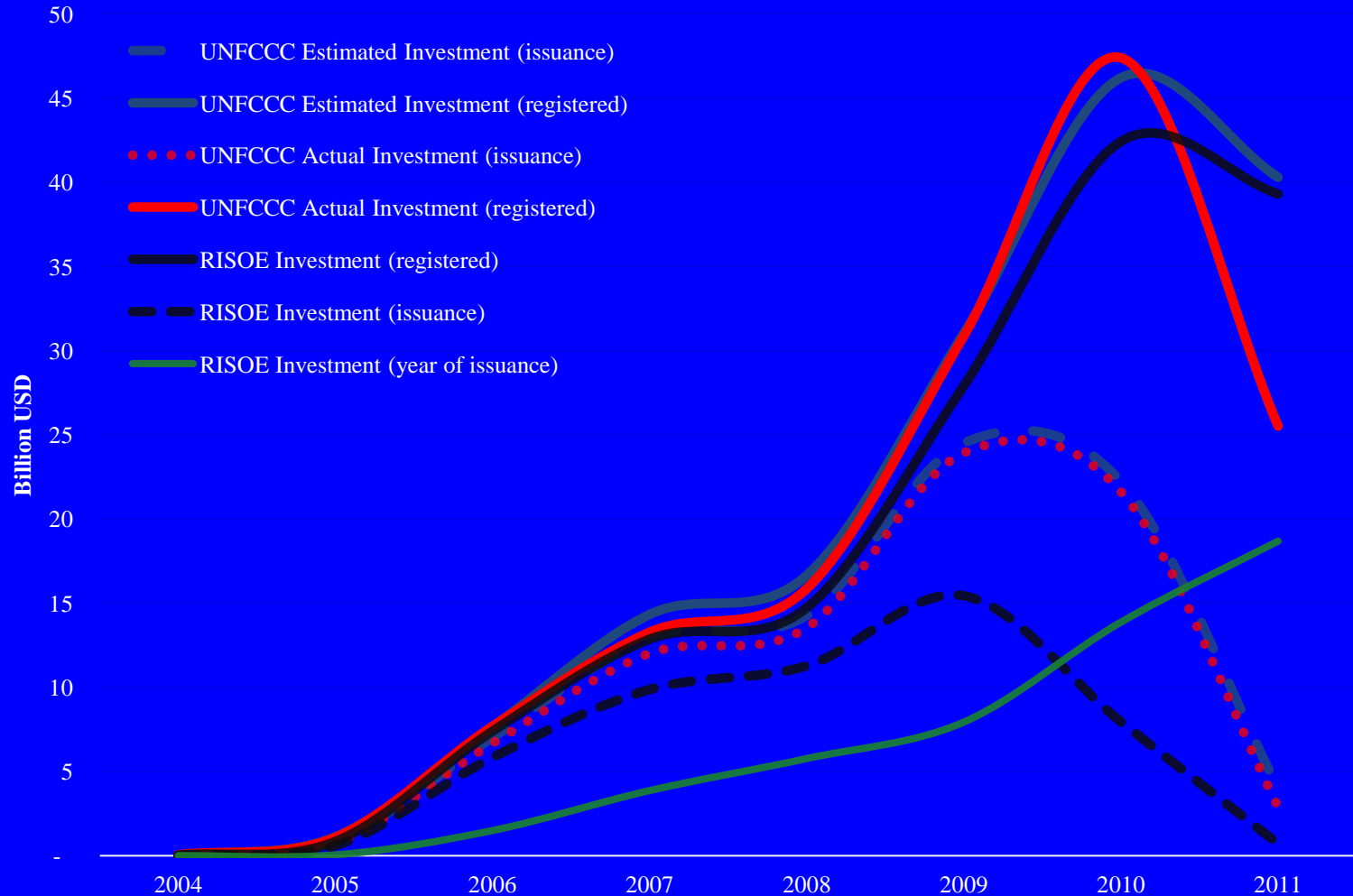
Investment in CDM Projects



Investment in CDM Projects



Other Investment Estimates



Foreign Investment

Unilateral (no foreign participant when project first posted) proxy for domestic investment. Percentage lower when weighted by emission reductions; larger projects have more foreign participation. Data being checked.

