



Latin American and Caribbean Regional Workshop on Carbon Finance

Location:	Santiago, Chile	Venue:	ECLAC
Date:	7 – 8 September 2015	Languages:	English and Spanish

1. The climate imperative

The international negotiations under the UNFCCC are at a few months away from a historical moment, with Parties determined to agree on a new global climate change agreement in December in Paris, at COP 21. The new agreement will define the global response to climate change in the post-2020 period, seeking to hold the increase in global average temperature below 2°C above pre-industrial levels.

Nevertheless, the challenge before 2020 still remains. Robust and effective action on mitigation will not only reflect the urgency of acting now to mitigate climate change, it will also strengthen confidence among Parties and build the foundation for even greater action after 2020.

Understanding the potential economic impacts of climate change in the Latin America and Caribbean (LAC) context is essential to explore and identify best mitigation actions and climate finance options for developing strategic national plans. It is also essential that these tools of support are attuned to the needs of LAC and the areas of greatest potential on the region to ensure a sustained, low-carbon and resilient development.

The workshop will therefore focus on the key opportunities for LAC countries to develop along a low-carbon, resilient pathway and the tools that are already available and can be put to use now. In addition the event will be an opportunity to explore different ways to access carbon finance from an institutional framework point of view. These tools include both traditional and new uses of the clean development mechanism (CDM) and climate finance tools to support countries in establishing a domestic carbon trading scheme, developing nationally appropriate mitigation actions (NAMAs), accessing technology transfer and achieving climate finance readiness.

The workshop will then hand over to the Latin America and Caribbean Forum, with an even longer term focus on how to utilize the opportunities for sustained development through new incentives and tools of support that can be integrated within the new climate agreement for the post-2020 period.

2. Objectives of the workshop

The workshop will contribute to the debate on how Latin America and Caribbean countries can actively steer now towards a low-carbon, resilient development pathway and will identify and explore the tools already available internationally for supporting these efforts.

To achieve this, the workshop will:

- Bring delegates up-to-date on the status of the climate change negotiations providing updates on the ADP process for enhanced actions to increase mitigation ambitions.
- Present an overview, share experiences and challenges in preparing INDCs in LAC.
- Explore the roles that CDM could play as a tool combined with other national and international instruments and national policies to facilitate climate action and low carbon development.
- Discuss the potential role of carbon pricing tools to incentivize mitigation actions.
- Understand the concept and options available regarding result based finance.
- Explore how to access the different sources of finance.
- Overview of available programs for supporting countries in their path to climate finance readiness.
- Facilitate a round table discussion on the future carbon market expectations in LAC from the Parties point of view.

3. Target participants

The workshop will bring together participants from CDM designated national authorities and other LAC government representatives, experts from multilateral and bilateral cooperation and research organizations, the private sector, and LAC and global financial institutions.

Day 1 - Monday, 07 September

08:30 - 09:00	Registration	
09:00 - 09:30	Opening Welcome remarks Welcome remarks Welcome remarks Introduction of the workshop	Plenary room: Mr. Jose Eduardo Sanhueza Flores, CEPAL Mr. Andrew Howard, UNFCCC secretariat Ms. Rosilena Lindo, DNA Co-chair Ms. Fatima-Zahra Taibi, UNFCCC secretariat

09:30 - 12:30 **Plenary 1** **Plenary room: Celso Furtado** **State of Play: CDM and Market Mechanisms**

A critical climate change conference will be held in Paris in December, aimed at reaching a global legally binding agreement or an outcome which will trigger mitigation actions post-2020. This session will provide an update on the international negotiation status, in particular the role of markets and CDM and opportunities offered by this mechanism to contribute to the post 2020 mitigation actions, while contributing to the closure of the pre-2020 gap.

Moderator:

09:30 - 09:45	Brief update of ADP process for enhanced actions to increase mitigation ambitions	Mr. Eduardo Calvo, Executive Board Member
09:45 - 10:00	State of play of the CDM	Ms. Fatima-Zahra Taibi, UNFCCC DNA Senegal
10:00 - 10:15	Experiences from the African countries negotiation strategy	DNA Senegal
10:15 - 10:30	Latin America and Caribbean negotiations position	Ms. Rosilena Lindo, DNA Panama
10:30 - 10:45	Potential of the CDM in closing the pre-2020 gap and enhancing the post 2020 ambition	Mr. Andrew Howard, UNFCCC
10:45 - 11:00	Discussion	

11:00 - 11:15 **Coffee break**

11:15 - 12:30 **Plenary 2** **Plenary room: Celso Furtado** **Understanding INDC: Challenges and Opportunities**

Intended Nationally Determined Contributions are post-2020 contributions that Parties will make towards achieving the objective of the Convention under the 2015 agreement. INDCs represent a bottom-up approach to addressing climate change in the context of national development priorities, circumstances and capabilities. Parties are expected to submit their INDCs well in advance of the Paris Conference. This session will provide Parties with the opportunity to share their experiences and approaches in preparing their contributions and identify solutions to challenges being encountered.

