



Network of Regional Governments
for **Sustainable Development**



Financing Climate Action Working Group of nrg4SD

Minutes of the meeting of 17 May 2011

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| <p>European regions</p> <p>Aquitaine (FR) Basque Country (ES) Brittany (FR– Coordinator) Flanders (BE)</p> <p>nrg4SD Secretariat Maruxa Cardama, Andrea Bonfiglioli, Lucy Mathieson</p> | <p>PACA (FR) Rhône-Alpes (FR) Wales (UK) Wallonia (BE)</p> <p>Non-European region Québec (CA)</p> | <p>Apologies</p> <p>Buenos Aires (AR) Catalonia (ES) Mbale (UG) São Paulo (BR)</p> | <p>Next meeting 07.06.2011 Königshoff Hotel Adenauerallee 9 Bonn, Germany 14:00-16:00 (time tbc)</p> |
| <p>The objective of this meeting was to start creating technical capacity in group members on the international state of play of carbon finance tools, thanks to the newly-established collaboration between CdC Climat and nrg4SD. All the documents concerning this meeting and the activities of the Financing Climate Action Working Group (FCA WG) are available on the dedicated page of nrg4SD website.</p> <p>1 – São Paulo new member of the Working Group. Update on nrg4SD-EIB collaboration Mr Renaud Layadi, the working group coordinator, informed the participants that the State of São Paulo (Brazil) has joined the working group. São Paulo is the second South American member region of the WG and is willing to become the supporting region from the South. In the past weeks discussions have taken place with the EIB. The EIB welcomes the establishment of this working group with regional membership and would like to be informed about the works of the first phase of the WG. From a practical perspective, the EIB has keen interest on developing closer collaboration for a following phase. This collaboration would concentrate on the elaboration of new financial mechanisms with WG regions potentially becoming pilot partners.</p> <p>2 – Presentations of CdC Climat experts: “Kyoto Protocol Principles” and “Carbon Funds for Regions”</p> <p>Most of the meeting was devoted to the presentations of CdC Climat experts: Mr Emmanuel Legrand, Deputy Director for Investments, and Mr Nicolas Chung, Senior Investment Manager.</p> | | | <p>Notes & comments for action</p> <p>Objective of the meeting <i>Objectif de la réunion</i></p> <p>São Paulo joins the WG as supporting region from the South. <i>São Paulo rejoint le groupe de travail en qualité de région de support du Sud</i></p> <p>Potential collaboration with EIB on financial mechanisms confirmed <i>Collaboration potentielle avec la BEI sur les mécanismes financiers confirmée</i></p> |

CdC Climat is providing technical assistance to create a common culture on ETS financial tools and benchmarking on other financing climate action mechanisms.

Mr Legrand gave a quick overview of climate change and its policy framework, followed by an introduction to the principles and the mechanisms of the Kyoto Protocol as well as to the EU Emission Trading Scheme (ETS). Mr Legrand's Power Point presentation can be found [here](#).

Mr Chung illustrated advantages and disadvantages of the different carbon finance mechanisms (CDM, JI, Voluntary Credits), highlighting how they work and giving concrete examples of the projects implemented in their framework. Mr Chung's presentation also focused on the investments in carbon assets and the setup of regional carbon funds. Mr Chung's Power Point presentation can be found [here](#).

Ahead of the meeting CdC Climat kindly provided technical bibliography that can be found [here](#).

3 – Presentation of Mr Degos, Regional Council of Aquitaine: “Innovative tools for forests in the Aquitaine region”

Mr Olivier Degos, Delegate for Sustainable Development, Regional Council of Aquitaine, shared the experience of Aquitaine in establishing its regional carbon fund. Following a windstorm that damaged more than 200,000 ha of its forests, the Aquitaine Region set up a no-profit association aiming to restore forests, as both an economic asset and a carbon sink, through a carbon credits-based initiative, aiming to include forest owners in carbon finance processes.

Mr Degos' presentation can be found [here](#), while a background document on the project is available [here](#).

4 – Next meetings and activities

The next meeting of the FCA WG will be held in Bonn on the 7th June 2011 alongside international climate change talks Pre-COP 17. The meeting will focus on the key aspects of the international climate negotiations on a post 2012 scenario for carbon funds of relevance to regions. The meeting will give our members the opportunity to continue discussions on key advocacy messages, addressing (i) general aspects of observer participation in negotiations; (ii) key issues towards the next COP at the end of the year; (iii) key matters around carbon mechanisms and projects post 2012.

CdC Climat experts will contribute to the meeting with presentation concerning post 2012 agreements and feed into the advocacy messages on carbon mechanisms and projects.

This topic was initially envisaged for this session. The group agreed on the density of the matter and the specificity of a subject, which may be more interesting to those nrg4SD regions traditionally involved in international climate change negotiations rather than to the whole working group. In this context it was decided to hold a technical meeting alongside Bonn talks, in synergy with any work of the nrg4SD's Advocacy Task Force for international climate change negotiations that is coordinated by Quebec and Catalonia.

In any case all regions will be informed about the details of this session and are warmly encouraged to get involved.

A more detailed agenda will be circulated shortly.

The coordinator and the Secretariat will endeavour to invite relevant partners and stakeholders to a part of the session.

Presentation of Mr Legrand
Présentation de M. Legrand

Presentation of Mr Chung
Présentation de M. Chung

Bibliography
Bibliographie

Forests: economic asset and carbon sink
Les forêts: atout économique et puits de carbone

Next meeting in Bonn alongside Pre-COP 17
Prochaine réunion à Bonn à l'occasion de Pre-COP 17

nrg4SD Advocacy Paper preparation
Préparation du document de plaidoyer du nrg4SD

The FCA WG will meet again in Quebec City, Canada, in the framework of nrg4SD General Assembly, which is taking place on 29-31 August. It is expected to adopt a declaration of the network on climate change matters. This document will contribute to the advocacy strategy of nrg4SD at UNFCCC COP 17 in Durban later this year.

nrg4SD has produced several technical documents on climate change negotiations in support to members, which are available [here](#).

5 – Tasks:

- 1) Regions must bear in mind the technical content of the WG and are kindly requested to confirm the participation of their technical representatives.
- 2) The WG is open to any suggestion from the Regions: their active participation is essential to ensure its effectiveness and relevance. We encourage members to kindly share any ideas for the advocacy document they may have.
- 3) Regions must keep up their ongoing work towards the recruitment of new but motivated members

Meeting in Quebec in August
Réunion en Québec en août

New nrg4SD technical documents on climate change
Nouveaux documents techniques du nrg4SD sur les changements climatiques

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