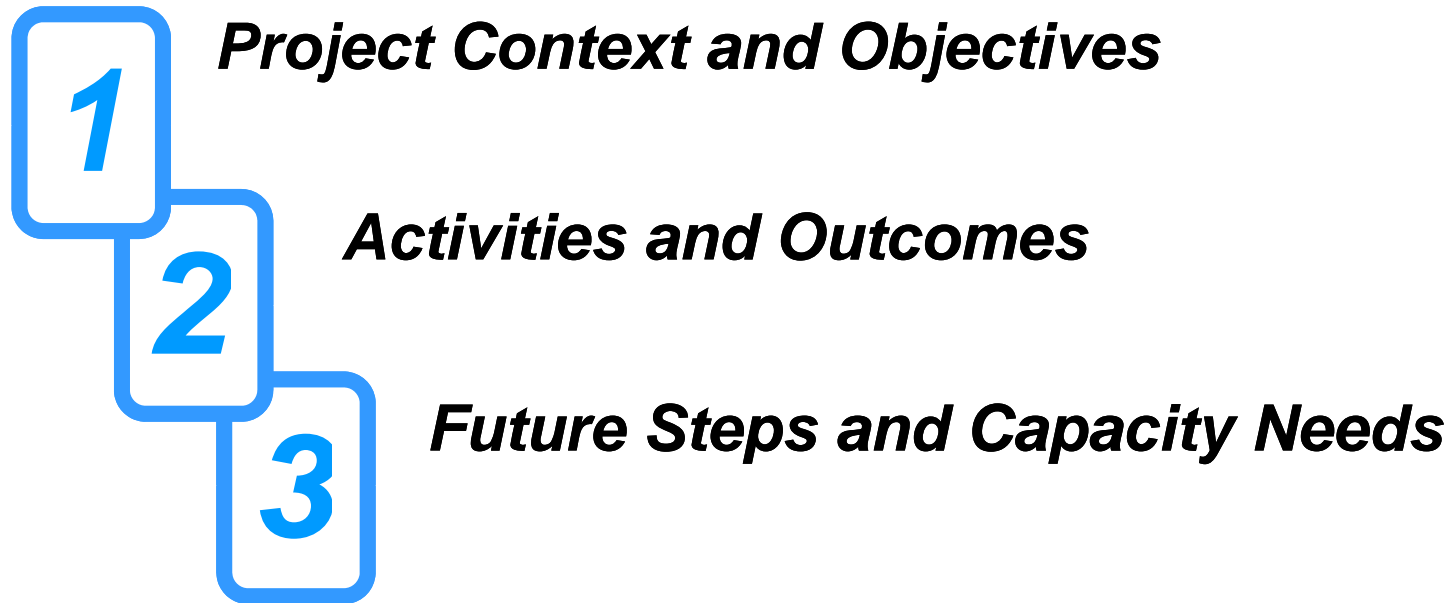


# *CD4CDM* TANZANIA

## Debrief for Development