



December 2009

Nairobi Framework – IETA Report of Activity -

IETA Website: www.ieta.org

IETA member companies have undertaken many activities aimed at increasing the number and uptake of carbon reduction projects in Africa, guided by the Nairobi framework. It is an unfortunate fact of private sector life that the economic recession of the past 12 to 18 months has hit investment in emerging markets hard, but some progress has been made that should act as a springboard for the future. Nevertheless CDM project developers are aware of the extra attractions of African projects from the perspective of buyers who wish to demonstrate a balanced portfolio of offsets, and developers are anxious to make use of the Nairobi Framework to help overcome the institutional capacity and political risk problems that can inhibit investment.

Apart from the involvement of project developers and investors - Gazprom– [link: http://www.gazprom.com/](http://www.gazprom.com/), Camco, [link: http://www.camcoglobal.com](http://www.camcoglobal.com) - Eneco - [link: http://www.eneco.be/](http://www.eneco.be/) in offset projects, the IETA member company Carbonflow [<http://www.carbonflow.com/>] produces software tools that ease the tasks of project developers and DNAs dealing with individual projects and groups of projects, and could be an important element of economic and effective capacity building in Africa.

It must be said, however, that more work needs to be done to integrate private sector developers and operators into the debates and support systems that characterize the application of the Nairobi Framework so far. IETA member companies have direct experience of the areas where capacity building is needed and institutional shortcomings are hampering progress with needed development. It is very important to make sure that organizations on the ground in Africa are aware of the need to engage with the private sector rather than exclusively with the donor community, in order to expand the size and reach of projects and establish a track record for the future. Africa has had a slow start in the race to make use of the CDM, but a number of factors will make it more important for the CDM in the future. Nairobi Framework assistance needs to build up mutual confidence and understanding, so that Governments and agencies become more aware of the CDM and what can be done if the conditions are made more attractive to private sector investment.