



Course Programme 2011:

This Online Course is comprised of four modules, each of which will be offered over a one-week period (total of 3 weeks), with modules 3 and 4 taking place during the final week.

Module 1: An Introduction to Climate Change

Lesson 1: An Introduction to Climate Change: The Science behind the Phenomenon

- Why scientists believe the Earth's weather system is changing
- How these changes affect natural systems and human society
- Why this is relevant for business as a result of changes in the natural environment, in regulation, and in customer behaviour

Lesson 2: Climate Change and Financial Services: Why does it matter?

- Thorough explanation of how Climate Change impacts Financial Services, including a break down by sector, i.e. Banking, Insurance, and Asset Management
- The key risks, including policy and legal impacts
- Applicability and implications of various climate change scenarios to financial institutions

Lesson 3: Policy and Regulation

- Introduction to the main inter-governmental treaty at present: the UN Framework Convention on Climate Change and its Kyoto Protocol
- A brief history of this process providing context for the current international talks on the next round of agreements 'post-2012', the 'Bali Roadmap' as well as the 2009 'Copenhagen Accord'
- The key elements of the treaties, highlighting the issues, instruments and mechanisms of particular importance for the financial services sector
- An explanation of how the process works, makes decisions, and how governments and 'observers' (including business) interact
- An overview of international processes, such as the G8, G20 as well as the 'Major Economies' process

Module 2: Climate Change and the Energy Economy

Lesson 4: Climate Change and its Implications for Energy and Energy Financing

- The forces that drive energy demand
- Voluntary and mandatory measures to combat climate change including energy policy frameworks that support the uptake of renewable and alternative energy sources
- The effects of energy policy frameworks on how energy is sourced and review project finance for clean energy technologies
- Energy Portfolio Management

Lesson 5: Climate Change and Financing Strategies: An Overview

- Types of financial risk created by climate change
- How these different risks may manifest themselves in companies and portfolios
- How climate risks and opportunities affect different economic sectors, and how these effects can change the performance of financial portfolios
- Basics of financial valuation, and understanding where climate risks are likely to affect valuation

Lesson 6: Climatic Risks to Projects

- Relevance of climatic hazards to environmental impact assessments
- Importance of climate for operation as well as construction
- Liability for emissions

Lesson 7: The "Clean Energy Wave": Opportunities & Risks in Alternative Energy

- A Review of current investment trends in the clean energy sector
- A Review of clean energy finance sources
- A Review of clean & alternative energy technologies
- An overview of the process of financing innovation and the "financial continuum", from technology development to commercialization

Module 3: Carbon Finance

Lesson 8: An Introduction to emissions trading schemes

- Introduction to the flexible mechanisms of the Kyoto Protocol
- Evolution of the emissions market
- An overview of all existing or emerging carbon markets
- The mechanisms of the EU Emissions Trading Scheme (EU ETS) and the risks and opportunities for companies in the EU ETS
- Ways in which financial institutions can utilize the opportunities of emissions trading

Lesson 9: Introduction to the project-based mechanisms of the Kyoto Protocol

- Overview on the procedures of the Clean Development Mechanism (CDM) and Joint Implementation (JI) project development
- An elaboration of the opportunities of CDM/JI projects for financial service providers and the steps to take in order to successfully use the mechanisms

Lesson 10: CDM: Risks and opportunities for financial service providers

- Review of the CDM with a focus on the specific risk structure of CDM projects
- Introduction to various risk mitigation instruments for CDM projects illustrated through case studies

Module 4: Conclusion and Next Steps

Lesson 11: What's next?

- How climate change policy might evolve for the post-2012 era
- How financial institutions (FI's) are gearing up to deal with climate change
- How FI's might address the issue of managing climate change risk
- How financial instruments might be used to deal with other environmental issues apart from climate change