

Agenda

- The Future role of the CDM/CDM Capacity Fund
- UNFCCC flexible mechanisms: status and challenges
- Design of the Framework for Various Approaches (FVA) and New Market Mechanism (NMM)

CDM Capacity Fund

- Establish a new fund to tackle the major supply/demand imbalance in the CDM
- Supported by High Level Panel on CDM Policy Dialogue
 - a fund for existing projects; would need to be of a size around €2.5-3 billion before it could have impact
 - a fund for new projects; ample supply to meet a demand created by a fund focused on credit purchase from new project
 - » Source: Vivid Economics Study on CDM Capacity Fund (June, 2013)

CDM can be a bridge to the establishment of a more developed carbon market towards 2020

Definitions

- **The FVA**=Framework for Various Approaches
...the carrier for different markets/non markets
- **The NMM**=New Market Mechanism
....governs the exchange of units

Questions

- CDM Capacity Fund: How would it work in practice?
- What would international emissions trading look like after 5-10 years without the CDM/JI?
- What role will the FVA/NMM realistically have after the Paris 2015 talks are finalized?