

**CARBON FINANCING:
ZAMBIA -A COUNTRY PERSPECTIVE**

BY

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INTRODUCTION

- Zambia is party to the United Nations Framework Convention on Climate Change (UNFCCC) and Kyoto protocol
- The country ratified the convention and the protocol in March 1993 and October 2006 respectively
- The objective of the convention is to stabilize Green House Gas (GHG) concentrations in the atmosphere to levels that would prevent human-induced interference with the climate system.
- The Kyoto Protocol is a legally binding international instrument which sets out emission reduction targets for industrialized countries (Annex I)

INSTITUTIONAL FRAMEWORK

- Zambia has put in place necessary structures to participate in the CDM:
 - i) Established the Designated National Authority (DNA). The Zambia DNA is composed of the adhoc working group and the CDM board.

The adhoc working group is composed of relevant government institutions, the private sector and NGOs. Its role is to review the project idea notes (PINs) and make recommendations to the CDM board for approval and development of the project design document (PDD)
 - ii) Development of a sustainable development criteria to ensure that a proposed project is in line with the country's development goals.
 - iii) Recruited a CDM National Coordinator supported by UNDP who is assisting the country to coordinate CDM activities

STATUS

- Currently, Zambia has not implemented any CDM project.
- Received 8 Project Idea Notes in 2007. these were approved by the CDM board.
- These PINs were in the area of energy efficiency, Renewable energy small hydro power and reforestation and afforestation.
- The Pins are still being developed into full project design documents (PDD)

CHALLENGES

- inadequate capacity to design viable carbon projects as evidenced by the delay in submitting full PDDs
- Insufficient involvement by the private sector
- Inadequate awareness and knowledge on the carbon market and its benefits
- Lack of clearly defined linkages between sellers and buyers.

WAY FORWARD

- Carbon Finance initiative proposal by COMESA will compliment national efforts by creating a dedicated fund for the carbon market
- Need to upscale awareness and sensitisation to potential project developers and buyers.
- Need for appropriate and comprehensive climate change policy that would embrace among others issues on carbon financing

• ***Thank you***