Partners

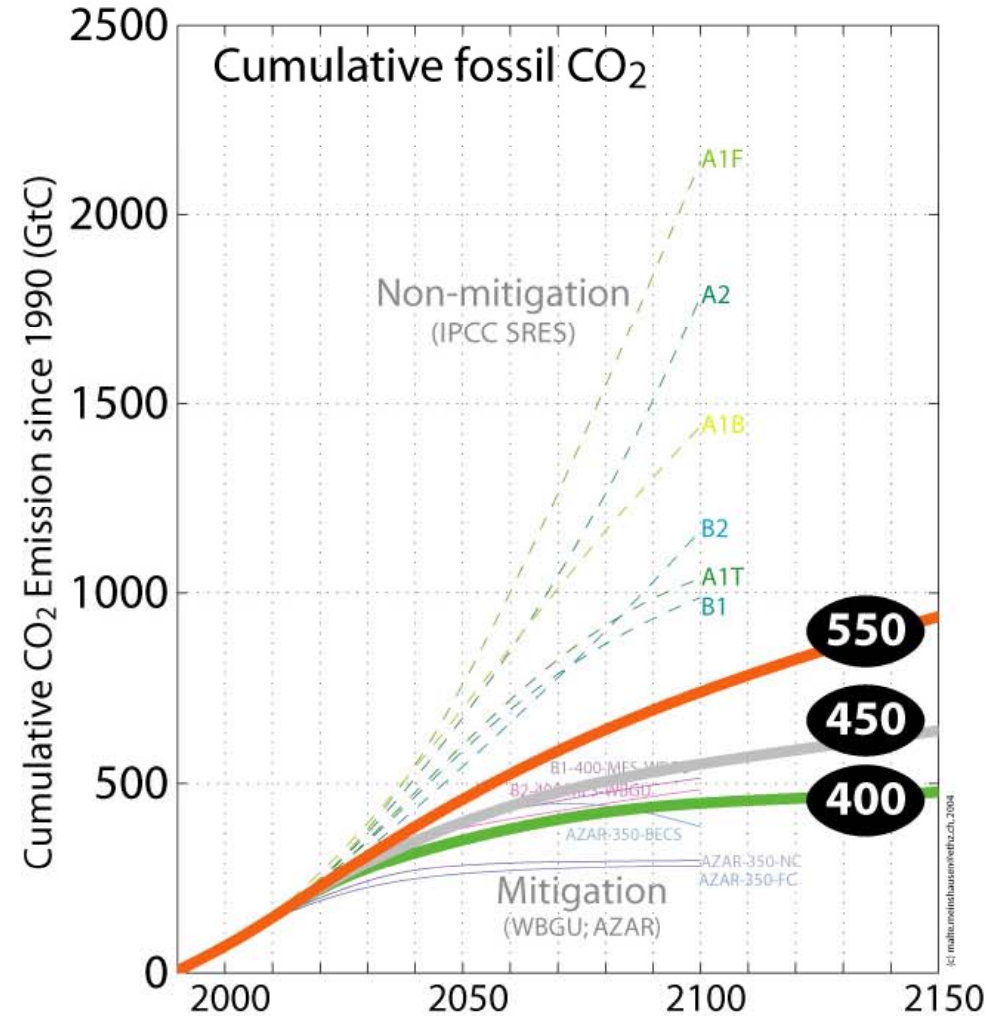
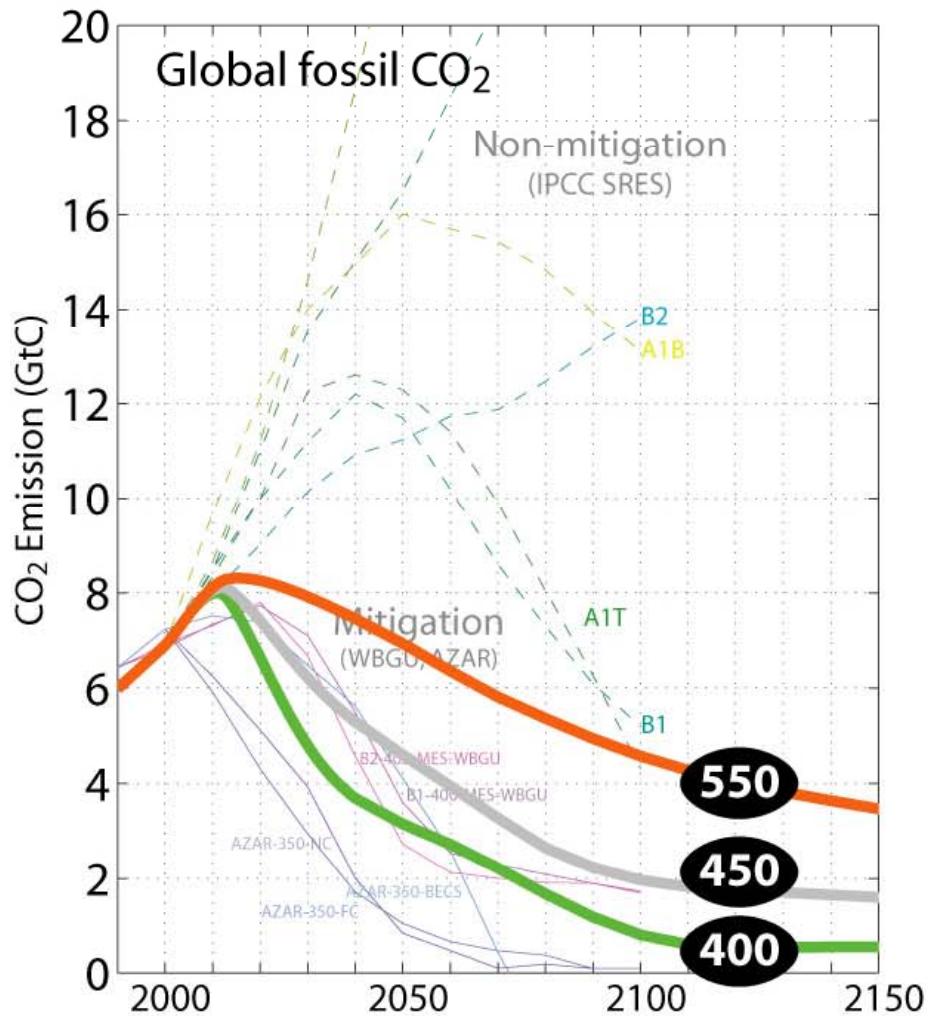


