



Ideas for mobilising Private Finance through the CTC & N using the CTI PFAN Model

Accessing Private Capital via the CTC & N Ideas & Proposals from CTI PFAN & REEEP

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CTI & REEEP Side Event Doha, 30th November 2012

Why is Private Sector Finance Important?



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That's Where the Money Is!

❑ \$60 Trillion → Pension, Insurance & Mutual funds

❑ \$30 Trillion → Private Wealth

- Managed by Specialized Funds & Fund Managers

❑ \$4 Trillion → Sovereign Wealth Funds

❑ \$35 Trillion → Stock Market Capitalization

❑ \$211 Billion → Low Carbon Energy Investment

- 60%+ Project Financing
- \$13.5 Billion → Public Sector Lender-Investors
- \$5.5 Billion → Private Equity, VC et al

More Reasons for Private Sector Finance

- ❑ Scale of financing requirements to meet mitigation and adaptation targets.
- ❑ Scarce Availability of Public Sector Funding
- ❑ Need for Resource Optimisation
- ❑ Projects / Activities which are capable of attracting private sector financing should not be recipients of public funding
- ❑ Innovation & Efficiency

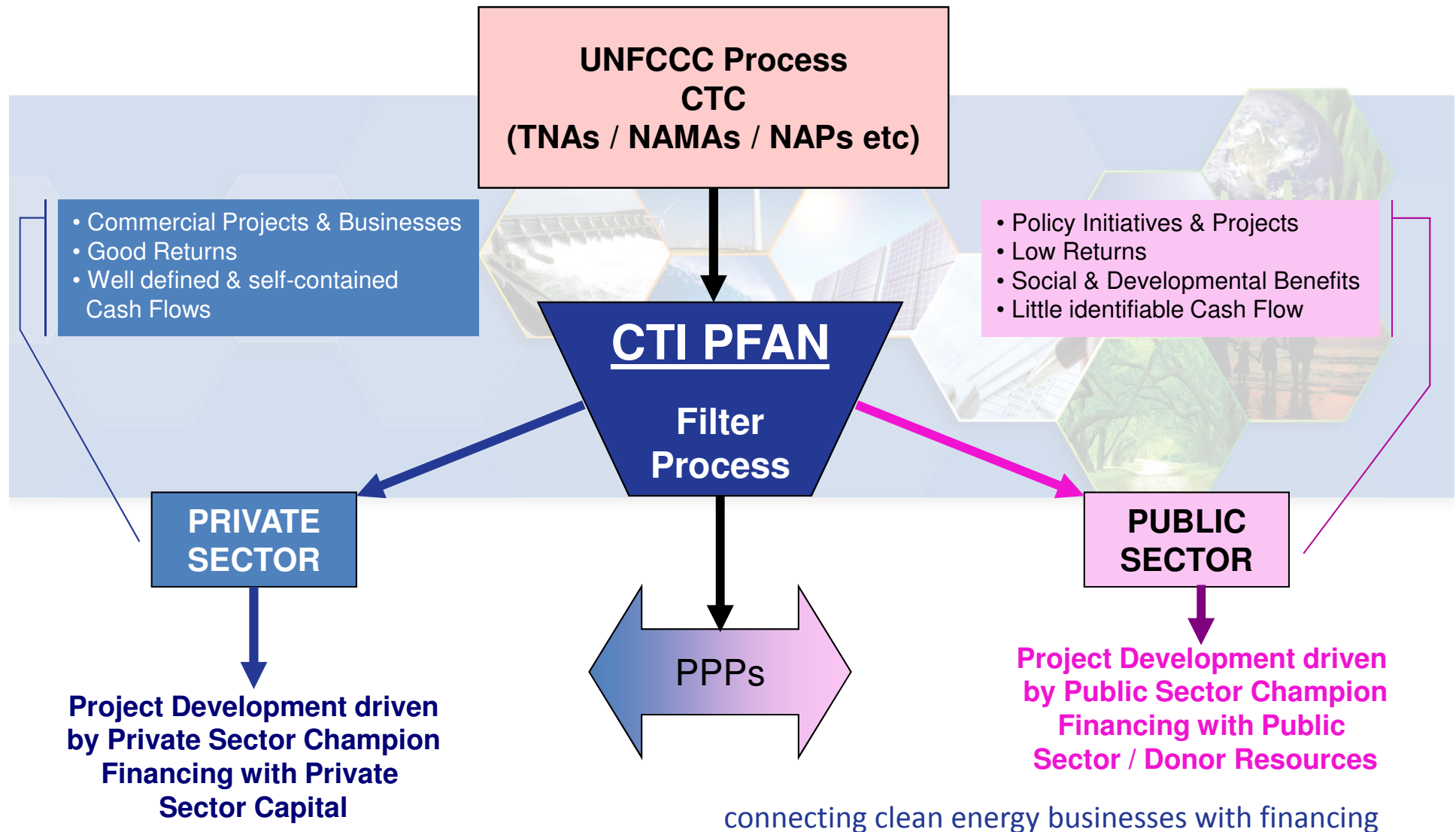
CTI PFAN offers a Link

- ❑ CTI PFAN is a tool for unlocking access to some of the available sources of private sector financing
 - CTI PFAN currently operates outside the Framework Convention but was born of UNFCCC process
 - Express objective is to support UNFCCC activities in innovative financing of technology transfer for mitigation and adaptation
- ❑ Once operational the CTC can be expected to encounter projects seeking investment for implementation on a recurring basis
- ❑ Opportunity to incorporate the CTI PFAN paradigm into the functions of and services offered by the CTC.
 - Logical to build on an existing and successfully functioning network
- ❑ Financing Review & Facilitation Facility
 - CTI PFAN Filter

