

## CDM SUSAC PROJECT - ZAMBIA

### RECOMMENDATION ON ASSESSMENT OF SUSTAINABLE DEVELOPMENT FROM ZAMBIA'S NATIONAL DEVELOPMENT PERSPECTIVE

The secretariat is recommending a combination of Rating and Normal ranking approaches be further considered for adoption. The rating approach will give appropriate weighing to the three broadly agreed upon principles of sustainable development goals, namely **economic, environmental and social**. Indicators related to each of these principles will then be identified in relation to the indicators to be agreed upon in the discussion paper. The normal approach will then weight each indicator in each given category after which the total marks accrued will be proportionally related to a percentage of a given category. As a start to the exercise, which will be subject to review by the sub committee and other partners, the secretariat proposed the following weighting for the main principle as follows:

- Economic 38%
- Environmental 33%
- Social 29%

The rationale behind this weighting is that economic development is taken as the driving force. Nevertheless, such development should be carried out in an environmentally friendly manner and thus improve the social life. Again, we wish to reiterate that this is a tentative suggestion and it is bound to be altered as more consultations are made with various stakeholders, though may seem subjective at this stage. It is our feeling that we should start somewhere before reaching a final consensus on the matter.

Regarding the weighting of indicators, the normal ranking criteria of between 1 and 9 as proposed in the IER document will be used.

It was also felt that there was need to have a cut off point below which a project would not be eligible as a CDM project. As a start up, it was agreed that the cut off point be 55%.

**Table 1: Assessment for Sustainable Development of a CDM Project based on the Normal Ranking Methodology**

INDICATOR	RANKING (NORMAL)					TOTAL
	1	3	5	7	9	
	Weakly important	Less Important	Moderately Important	More Important	Extremely Important	
<p style="text-align: center;"><b>Economic</b></p> <ol style="list-style-type: none"> <li>1. Reducing the burden on imports of energy on a macro-level</li> <li>2. Increased investment in a priority sector of the economy</li> <li>3. Contributing to competitiveness at a micro-level, like industry</li> <li>4. Positive effects on the trade balance</li> <li>5. Improved local economy (effects on GDP)</li> <li>6. Reduction of energy intensity at a micro-level</li> <li>7. Increasing share in the contribution of renewable energy to the energy supply mix of a macro-level</li> <li>8. Increase of sustainable energy deployment</li> <li>9. Increase of energy productivity</li> </ol> <p style="text-align: center;"><b>Sub - total</b></p>						
<p style="text-align: center;"><b>Environment</b></p> <ol style="list-style-type: none"> <li>1. Global environmental measures should result in the reduction of greenhouse gases emissions (CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O), as per convention (baseline development, additionality calculation)</li> <li>2. Local environmental efforts should result in reduction of local impacting emissions (the pollutants SO<sub>2</sub>, NO<sub>x</sub>, CO, NMVOC) (reduced air pollution, reduced water pollution, conservation of bio-diversity, reduced soil erosion caused by deforestation)</li> </ol> <p style="text-align: center;"><b>Sub total</b></p>						
<p style="text-align: center;"><b>Social</b></p> <ol style="list-style-type: none"> <li>1. Increased local employment</li> <li>2. More equitable distribution of resources (reduction of wealth disparities)</li> <li>3. Increase in percentage of rural and peri-urban population with access to power supply</li> <li>4. Affordability</li> <li>5. Capacity building (e.g. transfer of technical skills)</li> <li>6. Health impacts</li> </ol> <p style="text-align: center;"><b>Sub total</b></p>						

**Table 2: Overall Assessment for Meeting Criteria for Sustainable Development of a CDM Project based on the Rating Methodology**

<b>INDICATOR</b>	<b>MARKS OBTAINED</b>	<b>REPRESENTATIVE WEIGHTING (%)</b>	<b>TOTAL</b>
<b>Economic</b>		38	
<b>Environmental</b>		33	
<b>Social</b>		29	
<b>Total</b>			

**Recommendation:**

If the total weighing is above 55%, the project meets the sustainable development criteria.