Glenn S. Hodes  
UNEP Risø Center



# Fossil Fuel CO<sub>2</sub> emissions

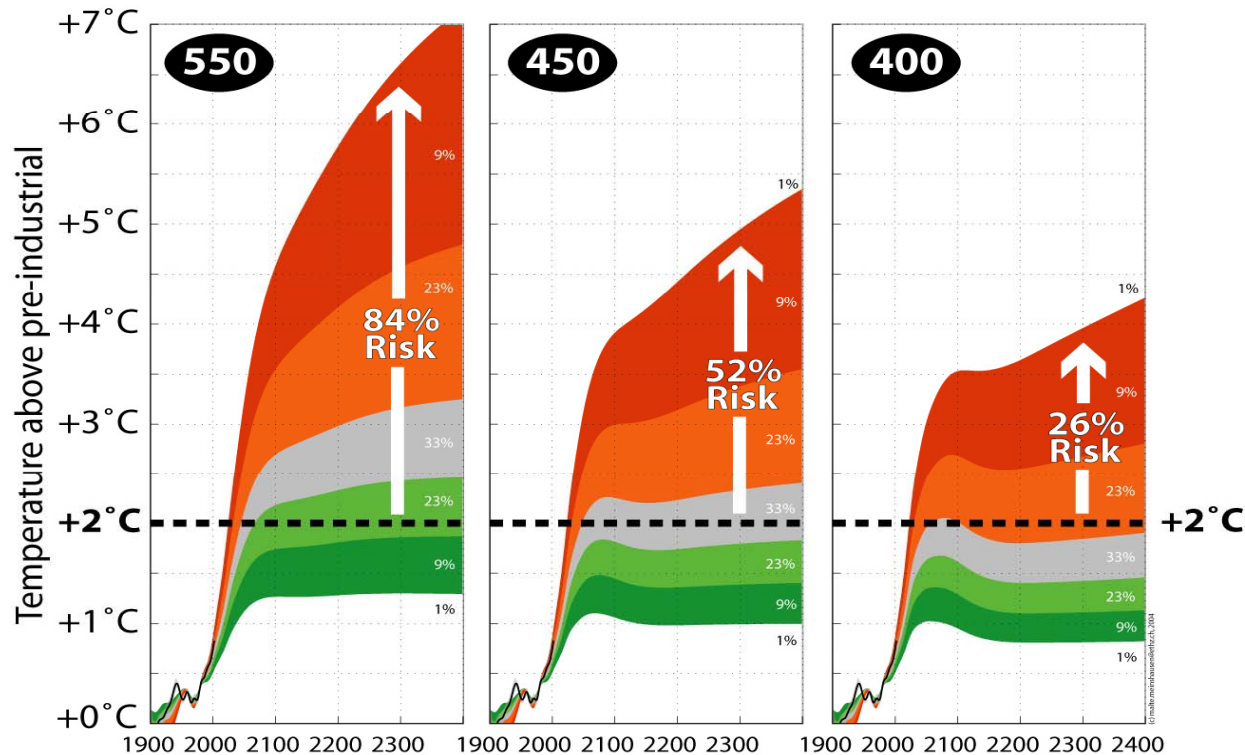
We are now at 381 ppm CO<sub>2</sub>, + 2 ppm/year



