



UNOPS

Operational excellence for results that matter

CDM Loan Scheme - Introduction

AfricaCarbonForum, Addis Ababa – 18-20 April 2012

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Overview

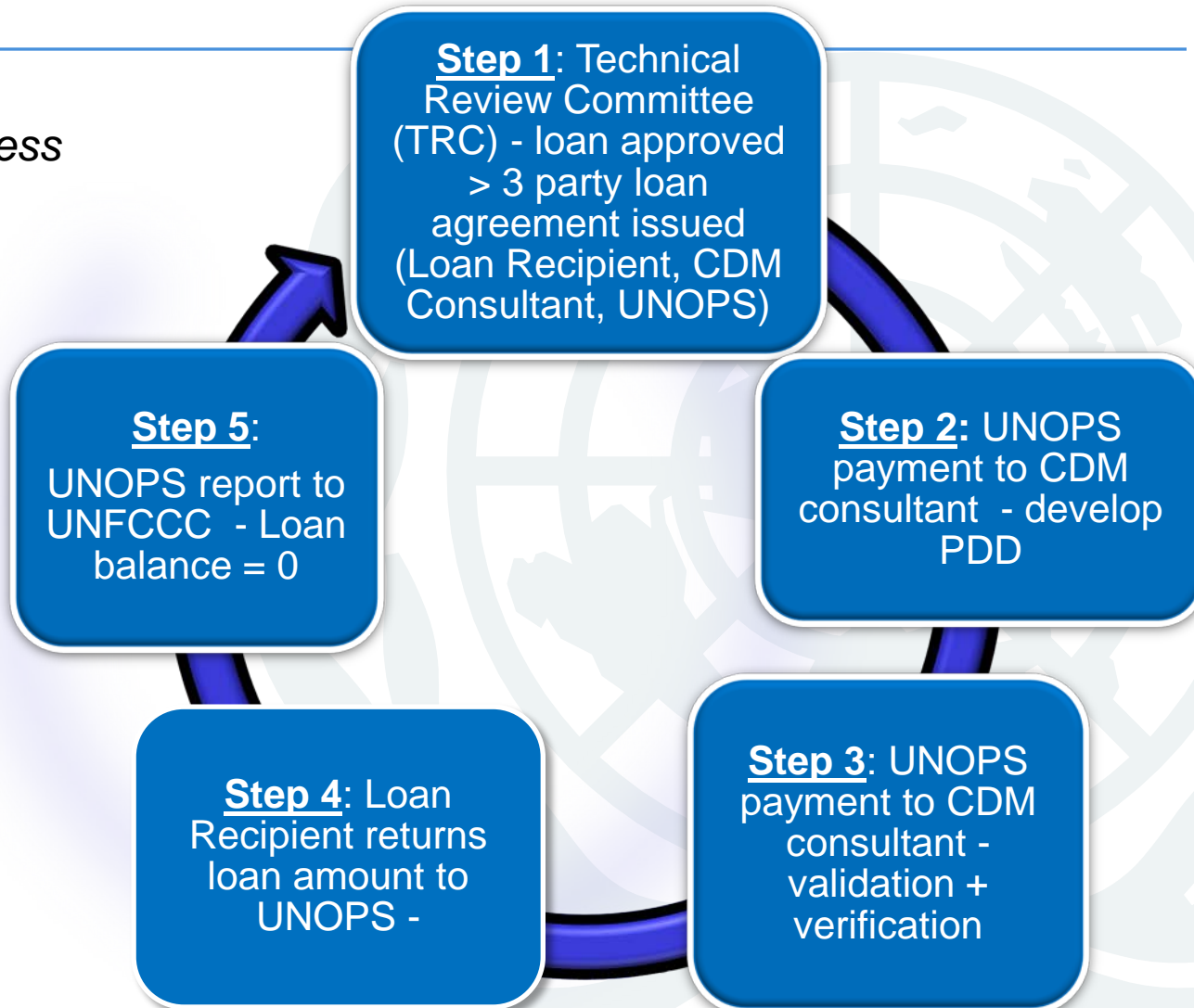
- A) Loan Cycle**
- B) Loan Review & Selection Structure**
- C) Loan Process Structure**
- D) Milestone Schedule**

