



CLIMATE
POLICY
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VENICE



Workshop on

The State of International Climate Finance: Is It Adequate and Is It Productive?

Venice, Thursday 14 October 2010
Island of San Giorgio Maggiore, Venice

A joint workshop organized by the **Climate Policy Initiative**
and the **International Center for Climate Governance**
in collaboration with the **Euro-Mediterranean Centre for Climate Change**.

Climate Policy Initiative (CPI – www.climatepolicyinitiative.org) and the International Center for Climate Governance (ICCG – www.iccgov.org), in collaboration with the Euro-Mediterranean Centre for Climate Change (CMCC – www.cmcc.it), jointly organize a workshop on *The State of International Climate Finance: Is It Adequate and Is It Productive?*, to be held on the Island of San Giorgio Maggiore, Venice on Thursday 14 October 2010.

The success of international climate policy crucially depends on how much and what type of finance is going to be made available to support efforts that bring the world towards a low-carbon future. Research and work related to various aspects of climate finance are ongoing in many places, and there is the need to reinforce knowledge exchange between experts to enhance the speed with which climate finance can be successful for the transition to a low-carbon growth future.

This workshop aims to fill this gap. Its objective is to bring together policymakers and experts from research organizations and finance institutions who are active along the spectrum of public and private finance issues giving precedence to open discussion.

After a review of the global state of play in climate finance, the workshop will focus on three main issues: (i) defining methods to calculate finance flows, (ii) ways to evaluate the performance and effectiveness of cross-national finance flows, and (iii) weaknesses and strengths of risk-sharing mechanisms. Panelists will discuss how experiences of funding and investment practices might raise analogue methodological and performance questions in the context of international climate finance. Based on these discussions, the concluding panel will highlight what is needed to render climate finance effective, identifying a strategy that paves the way for a transition to a low-carbon growth future.

This workshop will provide a platform for actors from both the public and private sector to initiate a concrete dialogue on climate finance, both with and within the finance community.



Thursday, 14 October 2010

8:30 – 9:00 *Registration and light breakfast*

9:00 - 9:10 **Welcome**

- **Thomas Heller**, Executive Director, Climate Policy Initiative
- **Carlo Carraro**, Chairman, Scientific Advisory Board of Fondazione Eni Enrico Mattei and President, University of Venice

9:10 - 10:00 **Introductory Panel: The landscape of climate finance – who is doing what?**

This session reviews ongoing efforts and activities related to climate finance, to scope out existing databases and initiatives in the climate finance spectrum and to categorize and evaluate these efforts. Following a summary presentation, panelists – in close interaction with the audience – will discuss the merits and gaps of existing finance databases, exploring their content, and whether they track finance flows from the source to the uses by the recipients through the various channels and disbursement mechanisms.

Chair: **John Parsons**, Executive Director, MIT Joint Program on the Science and Policy of Global Change

- **Barbara Buchner**, Director Venice office, Climate Policy Initiative
- **Marcel Brinkman**, Associate Principle, McKinsey & Company

Commentators

- **Paul Bodnar**, Foreign Affairs Officer, U.S. Department of State
- **Jessica Brown**, Research Officer, Overseas Development Institute
- **Peter Wehrheim**, Head of Unit, Climate Change Finance and Deforestation, European Commission

10:00 - 11:30 Panel 2: How to define and calculate finance flows?

Using experiences from prominent finance databases, this session focuses on methods to calculate finance flows. Panelists will spend time thinking about conventions through which the different finance flows have to be defined, discussing what counts in the different finance categories relevant for international climate finance. After a presentation which outlines the thinking of the High-level Advisory Group on Finance on this issue, representatives of the leading agencies managing finance databases will share their experiences.

Chair: **Carlo Carraro**, Chairman, Scientific Advisory Board of Fondazione Eni Enrico Mattei and President, University of Venice

- **Mattia Romani**, Senior Visiting Fellow at the London School of Economics and Senior Advisor to McKinsey & Company
- **Jan Corfee-Morlot**, Senior Policy Analyst, Environment Directorate, OECD and **Julia Benn**, Manager, Development Co-operation Directorate, OECD
- **Ari Huhtala**, Senior Environmental Specialist, World Bank
- **John-O Niles**, Director, Tropical Forest Group

11:30 - 12:00 Coffee Break

12:00 - 13:30 Panel 3: How to evaluate the effectiveness of finance flows?

This panel uses cases of development aid and climate finance to highlight issues that arise in the context of evaluating the effectiveness of finance flows. Panelists will discuss whether existing investments are making the most out of the financial resources, or whether other types of investment practices could deliver a higher productivity of financial resources. Lessons will be drawn from both success stories and failures.

Chair: **Athena Ronquillo-Ballesteros**, Senior Associate, World Resources Institute

- **Kenneth Chomitz**, Senior Advisor, Independent Evaluation Group, World Bank
- **Josué Tanaka**, Corporate Director Energy Efficiency and Climate Change, EBRD
- **Niklas Höhne**, Director Energy and Climate Policy, Ecofys Germany
- **Martin Stadelmann**, Researcher, University of Zurich

13:30 -14:30 Lunch

14:30 - 16:00 Panel 4: How to reduce the risk of investing into climate finance?

To unlock finance for the transition towards a low-carbon future the risks for investors need to be reduced compared to the past. This session focuses on this issue, discussing mechanisms available for public-private risk sharing. Panelists will discuss how to deal with the different existing risks, ranging from technology risk, familiarity risks, risks related to international technology transfers to regulatory risks. They will also explore how risk-sharing practices could help public finance to better catalyze private finance.

Chair: **Chris Canavan**, Director of Global Policy Management, Soros Fund Management LLC

Opening remarks from **George Soros**, Chair of Soros Fund Management LLC and Founder of the Open Society Foundations

- **Caio Koch-Weser**, Vice Chairman, Deutsche Bank Group
- **George Polk**, CEO, Catalyst Project
- **Abyd Karmali**, Global Head of Carbon Markets, Bank of America Merrill Lynch
- **Emmanuel Fages**, Head of Market Research and Policy, orbeo

16:00 - 16:30 Coffee Break

16:30 - 18.00 Concluding Panel: What is needed to make climate finance successful?

This concluding panel brings experts from the policy and finance communities together to explore a strategy in order to go forward. Based on the previous sessions and current debates on the role of finance in tackling climate change, panelists will highlight the key issues that require attention to render climate finance effective. Aspects related to the need for appropriate data collection together with the analysis of the effectiveness of current finance flows will be addressed. This discussion will provide essential insights on how to advance the agenda on climate finance, taking into consideration ongoing activities.

Chair: **Thomas Heller**, Executive Director, Climate Policy Initiative

- **Bharrat Jagdeo**, President of the Republic of Guyana
- **Leif K. Ervik**, Director General, Ministry of Finance, Norway
- **Jochen Harnisch**, Climate Change Policy Coordinator, KfW Development Bank
- **Graham Stegmann**, Special Advisor to the President, African Development Bank

Closing of the workshop by Thomas Heller, Executive Director, Climate Policy Initiative

20:30 - Social Dinner