Secondary share of total CER market from State and Trends of the Carbon Market is another possible proxy.

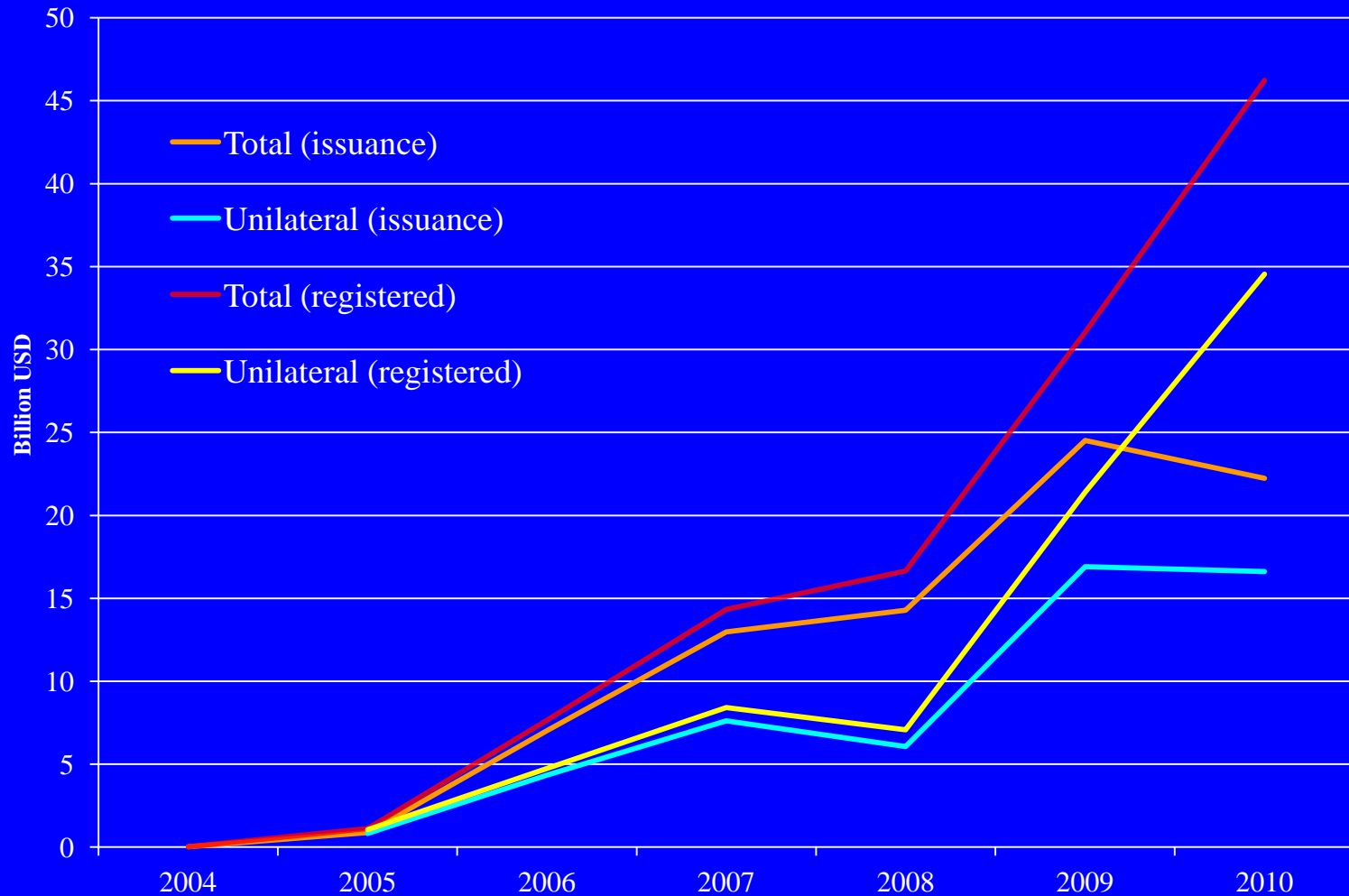
Landscape report estimates foreign investment at \$2 billion for 2010.