- E) 2012 Timeline**



A) Loan Cycle - Principle

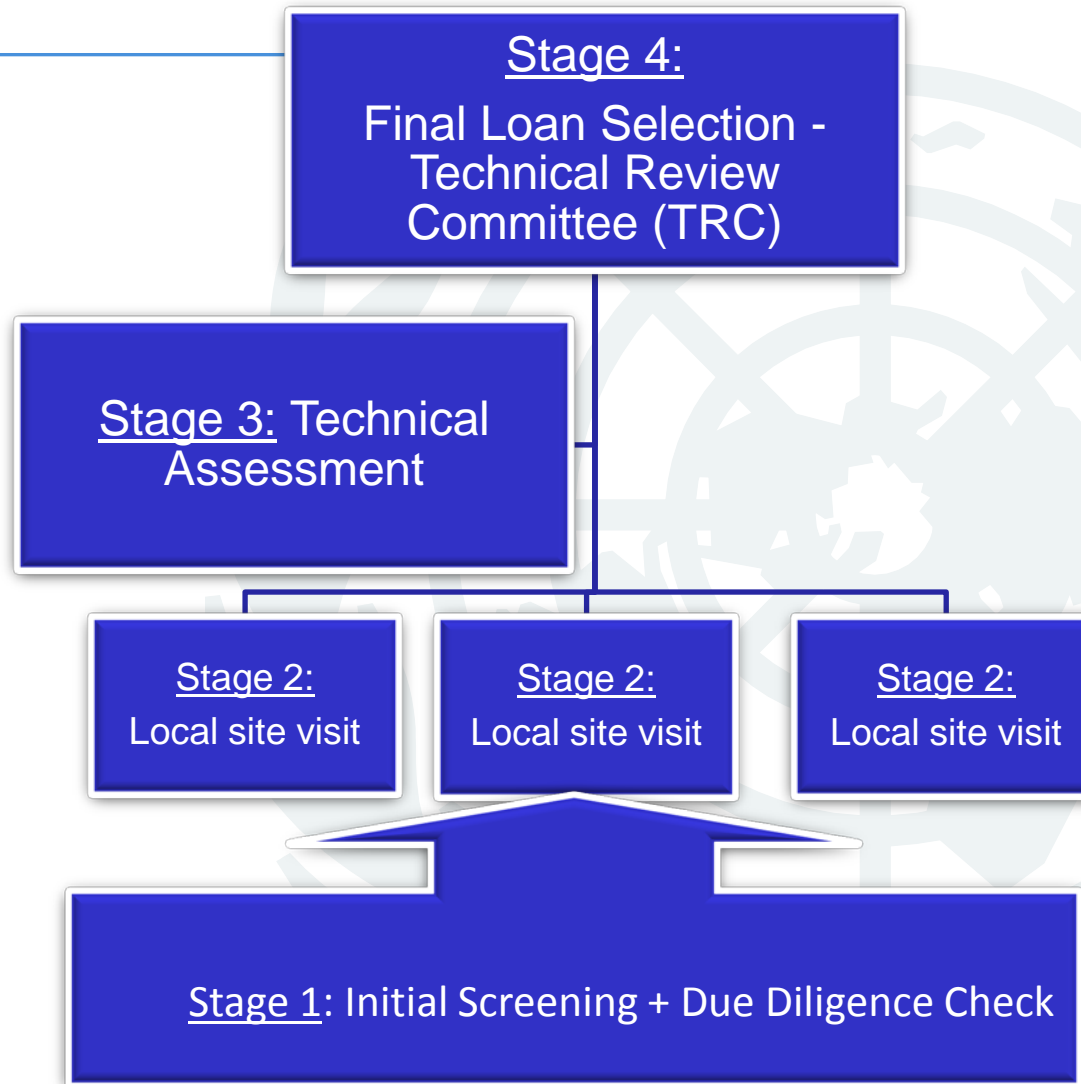
Basic Process



A) Loan Cycle – Main Features & Considerations

- **OVERALL: Adaptive Approach** – reviewing operational aspects after 1 year, for any necessary adjustments
- Clear Work-flow & sequencing (step-by-step): effective and responsive loan system
- independent Selection from Processing
- selected CDM consultant as “central driver” (signatory to Loan Agreement, direct intermediary of loan funds) but without involvement in CERs or other Services.
- Local site visits be conducted, if necessary (also during loan cycle as additional monitoring/supervision layer)
- High Loan Repayment Rate is crucial for success of Loan Scheme. If risk alert of non-repayment (during cycle): Acceleration of loan return (at that stage); Notice to DNA / “blacklisting”; (at end of cycle): withholding of CERs.

B) Loan Review & Selection Structure



B) Loan Review & Selection - Main Considerations

➤ **Online application**, including:

_Self-assessment

_Loan Application Form

_Consultant Registration: minimum criteria (experience /competence)

