



UNEP's CDM Capacity Development: Strategies & Challenges

UNEP CDM Side Event, COP12/MOP2

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Nairobi, Kenya
November 13th, 2006

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- Strategic approach to CB in CDM.
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UNEP RISOE Centre's (URC) CDM TA Program

1. Capacity Development for CDM (CD4CDM) Project:
 - U\$12.5 million, Dutch funded project. Inception: mid 2002. Phase I: 12 countries, Phase II (completion Dec. 2008): 9 countries.
2. Using Carbon Finance for Sustainable Energy in Africa (CF-SEA) Project:
 - U\$1 million, UNF-CDCf funded, jointly implemented WB, UNEP-DTIE & URC. Five Sub-Sahara African countries.
3. CDM Capacity Development in Thailand:
 - U\$250,000, Danida-funded. Institutional support & CB for DNA & other entities.
4. Francophone CDM Forestation Project:
 - U\$3 million, French-funded, inception Jan. 2007. Seven SS African francophone countries.

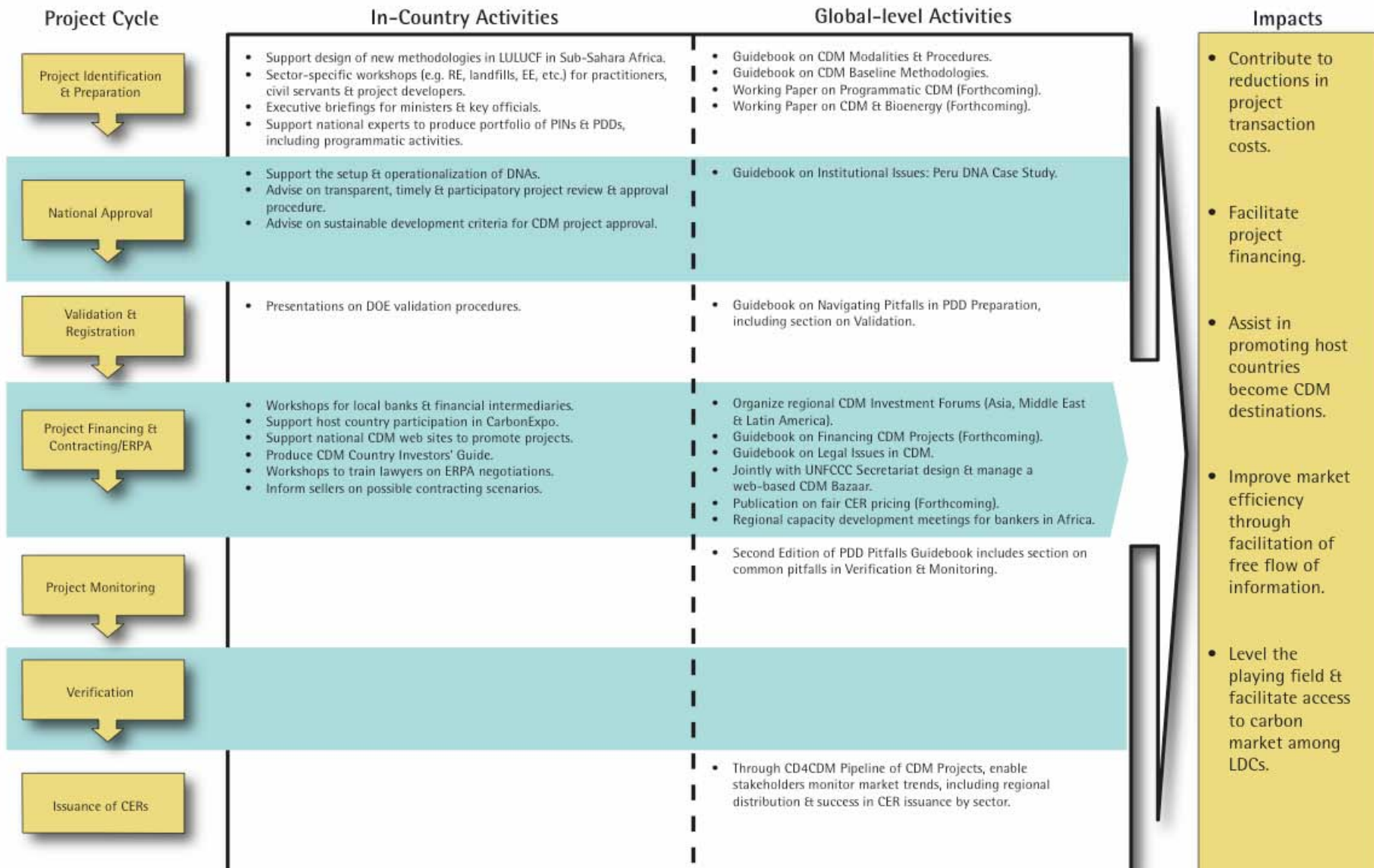
Overall Target Countries

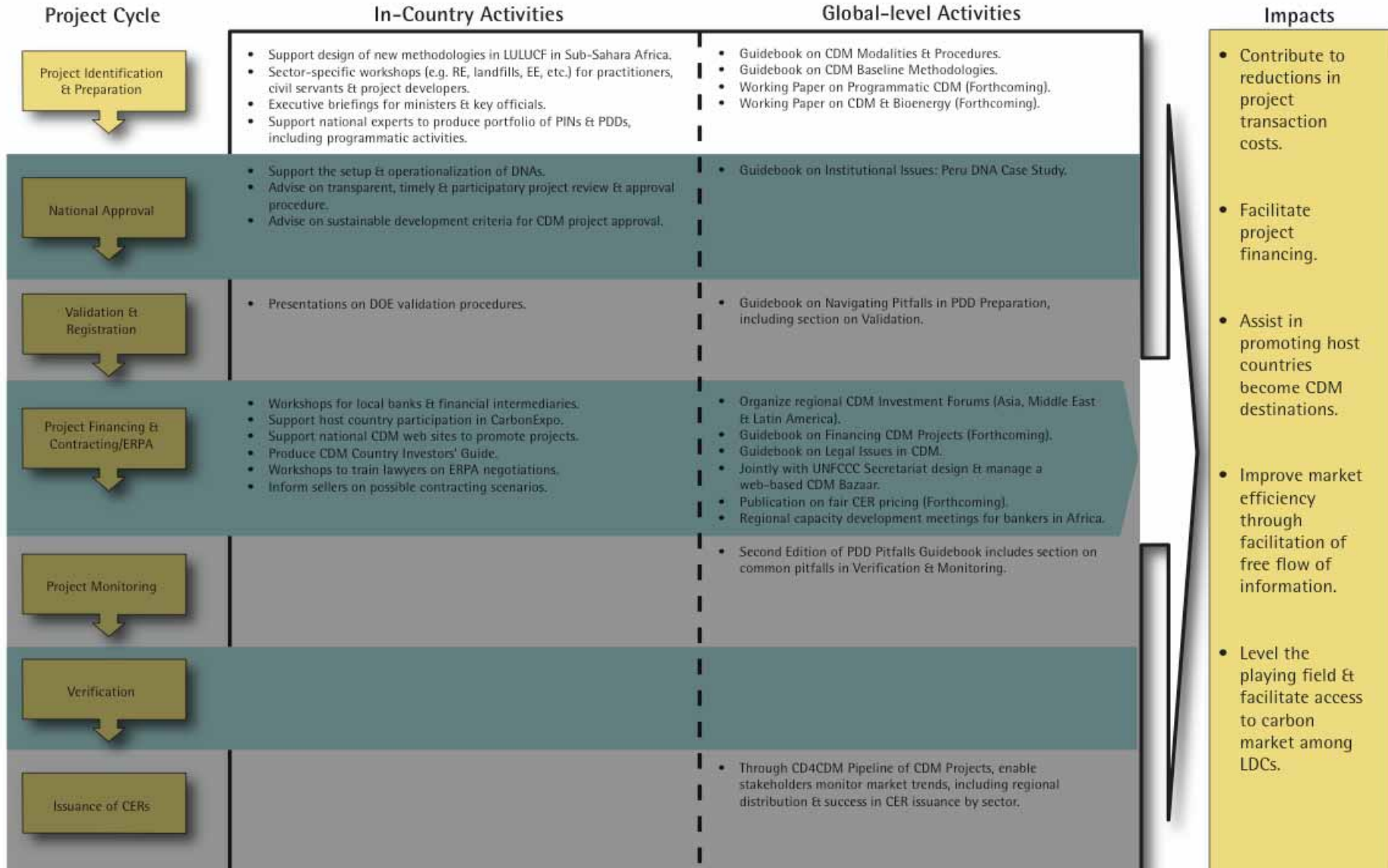
(completed, on-going & forthcoming)

