



# CLIMATEFINANCEINNOVATORS

LINKING CARBON MARKETS WITH CLIMATE FINANCE IN AFRICA

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## Eastern Africa carbon market engagement: Regional foundations for Article 6 implementation

*CDM transition*

*What is at stake? - Regional carbon market profile*

21<sup>st</sup> September 2020

Supported by:



based on a decision of the German Bundestag

INTERNATIONAL CLIMATE INITIATIVE (IKI)

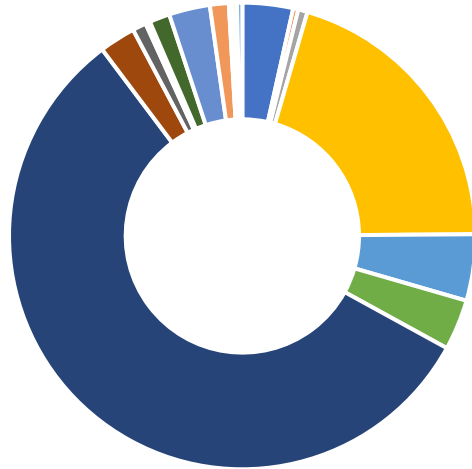




- **(I)NDCs** were submitted between 2015 and 2018. Rwanda updated NDC in 2020.
- Seeking to abate GHG emissions by an average of **32% by 2030** relative to BAU
- Subject to international support in the form of **finance, investment**, technology development and transfer, and capacity building.
- Region estimates that approximately **USD 267.9 billion** is required for **mitigation** and adaptation actions across all sectors up to **2030**.
- **4 out of 7 countries** explicitly reference their interest in using climate finance instruments and **international market-based mechanisms**



## Regional CER issuance by activity



- Afforestation
- Lighting
- Water purification
- Run of river
- Flaring
- Domestic manure
- Gasification of biomass
- Stoves
- Geothermal electricity
- Dam
- Composting
- Waste water

**54%** African CDM activities that have issued are in EA

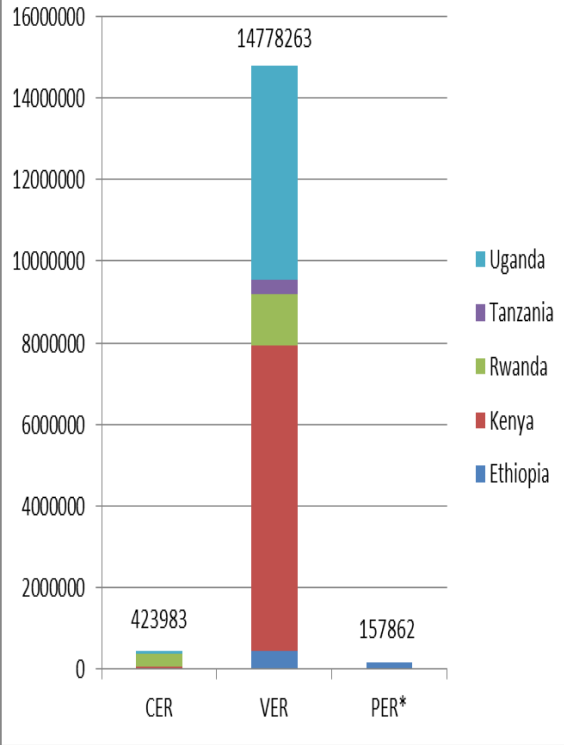
## REGISTERED/INCLUDED

- **464** registered CDM activities: **54 PAs** and **410 CPAs** in 49 PoAs across all countries
- **67% PAs** registered **before 2012**, 25 activities **RE**
- **96% CPAs** registered **after 2012**, 59% **cookstoves**

## ISSUANCE

- **9.8 million** CERs issued
- **34 %** of all activities from the pipeline
- **Run-of-river hydro (57%)**, cookstoves (20%), water purification (5%), afforestation(4%) and geothermal(4%).

## GS Issuances VERs, CERs, PERs



6 countries - registered Gold Standard, VCS & Plan Vivo activities

## REGISTERED/INCLUDED

- **234** voluntary standard projects/activities registered/included
  - **191 GS, 38 VCS, 5 Plano Vivo**

## ISSUANCE

- GS over **15,000,000+**
  - **97% VERs, 3% CERs**
  - **Energy Efficient Stoves (90+%)**
- **VCS – Agriculture Forestry and Other LandUse (90+%)**

- Total CDM Mitigation potential (CERs, tCO<sub>2</sub>e) - 2020 95 million+, 2030 320 million+**
- 54 registered PAs – 22% **expired** crediting periods, **64% by 2022**
- CERs Issuance rate 2020 19% PAs(w/o Bujagali 6.4%) 4.7% CPAs

## Recent CDM Activities

- **WB CiDEV** CPA inclusions - off-grid energy access
- Approx. **170+ CPAs** included with links to the **Korean ETS**

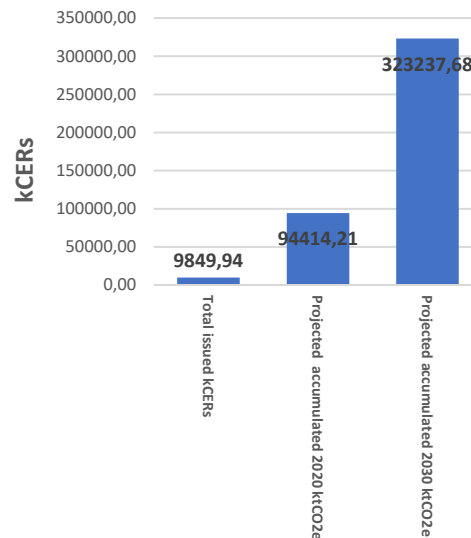
## New Mechanisms, Article 6 piloting

- Joint Crediting Mechanism since 2013
- World Bank piloting the Standardized Crediting Framework
- Adaptation Benefits Mechanism (ABM) AfDB piloting plans
- Submission of letters of intent to the KliK foundation

## CORSIA

- 2 airlines engaged with REDD+ projects - Kenya Airways, Ethiopian Airlines

**Issued CERs and 2020&2030 mitigation potential**





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