

## S2-1 Finance & Investment: economy towards LCS

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Carbon finance after Copenhagen demands both public and private contributions to the needed investment flows for a low carbon economy. Project Catalyst has developed analytical tools to specify the public dimensions of these flows and the institutional mechanisms through they can be transacted. The report examines the total flows needed and describes

a portfolio of mechanisms that might be established through international and national arrangements. However, it is controversial in suggesting that international carbon markets, as constituted presently and in most proposals before the Copenhagen negotiations, will be neither adequate nor efficient in realizing stated objectives.