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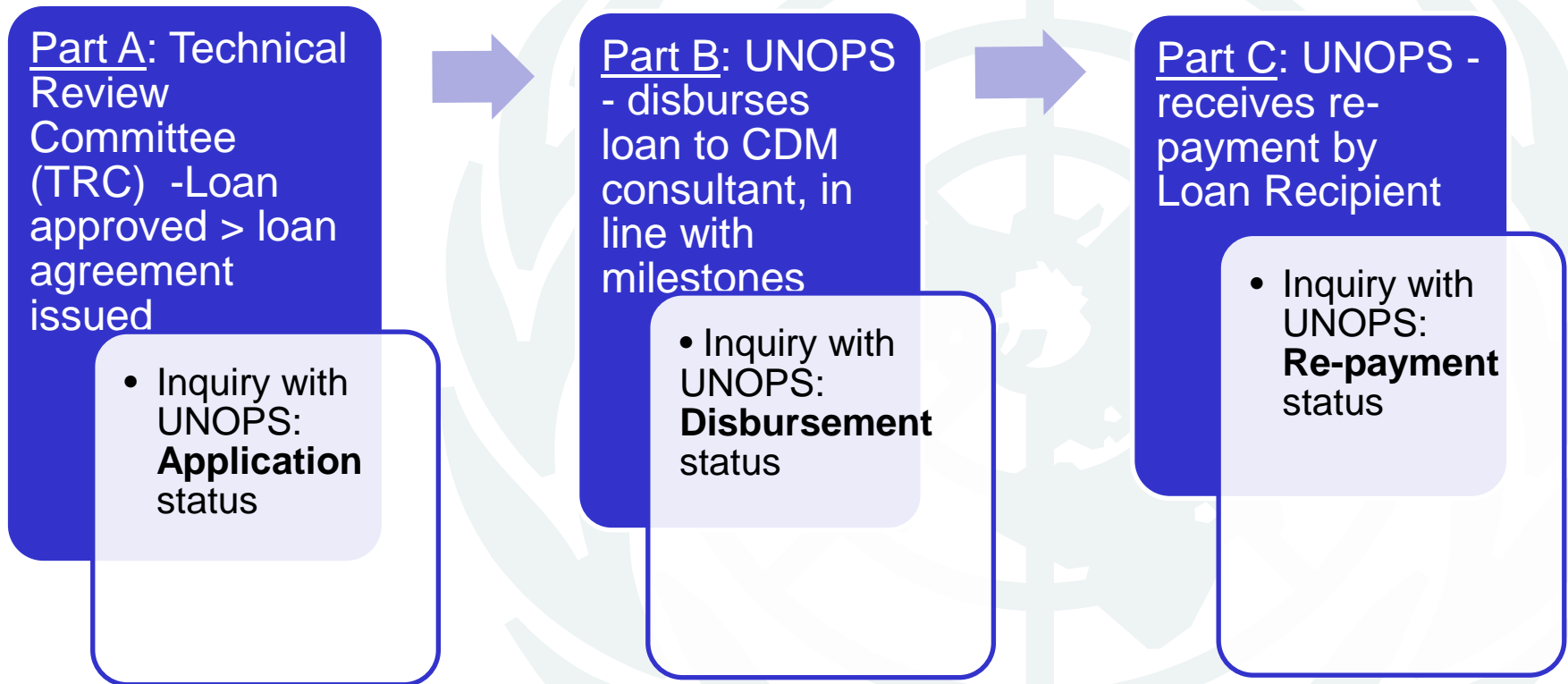
➤ 1. Basic eligibility (minimum criteria) + due diligence (formal existence/registration; any legal records/integrity concerns etc.) + CDM Consultant.

➤ 2. Local site visits (checking of application details), if necessary.

➤ 2. Thorough review of proposed methodology, additionality, feasibility, financial viability etc. -> Recommendation

➤ 4. Technical Review Committee (TRC) decides impartially on loan approval after reviewing each recommended case (incl. background).

C) Loan Process Structure



D) Milestone Schedule

- Milestone 1: **PDD Preparation Start**
- Milestone 2: **Validation Start** (completion + DNA Approval of PDD; validator contract submitted)
- Milestone 3: **Draft Validation Report**
- Milestone 4: **CDM Registration Request** (formal submission of CDM project to UNFCCC /CDM pipeline)
- Milestone 5: **UNFCCC Registration** (launch of CDM project activities)
- Milestone 6: **Monitoring & Verification Completion** (completed verification by DOE; 1 year after initial CERs)
- Milestone 7: **Re-Payment of Loan**



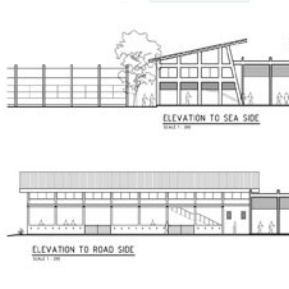
E) 2012 Timeline

- Loan application window - Period 1 **18 Apr – 30 June**
- 1. Technical Review Committee (TRC) meeting **August**
- Loan agreements issued – period 1 **September**

- Loan application window - Period 2 **1 July – 30 Sep**
- 2. Technical Review Committee (TRC) meeting **November**
- Loan agreements issued – period 2 **November**



**Thank you !
Merci !
Amesegënallô !**



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