













Climate Finance Innovators: Linking market mechanisms and climate finance in Africa

CLIMATEFOCUS

Stephan Hoch, Hanna Jenne, Sandra Greiner





COP24 December 06, 2018 Supported by:







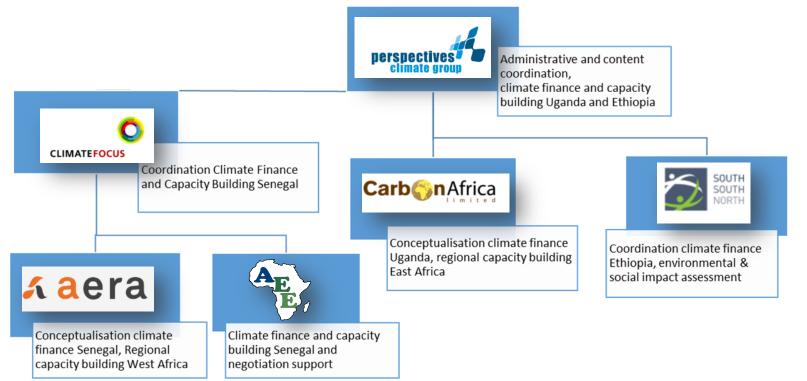
Agenda

- Introduction and current status
- Project Overview
- COP 24 Policy Brief
- Country experiences





Project Team







Project Overview

- Support to African CDM pipeline (especially PoAs), sustaining and scaling up mitigation impacts through results-based climate finance (GCF)
- Measures: funding proposals, capacity building, conceptual work, technical assistance and outreach related to the operationalization of the PA, in particular Art.6, but also results-based climate finance (GCF)

Partners

- Ethiopia, Uganda, Senegal
- Regional organizations in East and West Africa (UNFCCC, EADB, BOAD)
- UNFCCC Negotiations





Results framework

Impact

Improved access to climate finance for mitigation technologies in sub-Saharan Africa will help to achieve and enhance the ambition of African NDC objectives and climate resilience

Outcome

Strengthening mitigation capacities by elaborating innovative climate finance models Strengthening national and regional capacities for the mobilisation of investments Strengthening the capacities of negotiators in the international climate negotiations

Output I

Climate finance proposals and national capacity building

Output II

Regional capacity building

Output III

Conceptual work (Publications and methodologies)

Output IV

Negotiation support, outreach and public relations





New policy brief addressing COP 24

https://www.climatefinanceinnovators.com/publication/africa-isgetting-ready-for-article-6/

Article 6 rulebook has to encourage participation from all countries and private sector

Such initiatives should build on successful CDM reforms, pipeline and tools such as programmatic crediting with high sustainable development impacts

Article 6 offers new finance streams, but new requirements should reflect African circumstances

African countries are preparing for Article 6, but this should be more actively supported from the very start, including dedicated funding



KEY MESSAGES

The rulebook on Article 6 has to be inclusive and designed to encourage participation from all countries and private sector stakeholders.

Engagement by African countries in Article 6 should be facilitated from the very start by leveraging the existing domestic Clean Development Mechanism (CDM) pipeline and related infrastructure.

Initiatives that build on successful CDM reforms such as scaled-up programmatic crediting approaches with high sustainable development impacts are particularly promising for Africa.

Article 6 offers opportunities to tap into new finance streams, but also defines a new set of potentially challenging requirements.

African countries are actively participating in a number of initiatives related to market readiness and possible Article 6 pilot activities.





















Thank you and visit us on our website!

Stephan Hoch, hoch@perspectives.cc

www.climatefinanceinnovators.com



1 aera

Supported by:



for the Environment, Nature Conservation and Nuclear Safety

based on a decision of the German Bundestag



African registered PoAs (5+CPAs, public) private CME)

Title	Host country	Coordinating Entity	PoA-Type	CPAs	2012 ktCO2	2020 ktCO2	Issuance kCERs
PoA for the Reduction of emission from non-renewable fuel from cooking	Madagascar, (many)	Green Development AS	EE households	59	0,000	29.854,592	0,000
Uganda Municipal Waste Compost Programme	Ùganda	National Environmental Management Authority	Landfill gas	12	136,847	1.018,526	16,549
Green Power for South Africa	South Africa	The Standard Bank of South Africa	Hybrid renewables	11	0,000	12.333,620	0,000
Solar Water Heater Programme in Tunisia	Tunisia	Agence Nationale pour la Maîtrise de l'Energie (Solar	8	15,719	417,630	0,000
SASSA Low Pressure Solar Water Heater Programme	South Africa	Solar Academy of Sub Saharan Africa	Solar	7	166,262	3.258,350	99,170
CDM Africa Wind and Solar Programme of Activities for South Africa	South Africa	CDM Africa Wind/ Solar	Hybrid renewables	7	0,000	20.337,200	0,000
DelAgua Public Health Program in Eastern Africa		DelAgua Health and Development Programs	EE households	7	0,000	1.593,909	66,217
African Improved Cooking Stoves Programme of Activities	Ghana	Envirofit International	EE households	6	0,645	2.370,399	12,472
Improved Cook Stoves programme for Rwanda	Rwanda	atmosfair gGmbH	EE households	6	9,948	2.221,250	6,517
Renewable Energy CDM Programme of Rwanda (RECPR)	Rwanda	Ngali Energy	Hybrid renewables	6	0,000	256,389	0,000
Improved Cooking Stoves for Nigeria Programme of Activities	Nigeria	Developmental Association for Renewable Energies	EE households	5	11,181	990,740	12,494
Tanzania Renewable Energy Programme www.perspectives.cc info@perspectives.c	Tanzania	Rural Energy Agency	Mixed renewables	5	0,000	504,859	0,000