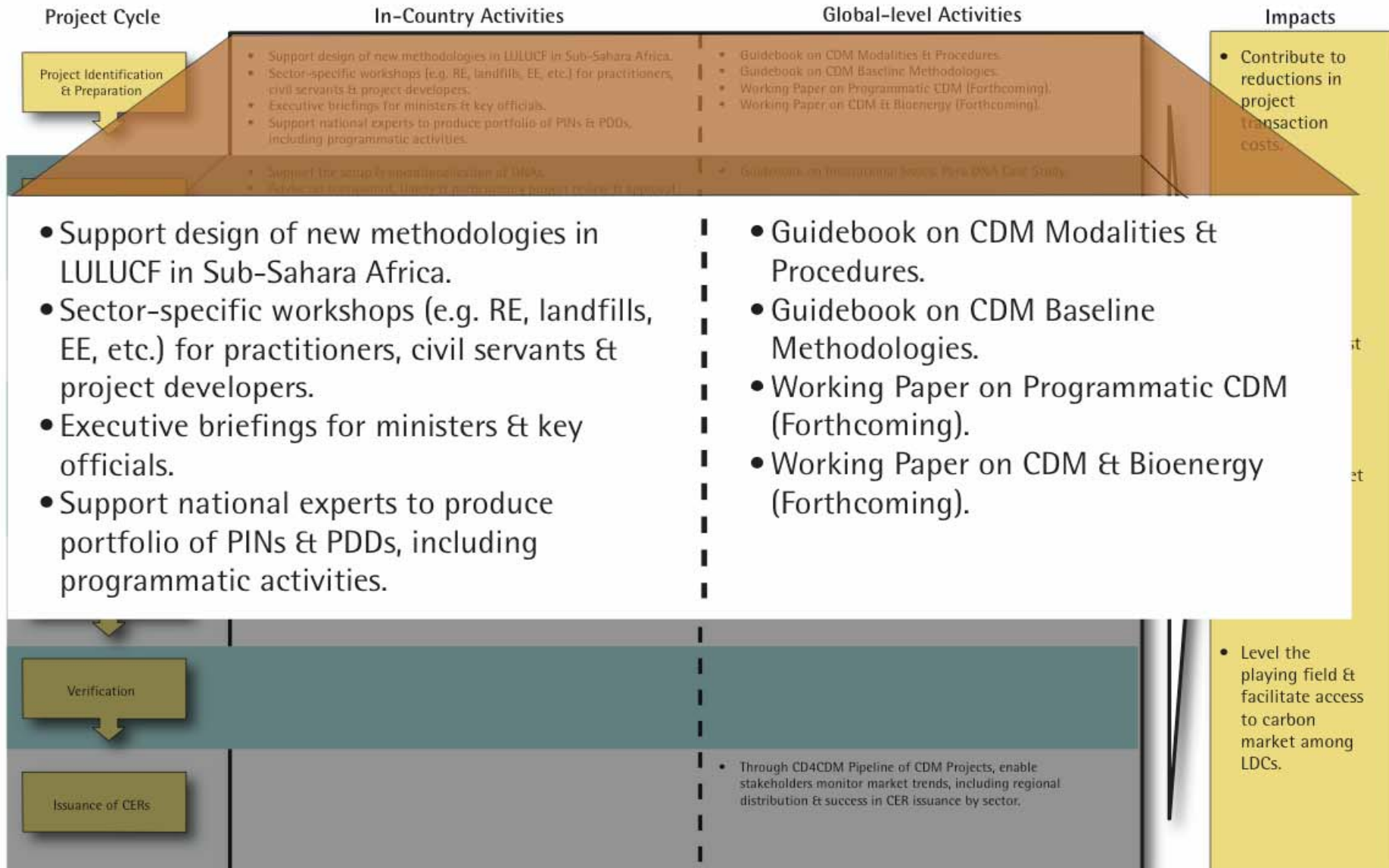
Latin America	SS Africa	Middle East/North Africa	South Asia
<ul style="list-style-type: none">■ Cuba■ Nicaragua■ Peru■ Bolivia■ Ecuador■ Guatemala	<ul style="list-style-type: none">■ Ghana■ Cameroon■ Mali■ Uganda■ Cote d'Ivoire■ Zambia■ Mozambique■ Mauritius■ Tanzania■ Benin■ Gabon■ Madagascar■ Congo■ Senegal	<ul style="list-style-type: none">■ Algeria■ Egypt■ Morocco■ Yemen	<ul style="list-style-type: none">■ Cambodia■ Bangladesh■ Sri Lanka■ Philippines■ Vietnam

