Topic 1: how can CDM and other tools leverage private sector finance and make contributions to reducing pre-2020 gap?
• Main barrier: lack of demand
  a) Reasons: political (no policy, no investments)
     • Uncertainty on the outcome of the negotiations;
     • Today, there is only ambition;
     • The INDCs are not straightforward on market mechanisms;
     • Risk of breaking the regulations;
     • Actual ERs vs. Development trends (companies moving to low-emission regions);
     • Changes on government results in changes of policies;

• How can CDM alleviate the risks?
  a) CDM shall focus more on co-benefits;
  b) There is no need to “reinvent the wheel”;
  c) Voluntary Cancellation – Climate Neutral Now (no compliance);
  d) Funds shall promote the CDM on small initiatives (in the past: projects in large economies alleviated the risks);
  e) Motivate the private sector: local legal risks (drop of prices resulted in the cancellation of ERPAs)