



CDM Susac project details

- **Funding 1.25 million Euros:**
 - European Commission - DG Development
 - UK Foreign and Commonwealth Office - Climate Change Challenge Fund
- **Project partners:**
 - ENDA TM, Senegal
 - Dept. of Meteorology, Uganda
 - CEEEZ, Zambia
 - ESD Ltd, UK
 - IER, University of Stuttgart, Germany – Co-ordinator
- **Start date: 1st March 2000**
- **Duration: 24 months**

Key Project Goal



CDM Susac aimed to „Kick start“ the CDM in Africa and by doing so to assist ACP countries become competitive with larger emitter countries such as China, India and Brazil.

Project Objectives & Activities (1)

Provide institutional support by:

- Support implementation of national climate change focal points
- Raise awareness and understanding of the CDM amongst private sector, government and local financial institutions
- Identify pilot CDM projects
- Raise international investors awareness about these projects

Project Objectives & Activities (2)

Provide technical support by:

- Consider and develop tools for identifying „good“ CDM projects
- Develop tools to be used to assess a project in terms of it's contribution to sustainable development
- Conducting training on the development of baselines and test the usefulness of MESAP 3.2 against other tools (LEAP, Excel)
- Develop guides for developing MVP.

Project Approach

Focus activities on the project level rather than on policy and strategy to:

- maximise the likelihood of achieving the stated output of actualising CDM projects
- ensure that the CDM infrastructure has, from the outset, the vision, drive and necessary capacity to make a difference on the ground and produce tangible results

Financing CDM Projects

1. How to attract investment but ensure CDM projects meet sustainable development objectives?
2. How should transaction costs associated with investing in CDM projects be specified?
3. Which international financial organisations are likely to invest in African CDM projects? How important is the role of local investors in CDM project financing?
4. What kind of financing structures are likely to be used to support CDM projects? Will they be different to BAU financing structures? When is a CDM project too small?
5. What incentives are needed to stimulate Foreign Direct Investment into CDM projects in Africa?

Risk & CDM Projects

1. What risks are associated with CDM projects?
How are these risks different to normal investment risks?
2. What can national governments/developers in Africa do to reduce risks associated with CDM?
3. Will Annex I investors prefer JI to CDM projects?
4. What insurance options exist or could be developed for CDM projects? Can ODA be used to reduce risks?
5. How can risks associated with uncertain CER values be reduced?