Capacity Building Strategy

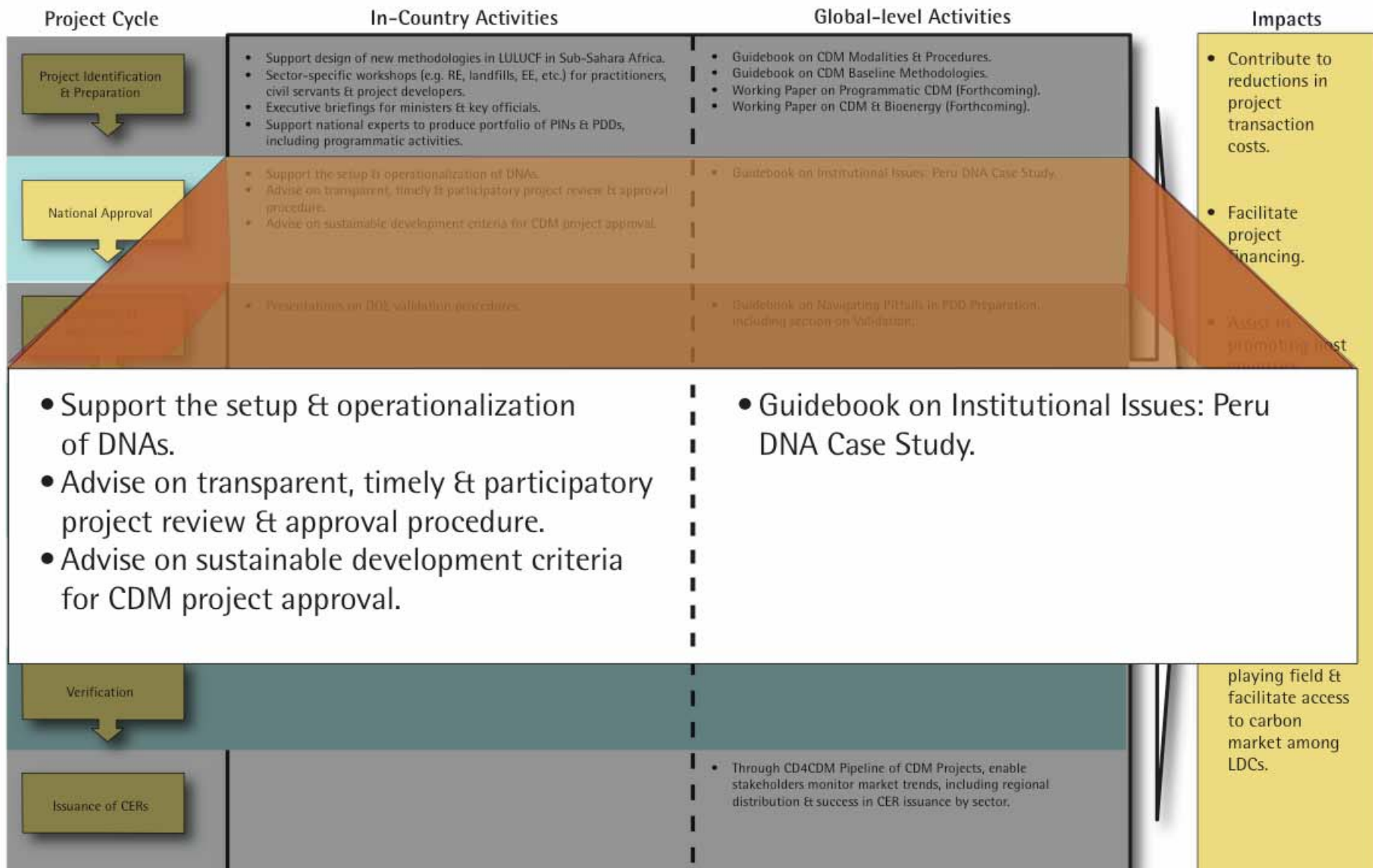
- CDM capacity building interventions by URC are identified based on a continuously on-going barriers analysis:
 - Monitoring global market.
 - Consultations with in-country stakeholders.
- Every intervention is designed to minimize a specific CDM-related barrier (both at country- & global-levels).
- Key objective:
 - Facilitate efficient & effective completion of CDM project cycle.
- Ingredients to achieve this objective:
 - A combination of targeted, hands-on workshops, guidebook materials, market analysis, research papers, participation in global carbon events by host countries, web sites design, etc.



