

FAIR CLIMATE

MAKING THE CARBON MARKET WORK FOR THE POOR



**Fair Climate Network
Southern Africa**

COP17 side event
Jaap de Jong
30 November 2011

Pro-poor rationale

- Same level of development means an equal carbon footprint
- Sustainable development of Southern countries and maintain low carbon lifestyle
- A low carbon lifestyle has become an asset
- Sustainable development of the poor by using carbon revenues

Fair Climate Program components

- **Fair Climate Networks** that can identify and implement pro-poor carbon projects
- The **Fair Climate Fund** buys and sells the carbon credits
- A fair price is paid for the credit, making sustainable development possible.



Fair Climate Networks



Fair Climate Network
Southern Africa

Fair Climate Networks

- Southern Africa
- Eastern Africa
- India



- **Make carbon market work for sustainable development of the poor**
- Brings together all organisations necessary for a successful pro-poor carbon project

Fair Climate Networks (2)

- Southern Africa
- Eastern Africa
- India

- Regular meetings, to:
 - Identify potential projects
 - Form coalitions
- Services by Carbon Teams:
 - Capacity building of NGOs,
 - Consult on project identification,
 - Facilitate project registration (GS),
 - Consult on project implementation and monitoring

Pro-poor fair climate projects



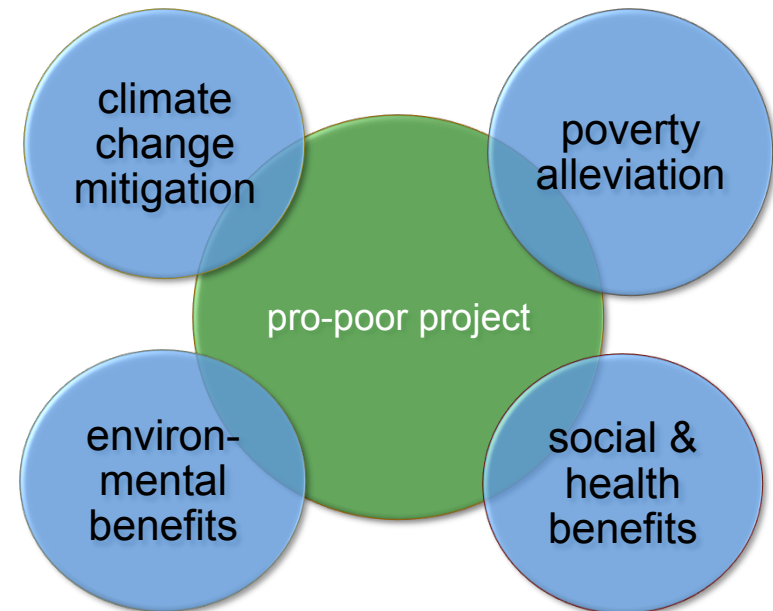
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Pro-poor fair climate project

- **Multiple benefits:**

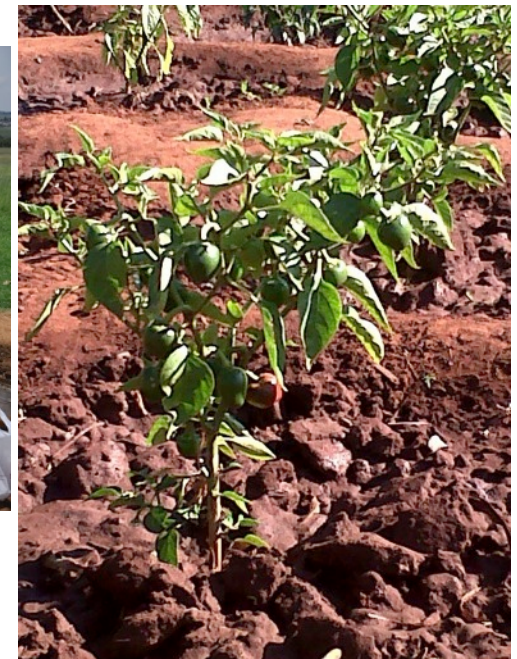
- Climate change mitigation and adaptation
- Environmental
- Social & health
- Access to energy
- Economic
- Job creation
- Income sharing

→ improve quality of life



Projects and techniques

- Renewable energy or energy efficiency
- Forestry
- Low carbon farming



A pro-poor fair climate project in Africa



Pro-poor project: an example

- **Basa Magogo:** Improved ignition technique for domestic coal fires
- Developed and implemented by the Nova Institute in South Africa
- First project in South Africa to issue Gold Standard VERs
- Sales via Fair Climate Fund



Lessons learned



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Basa Magogo: lessons learned

- **Project identification**

- Pressure to implement. Find funder with long term commitment
- Engage households to find solution
- Important to determine added value to households

- **Implementation and monitoring**

- Phased up-scaling
- Households vs highest level of calculations and technology
- M&V is very expensive – needs large scale projects
- Intensive management with specific and up-to-date database
- Gold Standard timelines not always clear

Basa Magogo: lessons learned (2)

- **Sales of credits**

- A competitive niche market, with a lack of demand: pro poor and fair trade buyers
- Marketing
- Social benefits: Make a link to CSR policies.
- Social investor, anticipate on a long term business case with pay off after 2 or 3 years.
- Be clear about investment needs and financial projections
- Trust: addressed by standards, not by relations

Fair Climate Networks

- Trust and track record
- Well known entity
- Expertise
- Bring organisations together

Questions and follow up

- If you are interested in joining one of the Fair Climate Networks, surf to www.fairclimateafrica.com or <http://www.icco.nl/>
- Please reflect on this initiatives and make them stronger!
- How can we develop the market for pro-poor projects?
- Where should the focus be?
- What do you think a pro-poor project should include?