IC: malta/melina/haus/verbuch/2004



# The Risk to overshoot 2°C

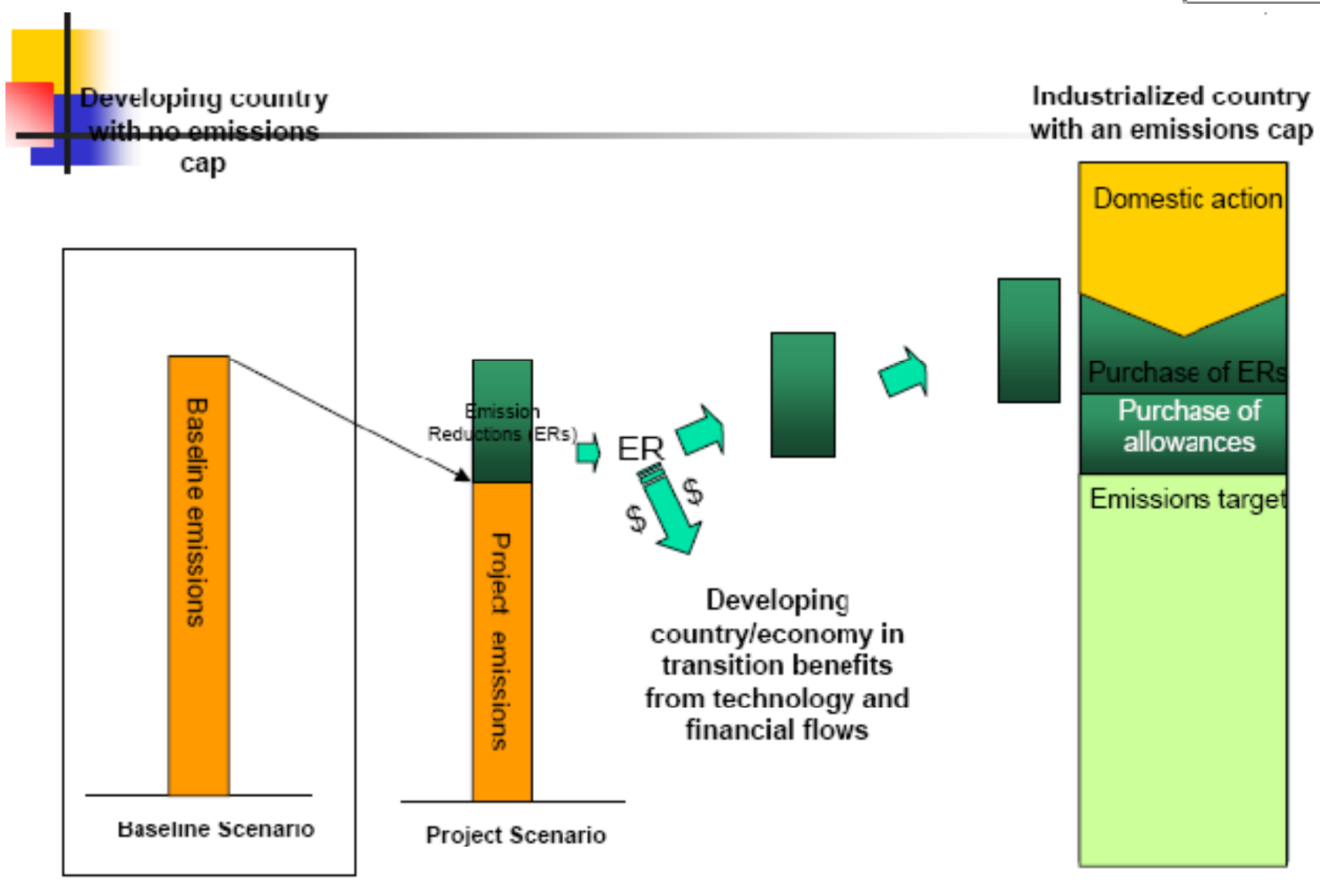


Mean climate sensitivity PDF  
Note: Climate sensitivity probability density function averaged over 9 published estimates since 2001. Only uncertainties in climate sensitivity considered. Other climate parameters are default settings consistent with IPCC Third Assessment Report. Simple climate model used: MAGICC 4.1 (Wigley, Raper et al.). Historical temperature data and uncertainties according to Folland et al. (2001)