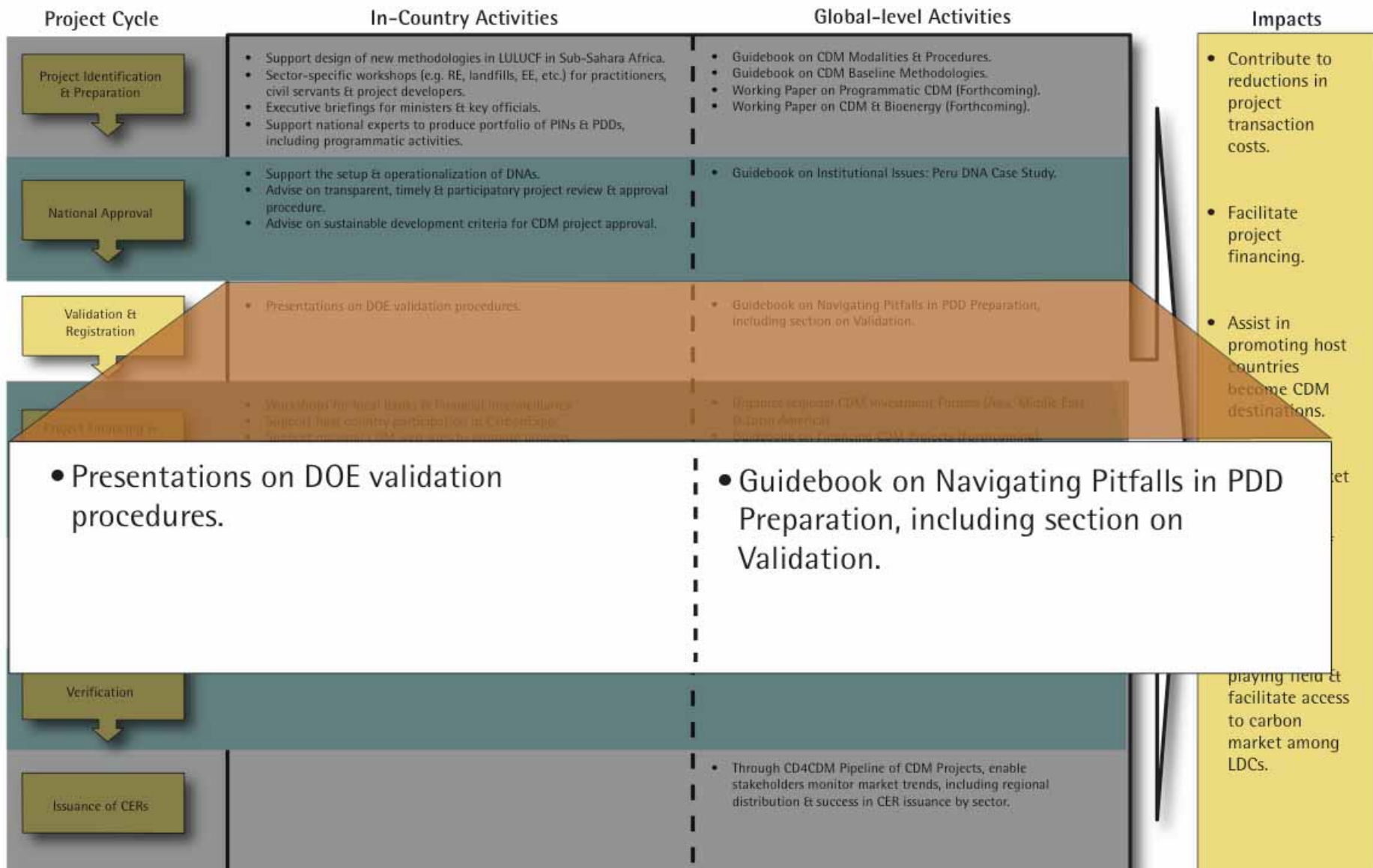


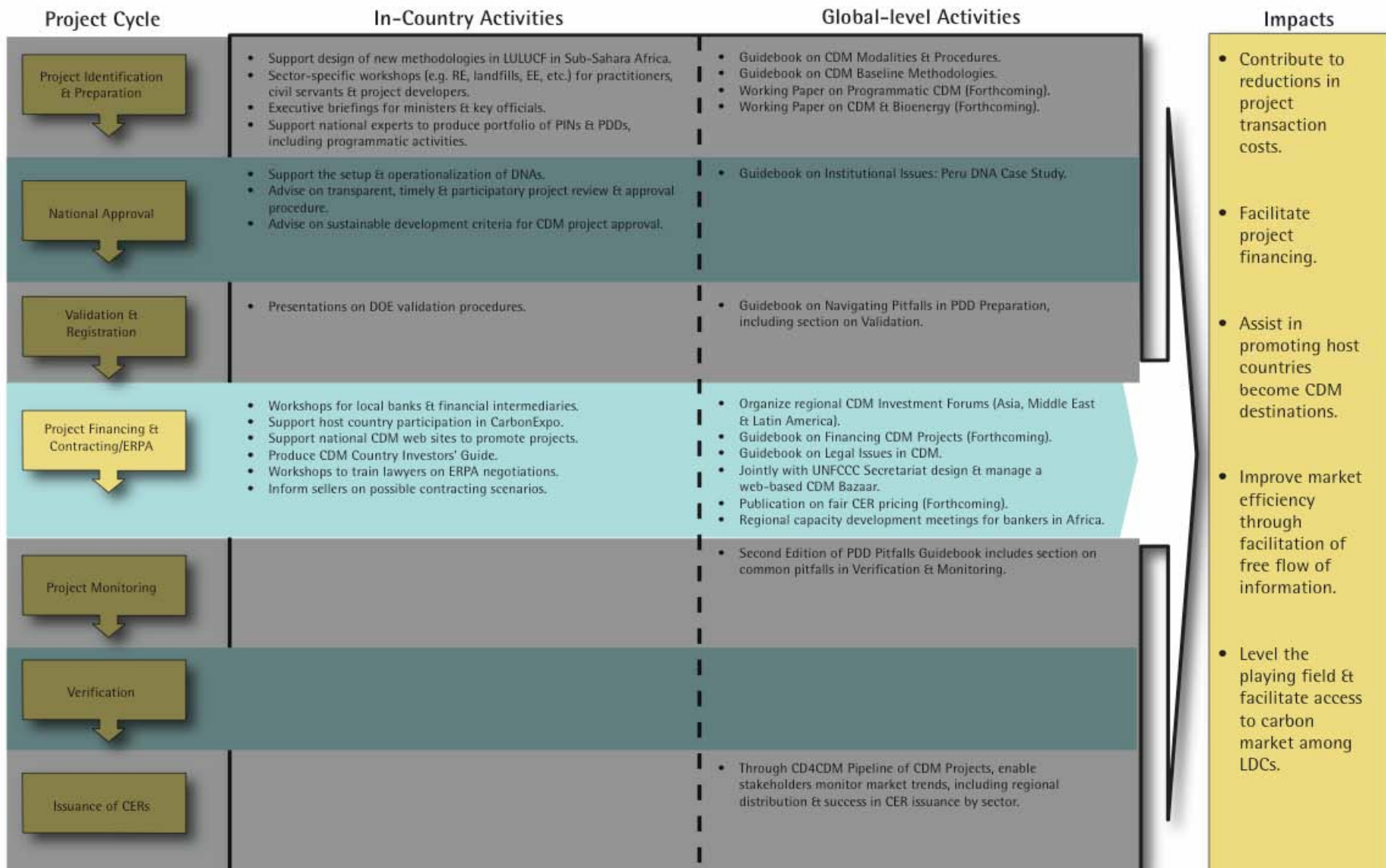






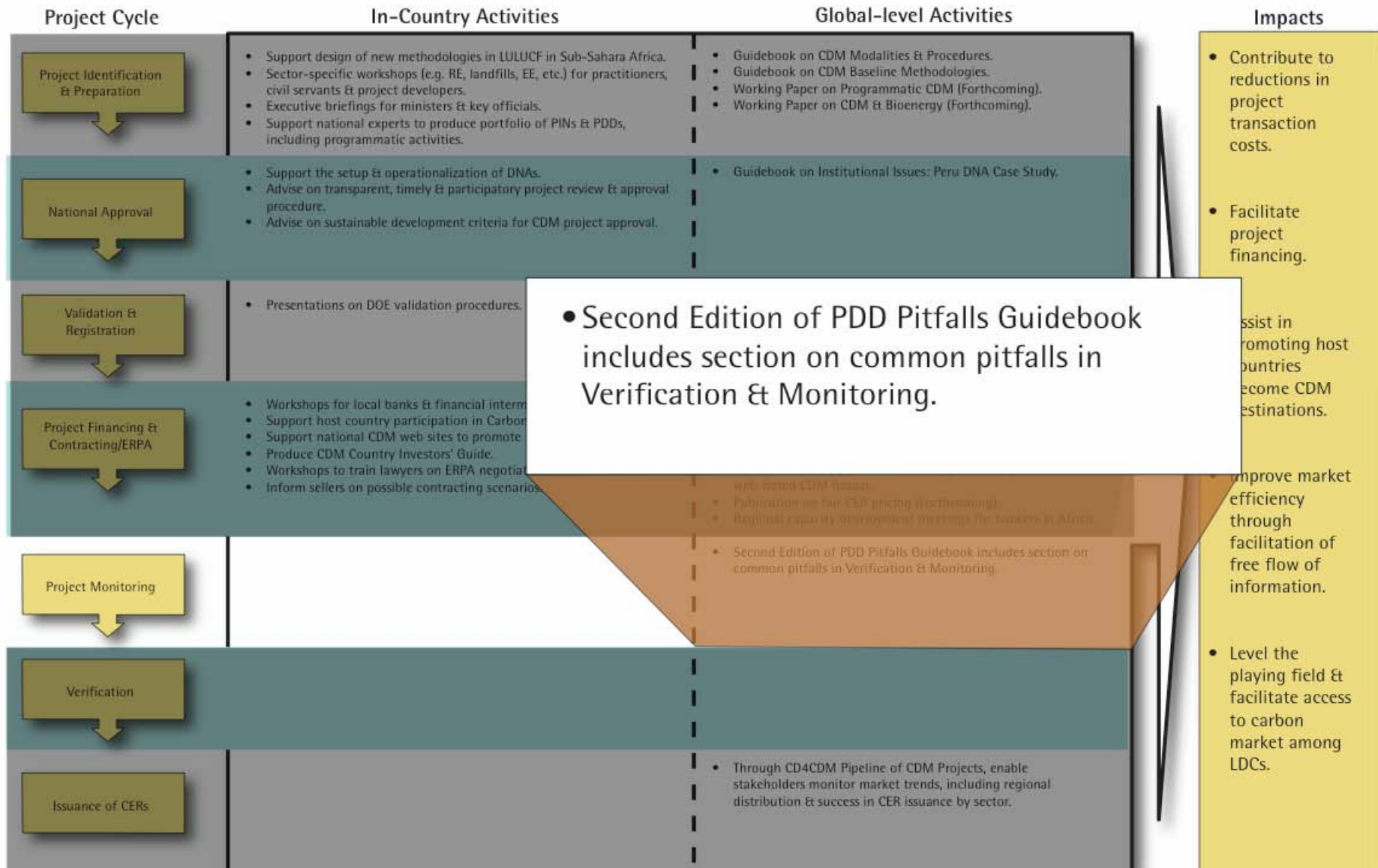






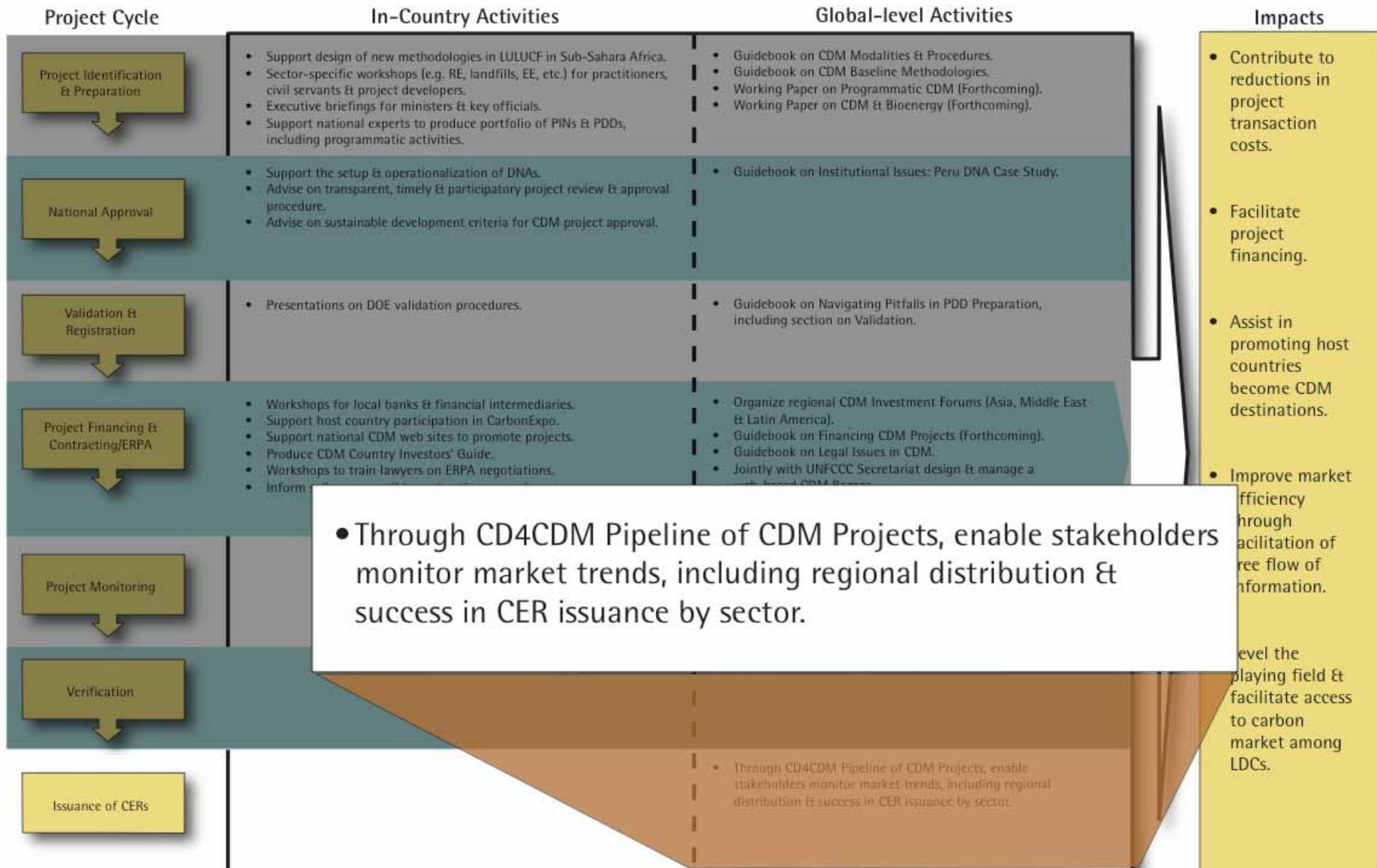




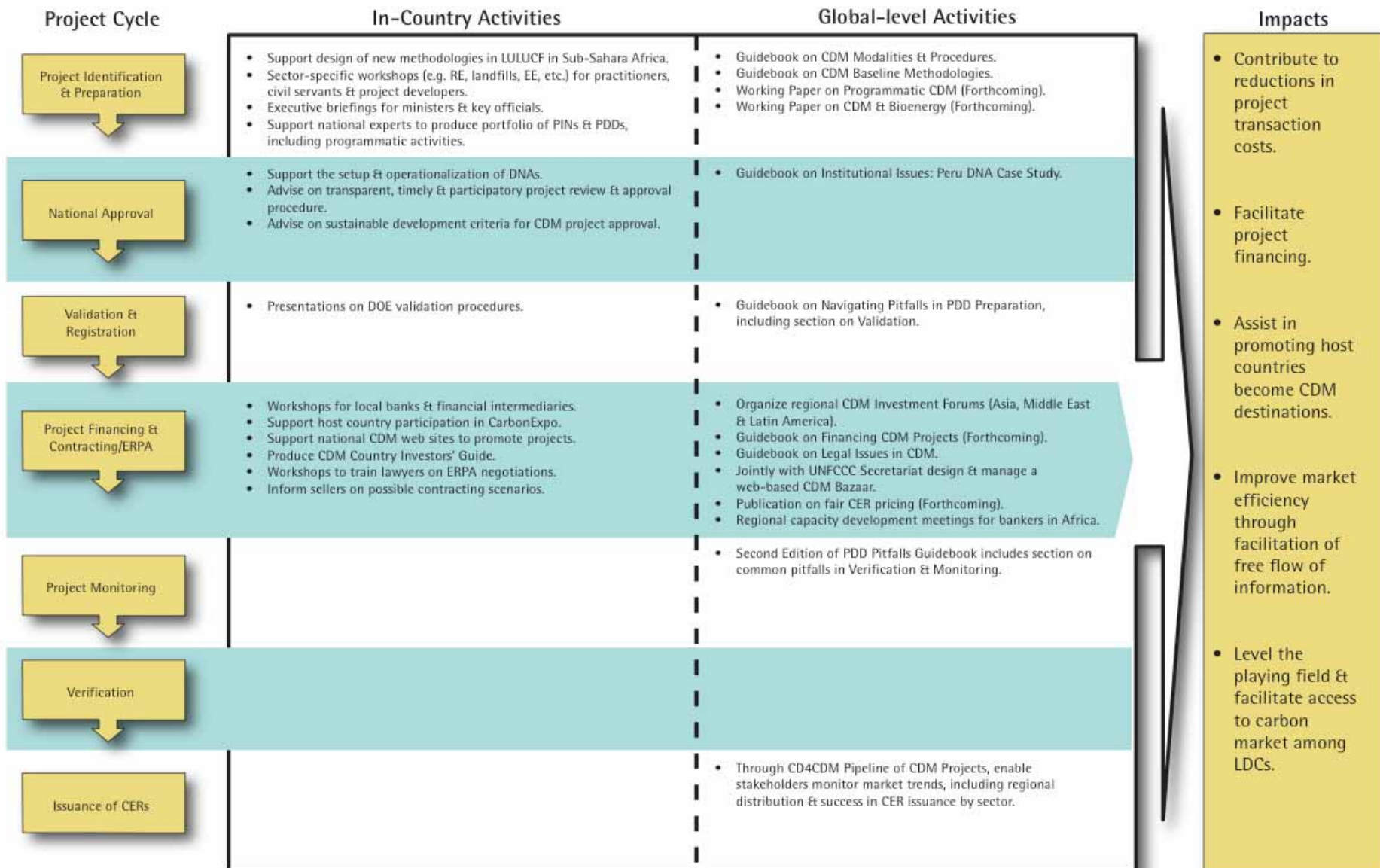












CB Success Indicators

- Key contribution is reduction in projects' transaction costs:
 - Number of days DNA will review & approve a CDM project.
 - Local consultants capable of preparing good quality PIN/PDD.
 - Local financial institutions have good understanding of CDM, possibly willing to provide underlying project financing.
 - Validation/Verification processes conducted in a timely manner.
 - Number of signed Emission Reduction Purchase Agreements (ERPAs).

Lessons Learned

- CB Effectiveness: Ensure the right people receiving right training (job descriptions, institutional mandate).
- Appreciate differentiated CB needs among target groups (policymakers vs. consultants vs. bankers).
- Hands-on, small, sector-specific workshops most effective (e.g. landfill workshops, fuel-switching workshops, etc.).
- Priority in using local consultants, then regional, then international.
- Encourage national ownership of CB efforts & secure in-kind contribution.
- Design country-specific CB building work plans.
- In Africa, tackling the non-CDM barriers is paramount for success of CDM.
- CB support to Africa should aim at improving the Business Enabling Environment (BEE) in relation to CDM.

Thank You

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