

CTI PFAN

Exploring Options to Finance Projects to Implement Technologies for Adaptation


CTI Side Event at SB34, Bonn

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Financing Adaptation Related Projects



- ❑ The private sector's role in financing Adaptation is seen as essential to meeting the challenge.

- ❑ How do we engage and enhance the role of private capital resources?

Adaptation Stream

PFAN - Objectives

❑ In March 2011 CTI PFAN launched work on a new Adaptation related Activity

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- To explore options for Financing Projects to Implement Technologies for Adaptation
 - Adjust the successful PFAN methodology for Adaptation related Projects
 - To identify investors and financiers with an interest in and capability of financing Adaptation related Projects
 - To identify and typify the features of Adaptation related Projects which have the capability of raising private sector investment / financing
 - To start project development work on selected Adaptation related Projects with the aim of raising private sector financing to support their implementation

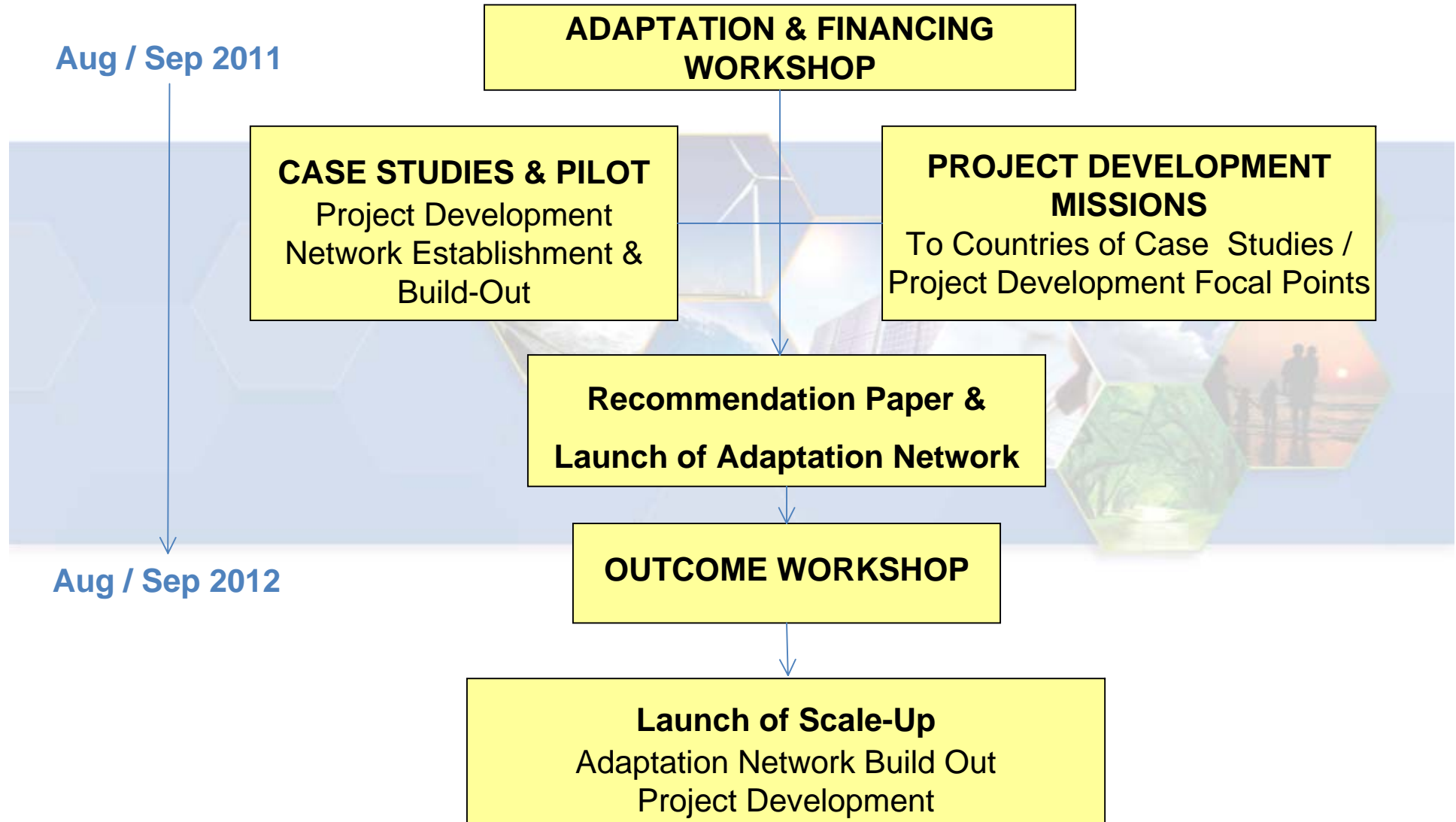
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Adaptation Needs

- 2007 UNFCCC assessment of investment and financial flows for climate change quantified financial flows needed for a range of adaptation needs in 2030:

Sector	Areas of adaptation considered in estimate	Billions USD in developing countries (2030)
Agriculture, forestry and fisheries	Production and processing, research and development, and extension activities	7
Water supply	Water supply infrastructure	8.8
Human health	Treating increased cases of diarrheal disease, malnutrition and malaria	5
Coastal zone	Beach nourishment and dykes	4.4
Infrastructure	New infrastructure	2 – 32.5

Work Flow



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Work Programme

- ❑ Development of Position Paper for Review - late June
 - Introduction & explanation of Adaptation to private sector
 - Identification of the Issues and Stakeholders
 - Initial Project Identification & Characterisation
- ❑ Workshop on Financing Adaptation related Projects - Aug / Sept '11
 - To convene the stake holders from public & private sectors
 - Investigation & discussion work on selected Case Study Projects
 - Formulation & Preparation of the Pilot Programme
- ❑ Pilot Programme - Oct 2011 onwards
 - Development & Financing work on selected Adaptation Projects
 - Driven by Private Sector Practitioners – consultants & investors
- ❑ Recommendation Paper / Outcome Workshop – Summer / Fall 2012
 - Review & dissemination of outcomes & lessons learned from Pilot
 - Design & Launch of a PFAN Scale-up Programme for Adaptation

Questions to be Addressed

- ☐ What are the technologies required for adaptation?
- ☐ Are the involved technologies commercially viable?
- ☐ Can the arising projects be structured / developed to become bankable / investable?
- ☐ What is the project development process for adaptation & how does it differ from development of mitigation projects?
- ☐ Who are the potential stakeholders involved in the process?
- ☐ Who are the most likely investors / financiers?
- ☐ What are the demands / expectations of the investors and financiers?
- ☐ How could the existing PFAN activity be refined / adapted to meet the respective requirements?

Cooperation with Other Activities

❑ Actively seeking Linkages & Cooperation with other Activities and Programmes

- UNFCCC Secretariat
- UNEP / UNDP
- NGOs active in Adaptation related areas
- Developing Country Parties
- In-Country Adaptation Activities (related to the Financing Area)

❑ Opportunities for Involvement

- Contributions to the Position Paper
- Submission of Project Proposals
- Participation in Workshop
- Review of Position Paper

Next Steps

- ❑ Circulation of the Position Paper for Review
- ❑ Project Identification for Case Studies at Workshop
- ❑ CTI PFAN would be pleased to hear from Parties who wish to
 - Propose Projects for Consideration,
 - Contribute to the Position Paper
 - Receive a Copy of the Position Paper
 - Participate in the Workshop
- ❑ Contact: Taiki Kuroda / Head of Secretariat: kuroda@icett.or.jp