Moderator:

11:15 - 11:30	Setting the scene on INDCs: overview, experiences and challenges in preparing INDCs	Mr. Marco Christian Schletz, UNEP DTU
11:30 - 11:45	Recent country progress on INDC submissions: Latin America and Caribbean	Mr. Rafael da Soler, DNA Brazil
11:45 - 12:00	How can post-2020 ambition be incentivized through INDCs and how markets can play a role in the context of LAC	Mr. Philipp Hauser, Project Developer Forum
12:00 - 12:30	Discussion	

12:30 - 14:00 **Lunch Break & DSA disbursement**

14:00 - 15:30 **Plenary 3** **Plenary room: Celso Furtado** **Policy Instruments for Mitigation Actions**

This session will highlight the current developments and prospects that can be used to scale up different mitigation actions such as domestic markets and tax incentives, including the use of CDM as a complementary instrument to national climate-

related policies of host countries in LAC and implementations on the ground.

Moderator:

14:00 – 14:10	Current domestic mitigation incentives implemented and under development using CDM and carbon taxes	Ms. Marissa Santikarn, ICAP
14:10 – 14:20	Design, implementation and operation of Santiago Climate Exchange	Mr. Carlos Berner, SCX, Bolsa de Clima de Santiago
14:20 – 14:30	How the Emissions Trading Scheme in Mexico will operate	Ms. Yuriana González Ulloa, GIZ Mexico
14:30 – 14:40	Discussion	
14:40 – 14:50	NAMAs and INDC: Building on the CDM Experience	Mr. Vladislav Arnaoudov, Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
14:50 – 15:00	Carbon tax and its interaction with ETS	Mr. Eduardo Piquero, Mexico2
15:00 – 15:10	Pros and cons of carbon pricing: tax vs. market mechanisms	Ms. Fatima-Zahra Taibi, UNFCCC
15:10 – 15:20	Linking market mechanisms and climate finance	Mr. Eduardo Calvo, Executive Board Member
15:20 – 15:30	Discussion	

15:30 – 15:45 **Coffee break**

15:45 - 17:00 **Plenary 4** **Result Based Finance** **Plenary room: Celso Furtado**

Result-based finance is one of the first options in the horizon that can easily achieve short-term climate impact. Over the last decade, the CDM has delivered mitigation outcomes beyond expectations and leveraged a huge amount of private sector investment, built capacity and know how. This session will engage experts to discuss and share experience on the use of the CDM as an RBF instrument and enabling measures that would facilitate this use.

Moderator:

15:45 – 16:00	Trends of result based finance: How it can support in achieving short term climate impact	Mr. Carsten Warnecke, NewClimate Institute
16:00 – 16:15	Carbon-linked performance payments and the Carbon Initiative for Development (Ci-DEV).	Ms. Claudia Barrera, World Bank
16:15 – 16:30	The Green Bonds Initiative: mobilizing the bond market for climate change solutions	Mr. Daniel Rossetto, Climate Bonds Initiative
	How mitigating actions can be measured and compared through the use of CDM	Mr. Andrew Howard, UNFCCC
16:30 – 17:00	Discussion	

Day 2 - Tuesday, 08 September

09:00 - 10:45 **Plenary 5** **International Mitigation Funds and Support** **Plenary room: Celso Furtado**

Parties have expressed the need to move forward from the identification of opportunities to the implementation of actions with regards to unlocking mitigation potential. This session will show a variety of financing streams and funds that can assist countries in prompting high potential mitigation actions domestically and the funds available in the region. In addition, participants will explore how individuals, government and businesses can take offsetting actions, learn about the achievements of the climate neutral now initiative through the UNFCCC Voluntary Cancellation Tool.

Moderator:

09:00 – 09:15	Key actors in climate finance in Latin America and Caribbean	Ms. Karla Solis-Garcia, UNFCCC RCC Bogota / CAF
09:30 - 09:45	Green Climate Fund - Overview of finance opportunities to unlock mitigation actions	Mr. Camilo Rojas, CAF
09:45 – 10:00	Norwegian Carbon Credit Procurement Program	Mr. Sigurd Klakeg, Ministry of Climate and Environment, Norway
10:00 – 10:15	Introduction to the Voluntary Cancellation Tool	Ms. Fatima-Zahra Taibi, UNFCCC
10:15 – 10:45	Discussion	

10:45 – 11:00 Coffee break

11:00 – 12:30 Plenary 6 Climate Finance Readiness Plenary room: Celso Furtado

Under the UNFCCC and elsewhere, funds and financial opportunities related to climate change are bursting. Developing countries should therefore strengthen capacities associated with climate finance readiness especially at the institutional level to attract and increase flows. Planning and improving management of adaptation and mitigation financing from both the public and private sectors is essential at this stage to guarantee the funding flow. This session provides unique opportunity for participants to explore the programs available for supporting countries in their path to climate finance readiness.