## ***The purpose of the CDM***

Kyoto Protocol Article 12.2 “The purpose of the clean development mechanism shall be:

- To assist Parties not included in Annex I in achieving sustainable development and in contributing to the ultimate objective of the Convention, and
- To assist Parties included in Annex I in achieving compliance with their quantified emission limitation and reduction commitments under Article 3.”



## ***Barriers to Carbon Finance***

### ⇒ **Non Africa-specific:**

- Complex modalities & procedures, high transaction cost
- Heavy institutional requirements for project cycle
- Knowledge gap between buyers & sellers

### ⇒ **Africa-specific:**

- Limited equity and access to finance by potential developers
- Financial institutions lack knowledge of CDM
- Lack of trained national consultants
- Investment climate
- Limited budgets for operations of DNAs
- Many small(er) projects, lack of entities capable of bundling

***Need for comprehensive and targeted capacity building.***



**Donor: Netherlands Ministry of Foreign Affairs**

**Executing/Implementation Agency: UNEP Risoe Center**

**Project Implementation Partners in Tanzania:**

- **EPMS Ltd.**
- **CEEST Foundation**
- **Vice President's Office (DNA for CDM)**

## ***Project Goals***

- Improve policy and legal framework for CDM
- Raise awareness of benefits and opportunities
- Train/capacitate project sponsors, national experts and local consultancies (e.g., EPMS, CEEST)
- Support development of an initial pipeline of CDM projects
- Assist national entities to promote CDM investment in country

## *CD4CDM Tanzania –Activities to Date*

- **Targeted DNA Support:**
  - CDM web site: [www.cdm.or.tz](http://www.cdm.or.tz)
  - CDM Investors' Guide
  - Government briefings
  - Drafting CDM regulation
- **Preparation of pipeline of CDM projects by local and international consultants and support for interaction with carbon buyers**
  - Facilitate participation in Carbon Expo, Africa Carbon Investment Forum, IETA trade mission
- **Capacity building workshops targeting:**
  - All national stakeholders, especially policymakers, private sector, technical consultants, investors.
  - Bankers and financial intermediaries.
  - Sectoral workshops (e.g. municipal decision-makers, engineer associations)



***Wide array of activities involving all major stakeholders.***

# Initial CDM Project Portfolio (1)

No	Project name	Sector	Expected CERs (tCO2 eq/year)	Status	Type	Champion	Consultants
1	Bio-latrine Methane gas capture and energy generation	Biomass energy	3,750	PIN	Small Scale	CARMATEC and prisons	EPMS
2	Biogas capture in sisal waste to generate electricity at Katani, Tanga Ltd	Biomass energy	40,000-50,000	PIN	Small Scale	Katani Ltd	EPMS
3	Biogas capture in sisal waste to generate electricity at Dominion Estates Ltd	Biomass energy	15,000-35,000	PIN	Small Scale	Sagera estates	EPMS
4	Biomass co-generation project at Tanga Cement, Ltd	Biomass energy	86,938	PIN	Large Scale	Tanga cement Co. Ltd	EPMS
5	Same and Project (SMFP)	LULUCF	> 1,000,000	PIN	Small scale	SafariJet Services Ltd	CEEST
6	Forest Project in Bagamoyo, Coast Region	LULUCF	> 500,000	PIN	Small Scale	Community Development Cooperation Ltd	CEEST
7	Biomass Efficiency in SME (Prison, Schools, colleges and Restaurants)	Energy efficiency	TBD	PIN	Small scale	TASONAB	CEEST
8	Mpanda Mini-Hydro project in Rukwa Region	Renewable energy	TBD	PIN	Small Scale	TASONAB	CEEST

