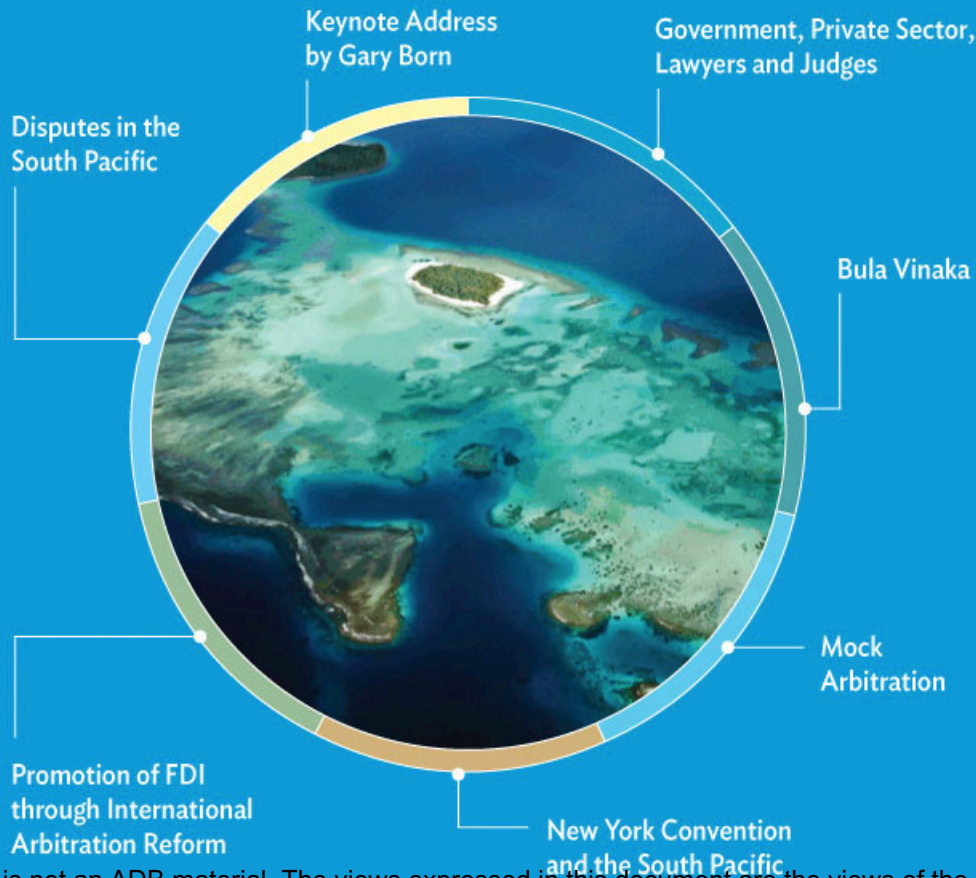


REGIONAL INTERNATIONAL ARBITRATION CONFERENCE

DAWN OF INTERNATIONAL ARBITRATION IN THE SOUTH PACIFIC

12 & 13 February 2018

Westin Denarau Island, Nadi, Fiji



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CLIMATE FINANCE DISPUTES



United Nations
UNCITRAL

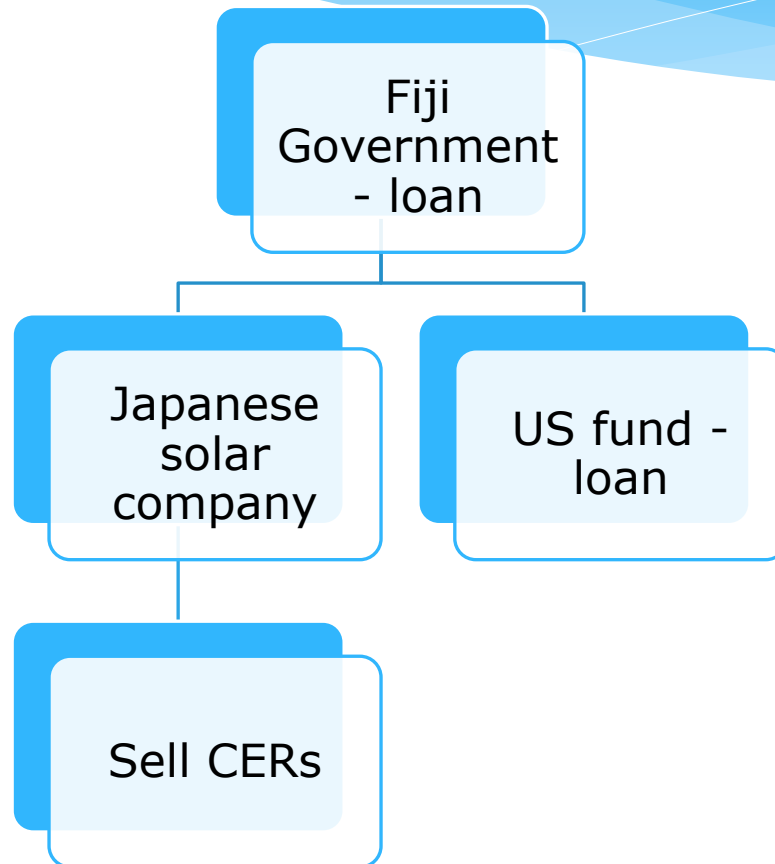


Climate Finance Disputes

- Public sector funding and investment
- Green Climate Fund
- Private sector funding and investment
- CDM mechanism

Case study

Construction of solar farm project in Fiji





Private sector

- Funding through loan agreements
- Equity investment – shareholder
- Contractual relationship
- Dispute resolution mechanisms – arbitration



CDM Mechanism

- UNFCCC and Kyoto Protocol
- CDM mechanism market for certified emission reductions (CERs)
- Project “create” CERs – process to recognise, certify and register CERs
- Emissions Reduction Purchase Agreement (ERPA) to sell CERs
- Purchaser pay an agreed price for CERs each year that CERs are registered
- Project is monitored
- Disputes resolved through arbitration (PCA Environmental Rules)



Potential disputes

- Problems with construction or operation of the project
- Problems with “creation” of CERs
- Problems with the process for certifiying and registering the CERs
- Changes in the market price vs contract price for CERs
- Force majeure – change in law



Construction disputes

Questions ?