



# e7-DESA Partnership on CDM and Electricity Interconnection

By: Mohammad Reza Salamat  
Senior Officer on Sustainable Development  
DESA/United Nations/New York

**e7 Open Forum**  
***Montreal/08 December 2005***

# Partnership Background

- ***MOU signed between e7 and DESA in Johannesburg (WSSD/September 2002) with the following objectives:***
  - ***Cooperate in contributing to the achievement of the objectives of the Millennium Development Goals***
  - ***Cooperate on energy activities and projects promoting sustainable development***
- ***Expertise and policy-level meetings between e7 and DESA to identify elements for operationalizing the signed MOU during 2003-2004***
- ***Signing of project documents for action on joint capacity development programme on CDM and Electricity Interconnection in 2004***

# Joint e7-DESA Capacity Development for CDM

## ***Motivations:***

- ***The Johannesburg Plan of Implementation (JPol) guidance to enhance public-private partnerships***
- ***CDM as a significant instrument to achieve “Sustainable Development”, while reducing GHG emissions is crucial to DESA’s mandate***
- ***e7’s important mandate in promoting sustainable development and cleaner energy in developing countries***
- ***e7's practical experience with the CDM***

# Joint e7-DESA Capacity Development for CDM

## ***Objectives:***

- ***To provide capacity development in selected developing countries to enable them to use the CDM and to develop projects in the electricity sector;***
- ***To mobilize e7 and DESA expertise, especially in terms of investment and project cycle issues under CDM and case studies;***
- ***To improve relations with stakeholders in selected countries.***

# Joint e7-DESA Capacity Development for CDM

***Nicaragua and Ecuador were the first countries chosen due to:***

- ***Familiarity with the basics of CDM***
- ***Established domestic institutional structure for CDM issues***
- ***Potentials for benefiting from CDM mechanism***
- ***Regional role for sharing experience***

# Joint e7-DESA Capacity Development for CDM

- ***First workshops were held in:***
  - ***Managua (Nicaragua) on 23-24 September 2004***
  - ***Guayaquil (Ecuador) on 28-29 September 2004***
- ***Experts from e7, DESA and the host countries***

# Joint e7-DESA Capacity Development for CDM

***The main issues addressed in the two workshops were:***

- ***Overview of CDM***
- ***CDM Electricity projects***
- ***Carbon Market***
- ***EU Emissions Trading Scheme***

# Joint e7-DESA Capacity Development for CDM

***The main issues addressed ...(cont.)***

- ***Project Development issues, such as additionality, baseline methodologies, host country support, financial impact***
- ***Host institutional framework***
- ***Current CDM investment & projects portfolio***



# Joint e7-DESA Capacity Development for CDM

## *The main issues addressed ...(Cont.)*

- *Case studies*
- *CDM and Sustainable Development criteria*
- *Monitoring methodologies*
- *Crediting periods*
- *Transaction costs*
- *Legal issues*

# Joint e7-DESA Capacity Development for CDM

## ***Evaluation of the Outcomes by the workshops participants:***

- ***The contents of presentations and the discussions quite relevant and very useful***
- ***The exercise part was very instructive***
- ***Good balance in the use of Case Studies and Theoretical presentations***

# Joint e7-DESA Capacity Development for CDM

## ***Evaluation of the Outcomes (Cont.):***

- ***High level of knowledge and complementary skills of e7 and DESA presenters***
- ***New Opportunity to attract funds to the country***

# Joint e7-DESA Seminar on Electricity Interconnection

## ***Motivations:***

- ***Access to energy, in particular electricity, is critical for poverty eradication and to spur economic growth (JPol)***
- ***Despite abundant energy resources in Africa, these are unevenly distributed; therefore regional electricity grid interconnection is of particular relevance to Africa***
- ***JPOI underscores the critical linkages between meeting Africa's energy needs and African sustainable development objectives***
- ***e7's vision for promoting electricity interconnection***
- ***DESA's mandate and role in implementing JPol***

# Joint e7-DESA Seminar on Electricity Interconnection

## ***Objectives:***

- ***To impart an understanding of the broader political and legal dimensions of regional electricity grid interconnections***
- ***To provide an understanding of the economic feasibility and market analysis aspects of interconnections***
- ***To assist countries in enhancing operation of existing interconnected grids, as well as identifying opportunities for potential new interconnections***
- ***Over the longer term, to further sustainable development by improving access to affordable electricity within the target areas***

# Joint e7-DESA Seminar on Electricity Interconnection

***The first Interconnection Seminar was held jointly by DESA and e7 in Cairo, Egypt on 19-21 June 2005.***

***A second seminar is scheduled for 2006.***

# Joint e7-DESA Seminar on Electricity Interconnection

***The main issues addressed in the Seminar were:***

- ***Political and legal dimensions of regional electricity grid interconnection***
- ***Overview of feasibility assessment for regional electricity grid interconnections***
- ***Regional market analysis and resources development***
- ***Optimal sharing of benefits***
- ***Power systems interconnections***
- ***Financing interconnections projects***
- ***Interconnected systems operating conditions***

# Joint e7-DESA Seminar on Electricity Interconnection

## ***Participation***

- ***Total number around 35, comprising of 20 persons from other African countries, including representatives from:***
  - ***Middle management***
  - ***Technical personnel of electrical utilities***
  - ***Other participants in the electrical power industry***