



# ***JII/CDM Project Presentation and Investors' Forum***

**8th Climate Technology Initiative  
Capacity Building Seminar  
14-16 October 2007, Leipzig**

**Elmer Holt, US Department of Energy and  
Chair, CTI Executive Committee**

# Brief History of CTI

- In 1995, the Climate Technology Initiative established at the First Conference of the Parties to the UN Framework Convention on Climate Change by a group of OECD countries and the European Commission as a voluntary activity to contribute to developed countries' commitments under Article 4.5 of the Convention by **fostering international cooperation to promote the more rapid development and diffusion of climate-friendly and environmentally sound technologies and practices.**
- Reformed as an Implementing Agreement under the International Energy Agency in July 2003.

# What does Art. 4.5 say?

- Spells out obligations of “developed country Parties”
- “...promote, facilitate and finance, as appropriate, the transfer of, or access to, environmentally sound technologies and know-how to other Parties, particularly developing country Parties, to enable them to implement the provisions of the Convention.



# **CTI Supports the UNFCCC through a Multilateral Approach**

By allowing OECD Member countries and OECD non-Member countries to work together to foster international cooperation for the accelerated development and diffusion of climate-friendly and environmentally sound technologies and practices

# Who are the CTI Countries?

- *Austria*
- *Finland*
- *Japan – Vice Chair*
- *Republic of Korea*
- *United States – Chair*
- *Canada*
- *Germany– Vice Chair*
- *Norway*
- *United Kingdom*

*Supported by a highly motivated Programme Secretariat under the direction of an experienced Programme Manager*



# Since being formed, CTI has-

- undertaken a broad range of cooperative activities in partnership with developing and countries with economies in transition, including other international bodies;
- advanced the cause of technology transfer under the Framework Convention through a variety of technology enhancing and capacity building activities.

(Annual Reports and CD-ROM provide details)




# Besides governments, CTI works closely with:

- IEA and UNFCCC Secretariats
- the Expert Group on Technology Transfer(EGTT)/UNFCCC
- **Business and Financial Sectors**
- relevant IEA Implementing Agreements
- other international organizations or initiatives (WB, UNDP, UNEP, UNIDO, etc.)
- Academia and Research Communities

# Recurring discussions/findings:

- Importance of partnership (e.g., public/private, etc.)
- Essential role of private sector (internal & external)
- Presence of the necessary enabling environment that promotes sustained participation by the business and financial communities -
  - Clear and transparent rules & procedures
  - Well functioning institutional settings
  - Effective IPR protection
- **Need for Targeted Capacity Building**
- **Absence of sufficient public monies to make a meaningful impact of technology needs of developing countries & countries with economies in transition**





# Related to financing, these messages include that in many cases:

- There is not a shortage of financing .
- There is not a shortage of good projects.
- But, there is a shortage of good financing proposals meeting the standards of the international finance community.



# CTI and private international finance community responded...

- **Perceived** the need for private financing to overcome absence of public funds not as a barrier, but as an opportunity.
- **Recognized** that through technical assistance and coaching, project developers could prepare financing proposals of the necessary quality to secure private financing.
- **Established** Private Financing Advisory Network (PFAN) in early 2006 to provide such assistance




# What is the PFAN Network?

- An informal assemblage of private sector companies all interested in financing and financing services to climate-friendly projects in developing countries & countries with economies in transition.
- Comprised of practicing finance professionals experienced with project development and financing in developing countries and emerging markets.

# What services are available through PFAN?

- Contract brokering and introductions to financing sources
- Provide money/financing directly through PFAN network
- Advice and Guidance on-
  - Overall project and commercial structure
  - Financing Structure
  - Sourcing and procurement financing
  - Technical and engineering aspects

(PFAN fact sheets provides contact information)



Thank you  
and best wishes for  
successful meeting

For more information go to  
[www. climatetech.net](http://www.climatetech.net)