Unilateral Projects

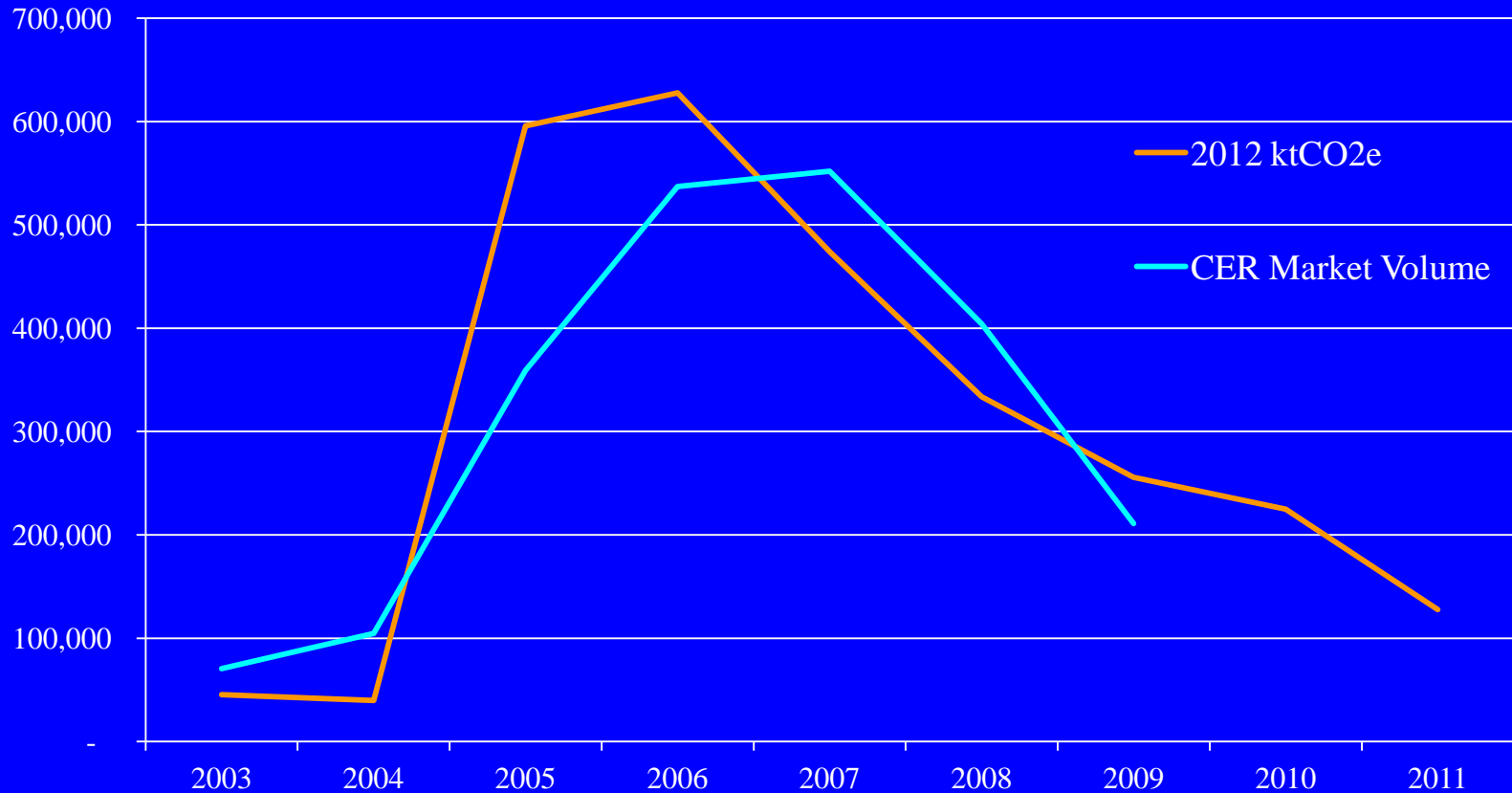
percentage of unilateral projects, by registration year