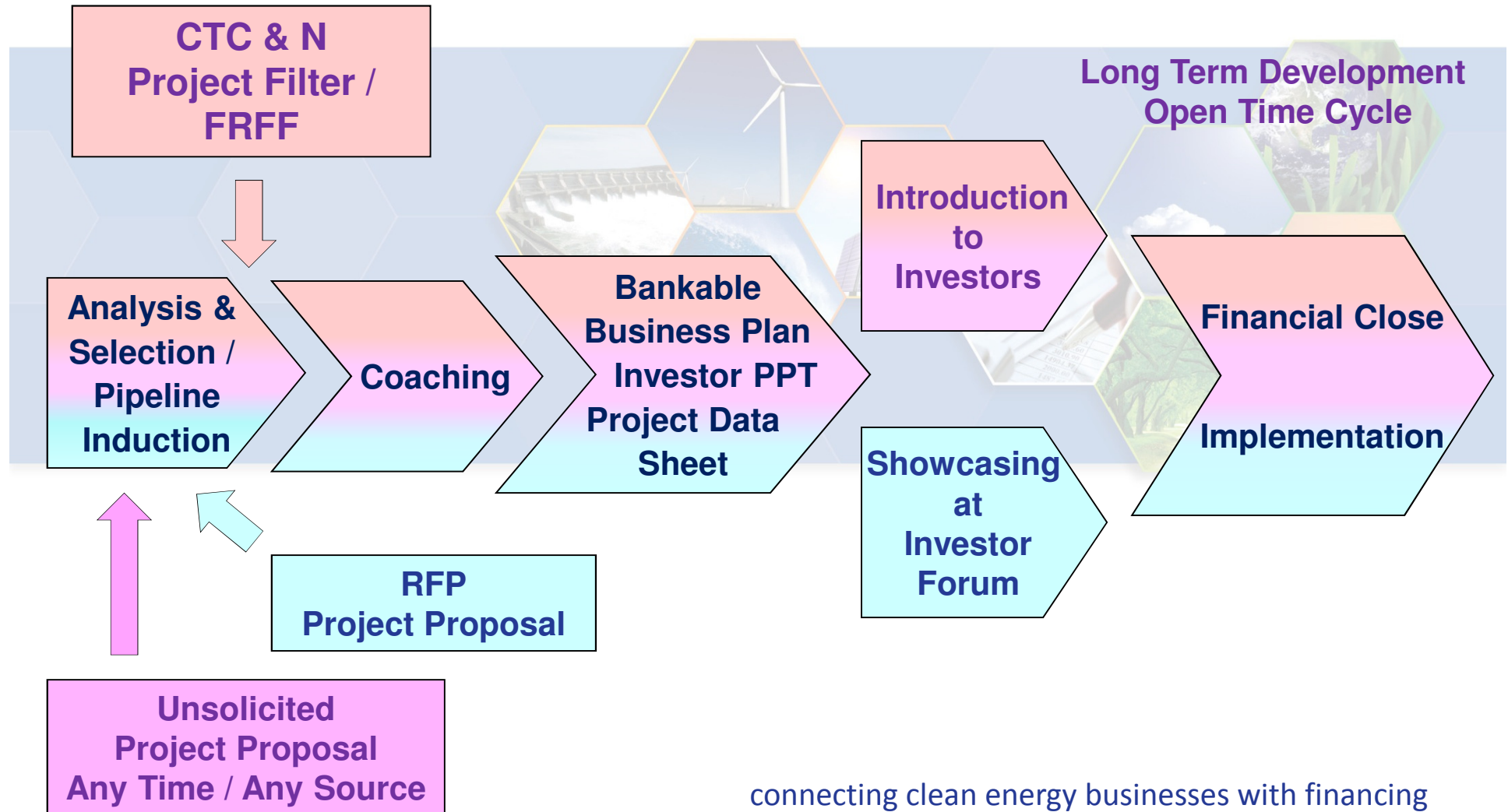
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CTI PFAN – Filter

Financing Review & Facilitation Facility



3rd Entry Point into CTI PFAN from CTC - FRFF



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Status & Next Steps

- ❑ Presentation to TEC in February 2012. Proposal to TEC in August
- ❑ Complementarity with Activities of CTC&N anticipated to be hosted by UNEP
 - Subject to Decisions of the COP
- ❑ Consideration is being given by CTI Countries and other Funders to help support CTI PFAN participation in CTC&N
 - Initial reaction is positive
- ❑ Need for formalisation of procedures with CTC&N (when established & operational / subject to approvals)
- ❑ Targeting Operational Start of during Q2 – Q3 of 2013
 - Subject to establishment of CTC & respective Approvals
 - Using existing CTI PFAN Infrastructure
 - Scale-Up of Infrastructure and Resource depending on On-going & Future Demand