

- **2008 US-Africa Infrastructure
Conference: Beyond Fossil Fuels**

Low Carbon Development in Africa

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Climate Change Today

- In 2007, atmospheric CO₂ concentration reached 383 ppm, highest in 650,000 years
- Emissions growing 4x faster since 2000 than during previous decade from fossil fuel combustion and land use change
- World's poorest countries, representing 800 million people, have contributed to less than 1% of total cumulative emissions since 1751
- Most vulnerable to impacts of climate change have the least ability to adapt

Kyoto Protocol CDM

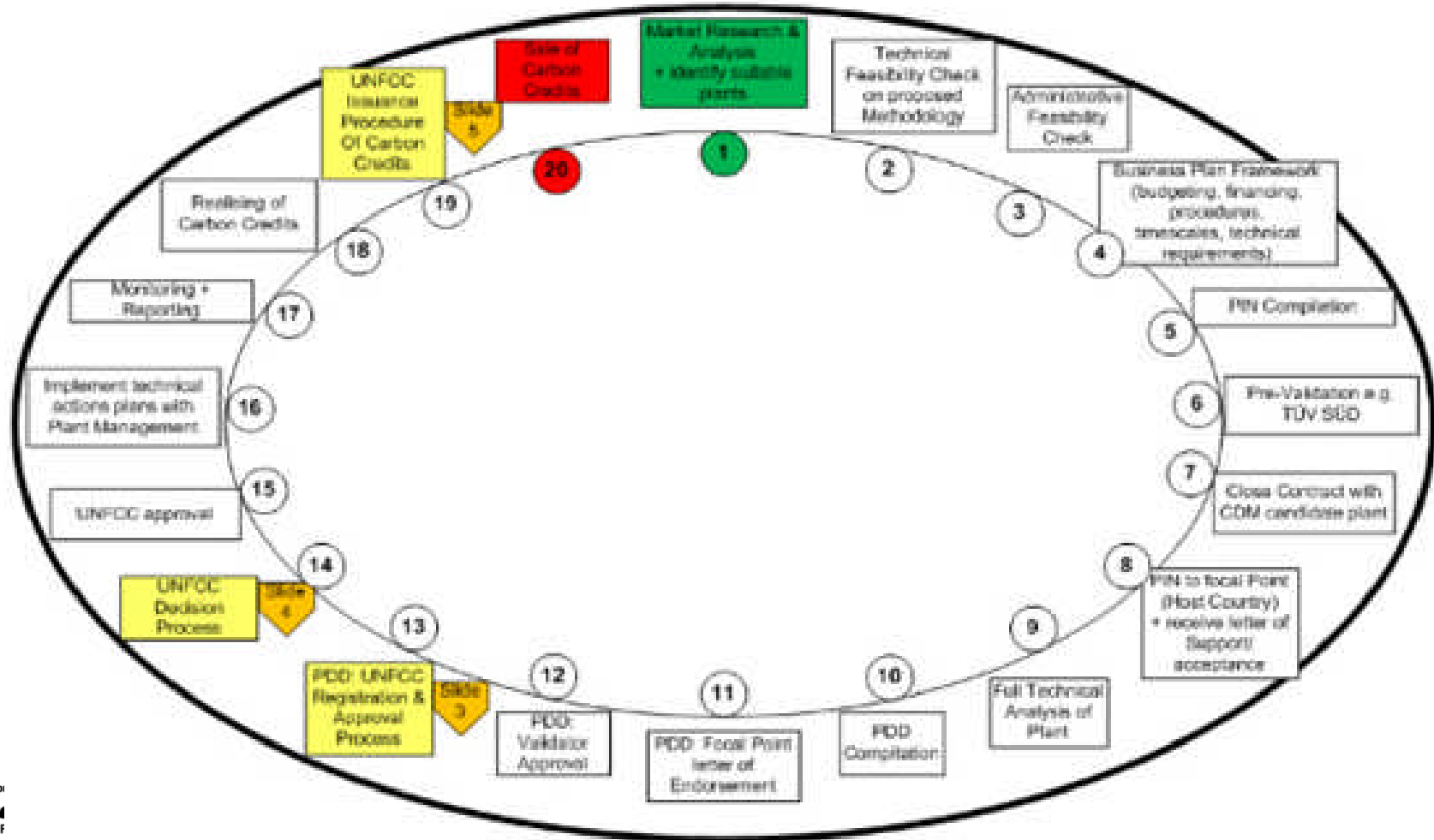
- **UNFCCC’s “*Common But Differentiated Responsibilities*” principle to tackling CC**
 - CDM: Certified Emission Reductions generated through ‘ADDITIONALITY’ in offset projects located in developing countries
 - 2006 & 2007 approximately 1.4 billion tons of CO₂ equivalent emissions were prevented
 - \$19.5 billion moved from industrialized to developing countries
- **Post 2012 Kyoto Protocol talks underway**
 - Necessary to provide clear signal to market
 - Potential US engagement after election?

African Experience: Constraints

- **27 CDM projects in Africa**
 - Approximately 1 150 registered CDM projects (70% developed in China in 2007)
 - 2000+ currently in pipeline and growing
- **Comparatively lower emissions in Africa resulting in less opportunities and small size of projects**
- **Institutional capabilities and resources are lacking – resources, know-how**

African Constraints: Obstacles

Carbon Project Process



African Experience: Potential

- ***“CDM has become a multi-billion dollar source of funding for sustainable development ... an outstanding example of a UN-led partnership linking government action to the private sector in the developing world.” UN Secretary-General***
- **Nairobi Framework established in 2006 to help developing countries, especially those in sub-Saharan Africa, to improve their level of participation in the CDM**
- **Significant investor interest in reliable co-benefit (poverty and emission reductions) opportunities**
- **Greater focus on Africa in post 2012 talks**

African Experience: Examples

- **Senegal:** Energy Efficiency – Agency for Rural Electrification project Energy Efficient Lighting Programme to generate 120,000 CERs
- **South Africa:** Grid Connected – Durban landfill gas to electricity project – electricity fed into municipal grid generating an estimated 480,000 CERs in first 7 years
- **Morocco:** Off-grid – Photovoltaic solar home system installation in rural Morocco 386,386 credits over 10 years

Additional Financing Mechanisms

■ Voluntary Markets

- Highly fragmented (numerous standards)
- Lower prices for emission reductions but less stringent than compliance markets

■ Public Private Partnerships

- Smart Grants
- Output-Based Aid
- Feed-in tariffs
- Donor funded opportunities (e.g. USAID GDA)

EMG Approach

- **Exploring all options to facilitate development of low carbon economies in Africa – mitigation & adaptation**
- **Energy is development – exploring all available options for low carbon intensive energy sources**
- **Institutional building – helping to develop institutional capacities of public and private sector in Africa to leverage all available opportunities for low carbon development**
- **Develop and promote effective public private partnerships and financial incentives to combat climate change**

Thank-you

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