Total and Foreign Investment

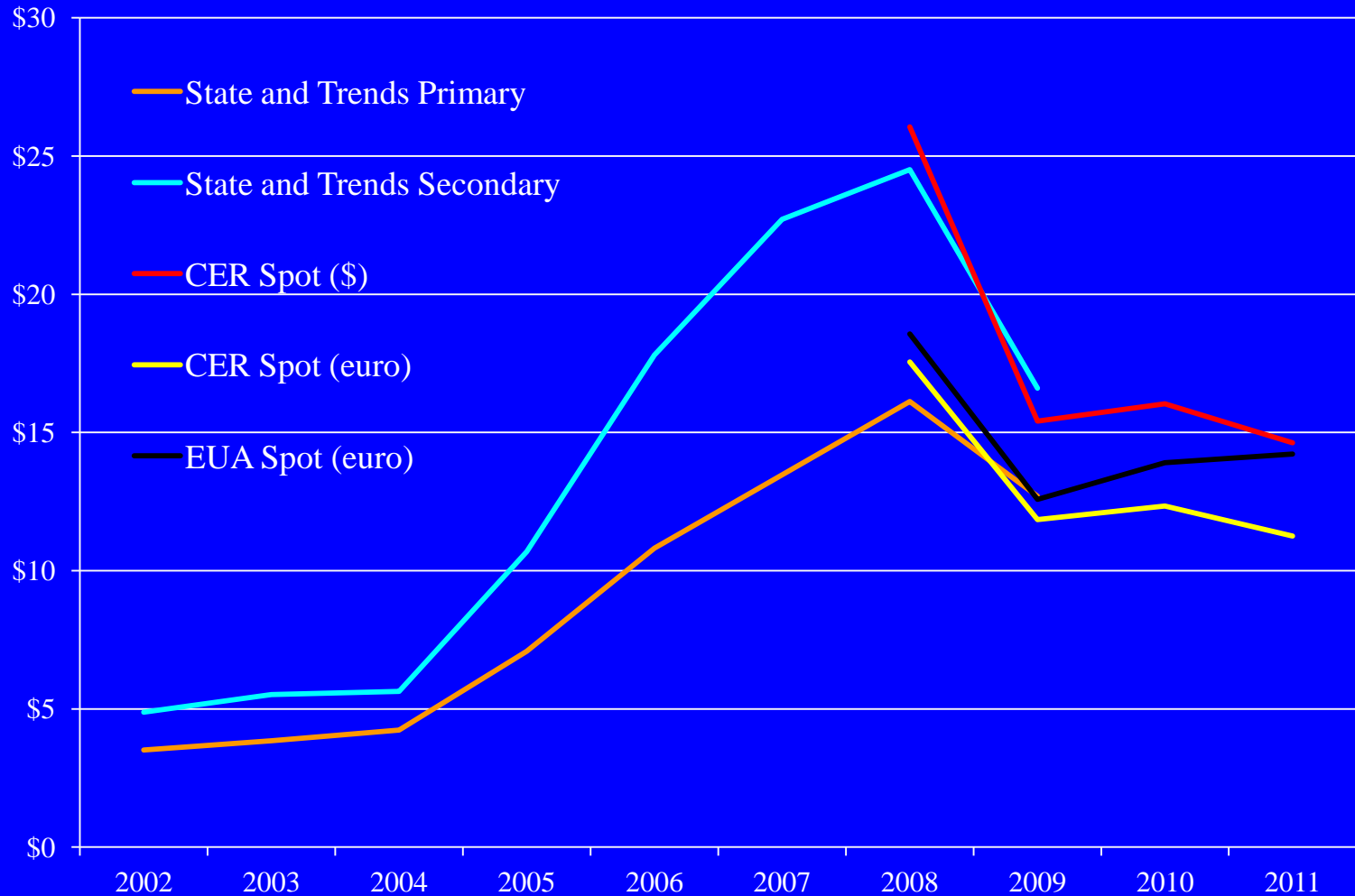


Primary Market



Primary market transacted virtually all expected reductions to 2012

CER and EUA Prices



Value of CERs



Total value of CERs issued \$8 to \$13 billion on investment of \$86 to \$157 billion

Summary

Two measures of financial flows; investment and revenue from sale of CERs. Don't have good data on either.

Can estimate total investment quite accurately, but timing is not precise. Some registered projects are not implemented, long lag between registration and issuance. No data yet to confirm PDD data on investment.

Most investment appears to be domestic.

Can estimate value of CERs issued, but this may differ from amount and timing of financial flows to project developers.

ALL DATA PRESENTED ARE PRELIMINARY

Thank you!

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