Moderator:

11:00 - 11:20	Institutional requirements overview (GCF, CIF, GEF)	Mr. Marco Christian Schletz, UNEP DTU
11:20 - 11:40	Building readiness for climate finance – experiences from support in GCF accreditation processes	Ms. Andrea Staudhammer, GIZ
11:40 - 11:50	How the CDM infrastructure can support the GCF implementation and quick start: overview of potential funding models	Mr. Andrew Howard, UNFCCC
11:50 – 12:30	Discussion	

12:30 – 14:00 Lunch Break & DSA disbursement

14:00 - 15:45 Break-out discussion: Future Carbon Market Expectations Plenary room: Celso Furtado

The objective of the session will be to discuss how CDM and market mechanisms can contribute to future climate regime with particular focus to Latin America and Caribbean. This is an interactive session where the participants are divided in 6 groups. Each group will be tasked to discuss topics mentioned below under the guidance of a group facilitator. At the end of such discussions, the session moderator will lead a joint session wherein assigned group facilitators will report back views and suggestions on the discussed topic from their respective groups. This exercise is expected to bring out some key messages which can be taken up by the involved stakeholders.

Proposed topics for breakout group discussions:

Topic 1: How can CDM and other tools leverage private sector finance and make contributions to reducing pre -2020 gap?

Topic 2: How can CDM and other tools leverage private sector finance and make contributions to raise ambition further during post-2020?

Topic 3: How to recognize transferred mitigation outcomes towards country contributions for post-2020?

Time	Room: Celso Furtado	Room: Celso Furtad	Room: Celso Furtad	Room: Aula 2	Room: Aula 2	Room: Aula 2
Topic 1 14:15 - 14:45	Group 1 Facilitator 1: Alexandre Paris	Group 2 Facilitator 2: Fabiana Rodrigues	Group 3 Facilitator 3: Karla Solis	Group 4 Facilitator 4: Eduardo Cardoso	Group 5 Facilitator 5: Fatima-Zahra Taibi	Group 6 Facilitator 6: Vintura Silva

Topic 2 14:45- 15:15	Group 1 Facilitator 2: Fabiana Rodrigues	Group 2 Facilitator 3: Karla Solis	Group 3 Facilitator 1: Alexandre Paris	Group 4 Facilitator 5: Fatima-Zahra Taibi	Group 5 Facilitator 6: Vintura Silva	Group 6 Facilitator 4: Eduardo Cardoso
Topic 3 15:15- 15:45	Group 1 Facilitator 3: Karla Solis	Group 2 Facilitator 1: Alexandre Paris	Group 3 Facilitator 2: Fabiana Rodrigues	Group 4 Facilitator 6: Vintura Silva	Group 5 Facilitator 4: Eduardo Cardoso	Group 6 Facilitator 5: Fatima-Zahra Taibi

* Summary of discussions in the breakout sessions will be presented by assigned facilitators in the last session.

15:45 – 16:00 **Coffee break**

16:00 - 16:30 **Break-out Reporting:
Outcome of Breakout groups** **Plenary room: Celso Furtado**

This session will bring together assigned group facilitators to report back the views and suggestions on the discussed topics during the Breakout Session.

Topic 1	Facilitator
Topic 2	Facilitator
Topic 3	Facilitator

16:30 - 17:45 **Round Table:
Way Forward and road to Paris** **Plenary room: Celso Furtado**

Many countries have submitted INDCs and UNFCCC Secretariat would be aggregating all the submitted INDCs in the form of synthesis report prior to Paris conference. The submitted INDCs would provide views of parties on how they plan to take actions to contain climate change post-2020. Efforts are being made to unlock pre-2020 ambition and to take early action as per ADP work stream 2, including the technical examination process, to contain the pre-2020 gap. Building upon the breakout session, this panel discussion would focus on how to utilize the potential of CDM and capitalize on existing tools, including CDM, and experience to tackle more effectively and rapidly the challenges of addressing climate change mitigation as we move towards new climate regime.

Moderator: Fernando Farías Ellies, DNA Chile

16:30 – 16:40	Views of UNFCCC Secretariat	Mr. John Kilani, UNFCCC
16:40 - 16:50	Views of Private Financing Institutions	Mr. Daniel Rossetto, Climate Mundial Ltd.
16:50 - 17:00	Views of Private Sector	TBC
17:00 - 17:10	Views of DNAs	TBC
17:10 - 17:20	Views from the World Bank	Mr. Pablo Benitez, World Bank

17:20 – 17:45 Discussion

17:45 - 18:00 **Closing** **Plenary room: Celso Furtado**

Closing message	Mr. Jose Eduardo Sanhueza Flores, CEPAL
Closing message and LACCF Announcement	Mr. John Kilani, UNFCCC secretariat