

Bangkok, 5 October 2009

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**The Carbon Markets and Investors Association (CMIA) is an international trade association representing companies that finance, build, and support emission reduction projects across five continents, as well as service providers to liable entities under cap-and-trade schemes. Formed to represent businesses working to reduce carbon emissions through the market mechanisms of the United Nations Framework Convention on Climate Change (UNFCCC) and Kyoto Protocol, CMIA's international membership accounts for an estimated 75 per cent of the global carbon market, valued at USD 100 billion in 2008.**

On 2 October 2009, CMIA delivered a statement on behalf of global business to the Ad-Hoc Working Group on Long-Term Cooperative Action stock-taking plenary. The text of the intervention is below.

Emphasizing key positions for global business – such as urgent reform of the Clean Development Mechanism (CDM) – CMIA stressed the need for market certainty and continuity to ensure investment flows occur on the scale necessary.

For the first time, the Business and Industry NGOs (BINGOs) statement made reference to the necessity of "ambitious and realistic" targets on the part of Annex I nations to ensure the environmental integrity of markets, and create demand centers for both the credits generated by both a robust CDM and new mechanisms, when they come online.

Moreover, the inclusion of REDD as a market mechanism was a point of consensus for global business, as was the importance of protection intellectual property rights to ensure significant transfer of both capital and technologies.

CMIA are engaging in a range of discussions with negotiators and policy-makers in Bangkok, focusing on the key question of how existing and new financial frameworks can assist the development of the global carbon market.

**Text of the Business and Industry NGOs (BINGOs) Ad-hoc Working Group on Long-Term Cooperative Action Statement, as delivered by Alexandra Galin of the Carbon Markets & Investors Association**

Thank you for this opportunity. We acknowledge the international political momentum to reach a comprehensive and enabling agreement in Copenhagen. However, political momentum is not enough to meet the imperative for action.

The private sector responds to specific signals - and these signals must be provided to mobilize both financial and technological resources *in* developed and *to* developing nations.

Specifically, according to the UN and the IEA, 86 per cent of the estimated USD 1 trillion a year required to fund global mitigation and adaptation activities to halve global emissions by 2050 and develop and deploy technologies, will come from the private sector via investments and carbon markets.

Adopted frameworks must provide an imperative for action in the areas of adaptation, mitigation, finance, and technology.

For this, we strongly urge Parties to:

- Provide certainty, flexibility, and environmental integrity of markets and for markets via shared medium- and long-term realistic and ambitious targets.
- Mobilize diverse sources of funding – including public finance, to build capacity to catalyze large-scale private investment flows.
- Reform, and provide confidence in, the medium-term continuity of existing mechanisms and allow for the inclusion of new mechanisms, such as REDD.
- Support a gradual transition to new mechanisms – an evolution rather than a revolution: use and build on the structures we have, before creating new ones.
- Safeguard intellectual property rights to allow for innovation and robust technology flows to developing nations.
- Preserve and expand open trade to incentivize investment and economic growth.
- To ensure that proposals are practicable and deliverable we urge Parties to practice, rather than promise, close consultation with private sector groups.

We urge you to provide business with clarity, predictability, and continuity.

A successful outcome in Copenhagen is the creation of a framework that is not static or rigid, but allows for a consultative process and a flexible development of modalities.

Finally, it is vital that this framework finds a synergy between the scientific imperative to act, the private sector means to provide, and the regulatory framework within which to advance. We look forward to working with you. Thank you.

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