## Initial CDM Project Portfolio (2)

9	Fuel switching from the use of HFO to natural gas in Mukwano industry	Fuel switching	2,000-3,000	PIN	Small Scale	Mukwano Group Ltd	EPMS
10	Landfill gas recovery and power generation at Kinondi, Dar	Waste management	15,000	PIN	Small Scale	SafiAnzania	EPMS
11	Partial substitution of coal by biomass residues in cement manufacturing	Biomass energy	TBD	PIN	Large Scale	Mbeya Cement Co.	EPMS
12	Fuel switching from the use of gen sets to natural gas in Mtwara and Lindi	Fuel switching	25,000-32,000	PDD	Small Scale	Artumus Ltd.	ESD-CAMCO
13	Wind power energy in Singida	Renewable energy	70,000	PDD	Large scale	Wind energy Dar es Salaam	ESD-CAMCO
14	Reforestation project in Mafinga, Iringa	LULUCF	56,000	PIN	Small scale	Green resources Ltd	Green resources Ltd.
15	Valorization of Coconut Shell Waste	Biomass energy	TBD	PIN	Small scale	Ministry of Industry	
16	Biodiesel project	Biomass energy	TBD	PIN	Small scale	TaTedo, SSN/REEEP	TaTedo

## ***Key project outcomes***

- Demonstrated scope for CDM opportunity
- Created interest among investors, banks
- Created sound human capacity foundation to undertake CDM projects
- Tanzania is more connected to a fast growing global carbon market

***Considerable progress has been made, but much more needs to be done...***

## ***How to sustain the momentum?***

- Implementation of demonstration projects and identification of additional projects
  - Two projects will be supported to PDD level.
- Further ensuring + “enabling environment” incl. enhancing the policy and regulatory framework
- Stakeholder consultation and outreach
- More in-depth, on-the-job training and investment in key intermediaries

**Donors have key role to play in all of these ! ! !**

***Capacity follows LEADERSHIP.***

***Investment follows SUCCESSFUL EXAMPLES***

## *UNEP - Added Value and Mandate*

⇒ ***Not a buyer. Not a seller.***

- Unbiased advisory services & research products
- Trusted by both buyers & sellers

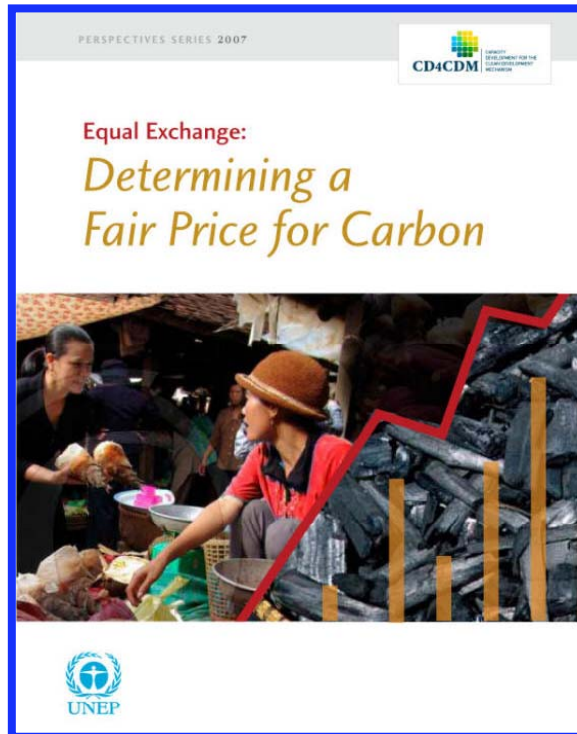
⇒ ***In-country CDM experience in 30+ countries.***

- Intimate knowledge of host countries' situation
- Access to valuable field information

⇒ ***Paving the way.***

- Public-use research products (CDM Pipeline database)
- First mover in many high sovereign risk countries

***Impartiality and geographical coverage as main strengths.***



**Thank You !**

For more information:

[www.cd4cdm.org](http://www.cd4cdm.org)

[www.cdmbazaar.net](http://www.cdmbazaar.net)

[www.uneprisoe.org](http://www.uneprisoe.org)