www.perspectives.cc | into@perspectives.cc

INNOVATORS

Ethiopia Off-Grid Renewable Energy CDM Programme

PoA Technologies

Solar Lamps









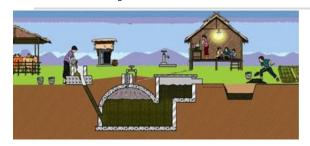
Pictures: GIZ 2015

- Mini-Hydroelectric Plants
- Solar Home Systems (SHS)
- Institutional Solar PV Plants
- Solar Pumps for Irrigation

- CDM PoA registered in July 2016
- Development Bank of Ethiopia is Coordinating/Managing Entity (CME)
- World Bank Carbon Initiative for Development supports PoA development, purchases 800,000 certified emission reductions (CER) until 2024.
- 3 Component Project Activities (CPA) circa 150-200k solar lamps, circa 20kCERs/year



Ethiopia Clean Cooking CDM Programme of Activities







PoA Technologies

Improved cook stoves

Institutional improved cook stoves

Biogas digesters

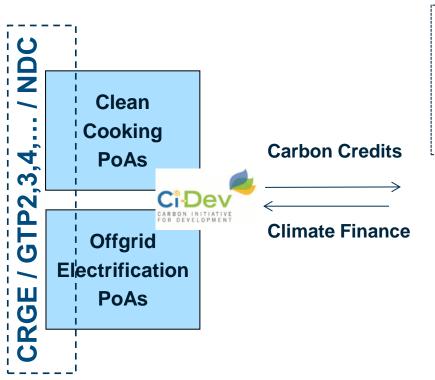
Ethanol Stoves

- CDM PoA registered March 2016
- Development Bank of Ethiopia is PoA Coordinating/Managing Entity
- World Bank Carbon Initiative for Development supports PoA development, purchases 1.1 million certified emission reductions (CERs) until 2024.
- 2 Component Project Activities (CPA) registered registered for this PoA: circa 4000 biogas digesters, 20-25k CER/year

Achieving GTP II targets enables scaling up CDM PoAs

		Item	Targets GTP I additional during 09/2010-08/2015	Achievement in GTP I period	Targets GTP II additional during 09/2015-08/2020 ¹	Total achieved by beginning 2015	Total targeted until 08/2020	Potential by 2020
		On-grid-electricity service coverage	75% 10,000 rural towns and rural centres	7,000 rural towns and rural centres	10,000 rural towns and rural centres	7,000 rural towns and rural centres	17,000 rural towns and rural centres	16,328 Kebeles, unknown number of rural towns and rural centres
		On-grid-number of EEU customers	2,000,000	700,000	4,000,000	2,300,000	6,300,000	estimated 15,000,000-
		On-grid households incl. shared meter households ²				total connected approx. 5,500,000	approx 13,400,000 to 15,000,000	16,000,000
Clean Cooking CDM PoAs	Solar systems • Solar home systems	165,500	40,000 by REF not known number by private traders	400,000	40,000 by REF not known number by private traders	440,000	5,000,000 to 6,000,000 long term off-grid and 2,000,000 to	
	Solar lanterns	3,160,000	2,032,000	3,600,000	not known. only distributed by	3,600,000 + unknown	7,000,000 medium term off- grid households	
CDM PoAs can support all energy accses technologies	/ 71	Institutional solar systems	3,000	not known	3,600	private traders not known	3,600 + unknown	majority grid connected
targeted by GTPII	Hydro-power mini- grids	0	0	105	0	105	0	
Offgrid Electrification	->	Fuelwood efficient cookstoves	9,400,000	8,875,000	11,450,000	9,000,000	20,450,000	31,000,000
CDM PoAs	RE-Pumping	300 wind 300 solar	112	30,000	112	30,000	no estimate	
	7	Biogas digesters	25,000	11,618	41,400	10,500	51,900	up to 1,000,000

Where is the money? International climate finance trends













Green Schools NAMA Uganda

PURPOSE: countrywide application of clean energy technologies in schools that solve energy needs and bring economic, health, social, and environmental benefits

OBJECTIVE 1: Use of clean energy technology (electrification, biogas, stoves)

OBJECTIVE 2: Increase involvement of private sector in financing and implementation

	Transformation
	Financeable
	Co-benefits
	Private Sector
	Scaled-up ER
	NAMA







Green Schools NAMA use of CDM elements

INTERVENTION 1: Improved institutional cookstoves (IICS)

