

**CD4CDM Project – Mauritius**  
**Third National Workshop**  
22-23 September 2008, Pailles

**Outcomes of the First and Second  
National Workshops**



*Presented by*

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# International Response to Climate Change

- **UNFCCC** - United Nations Framework Convention on Climate Change
  - Voluntary approach adopted to curb down greenhouse gas emissions.
- **The Kyoto Protocol 1997** to the UNFCCC
  - Legally binding emissions targets for industrialized countries (Annex 1 countries)
  - Target set: reduction to be at least 5% against the 1990 emission levels

# Kyoto Protocol's Flexible Mechanisms

- Joint Implementation
  - Project-based trading between industrialised countries
- Emission Trading
  - Countries with surplus could sell to those with deficit
- Clean Development Mechanism
  - Project-based trading between industrialised and developing countries

# Clean Development Mechanism

## ■ Objectives:

- To assist Annex 1 countries to achieve emission reduction targets by investing in emission-reducing projects in developing countries.
- To assist developing countries to achieve sustainable development.

# Constraints faced by Developing Countries

- Complexity of the modalities and procedures of CDM.
- Lack of capacity and inadequate institutional setup

# Mauritius CD4CDM Project

- Funded by the Netherlands Government and implemented by UNEP RISOE Centre (URC) in Denmark
- SouthSouthNorth and ECON Analysis, regional teams providing technical support
- Objectives of the Project:
  - Improve institutional preparedness for hosting CDM projects
  - Capacity Building of local experts and relevant institutions.
  - Promote Mauritius as a CDM investment destination
  - Support the development of a pipeline of actual CDM Project PINs and PDDs

# Mauritius CD4CDM Project – Scheduled Activities (1)

## 1) National Workshops

- First National Workshop (Jan 2008)
  - Focus on general sensitization on CDM and its benefits, CDM modalities, procedures, institutions and regulatory bodies
- Second National Workshop (Mar 2008)
  - Focus on PIN and PDD preparation, baseline & monitoring methodologies, and CDM project financing
- Third National Workshop (Sep 2008)
  - Focus on validation and verification procedures, and contract negotiation and legal issues

# Mauritius CD4CDM Project – Scheduled Activities (2)

## 2) Sectoral Workshops

- Sectoral Workshop on Energy Efficiency (28 Mar 2008)  
Baseline and monitoring methodologies for CDM energy efficiency projects
- Sectoral Workshop on Voluntary Carbon Markets (24 Sep 2008)  
Overview of the voluntary carbon market: its growth, risks/uncertainties, project types, and market players
- Sectoral Workshop for the Financial Sector (25 Sep 2008)  
Overview on project financing impacts of carbon revenue, risk management and carbon financing

# Mauritius CD4CDM Project – Scheduled Activities (3)

## 3) Operationalisation of the DNA

- Design of project review/approval procedure – Mission of the Legal Expert, Mr Stefan Raubenheimer, from SouthSouthNorth in April 2008 to work out the project review and approval procedure
- CDM bill in preparation

## 4) Development of Sustainable Development Criteria for the Assessment of CDM Projects

- The SDC has been worked out in consultation with members of the National CDM Committee, the Environment Coordination Committee, and local project developers.

# Mauritius CD4CDM Project – Scheduled Activities (4)

- 5) **Design of Mauritius National CDM Website**
- 6) **Formulation of a National Portfolio of CDM Projects**

# Mauritius CD4CDM Project

## Outcomes of First National Workshop

- Provided the participants with an Understanding of:
  - CDM and its benefits, the Economics of CDM, CDM Modalities and Procedures, and CDM Institutions & Regulatory Bodies
  - Sustainable Development Criteria
  - Project Opportunities in CDM
  
- Identified a list of potential avenues for CDM in Mauritius.
  - Projects were identified in the following major sectors:  
Renewable Energy, Energy Efficiency, Bio-fuels & Carbon Sequestration

# Mauritius CD4CDM Project

## Outcomes of Second National Workshop (1)

### ■ Topics that were covered during the Second National Workshop:

- 1) Project Idea Note (PIN) and Project Design Document (PDD) preparation: common pitfalls in PDD making
- 2) Introduction to Validation and Verification
- 3) Baseline methodologies: examples of baseline method relevant to national circumstances
- 4) Additionality – How to demonstrate the additionality factor

# Mauritius CD4CDM Project

## Outcomes of Second National Workshop (2)

- 5) Understanding the Validation Process: how the auditors work together with project developers to establish the eligibility of CDM projects
- 6) CDM project financing: approaches to investment analysis, benchmarks, sensitivity analysis for CER price impact on project economics
- 7) Financial Aspects of CDM and Carbon Finance

# Mauritius CD4CDM Project

## Objectives of the Third National Workshop

- To sensitize policy makers on CDM issues and procedures;
- To provide participants with an understanding of legal and contractual issues involved in CDM contract negotiations;
- To provide an overview on the present status and outcomes of UNDP's Regional CDM Capacity Building Project; and
- To discuss DNA procedures and legislation.

# THANK YOU

