

Innovative Climate and Project Finance with the CDM

Bonn - May 16, 2016

Our values

Predictable
Driving results
Changemakers
Working together

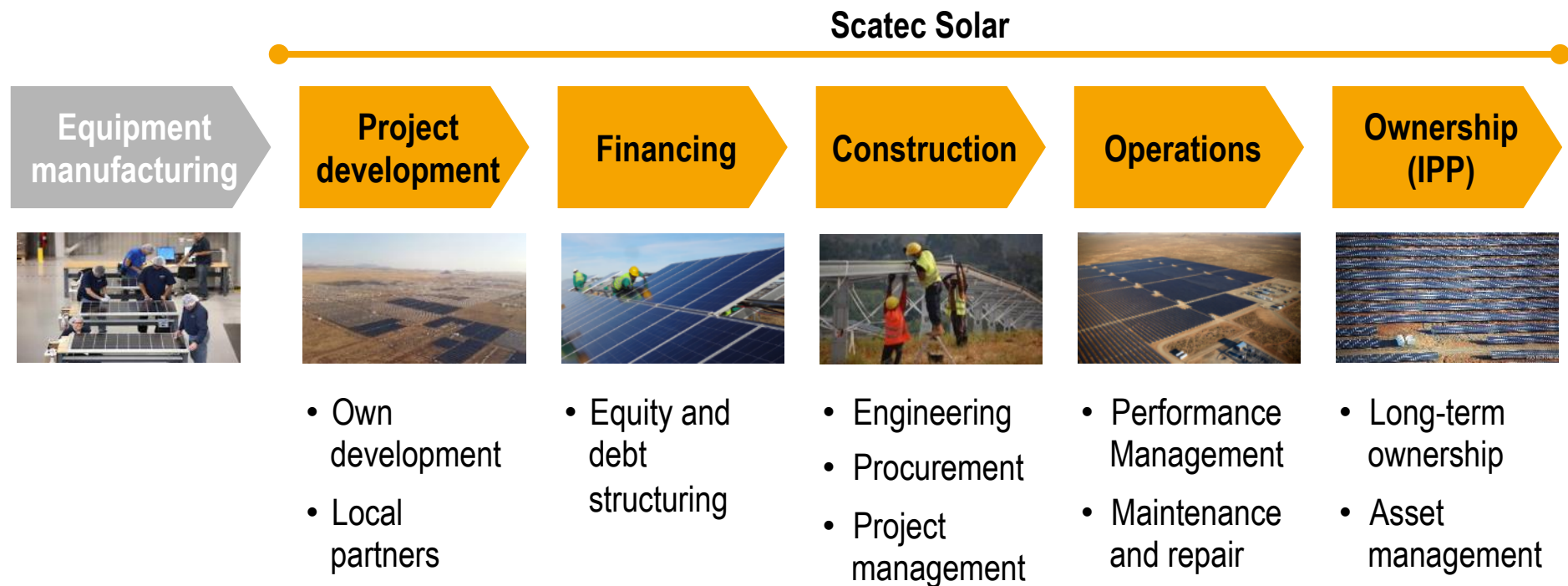


- Scatec Solar's Carbon & Climate Finance Strategy
- Innovation Using the Clean Development Mechanism



An Integrated Independent Power Producer

Scatec Solar Develops, Builds, Owns & Operates Solar Plants for 20 Years



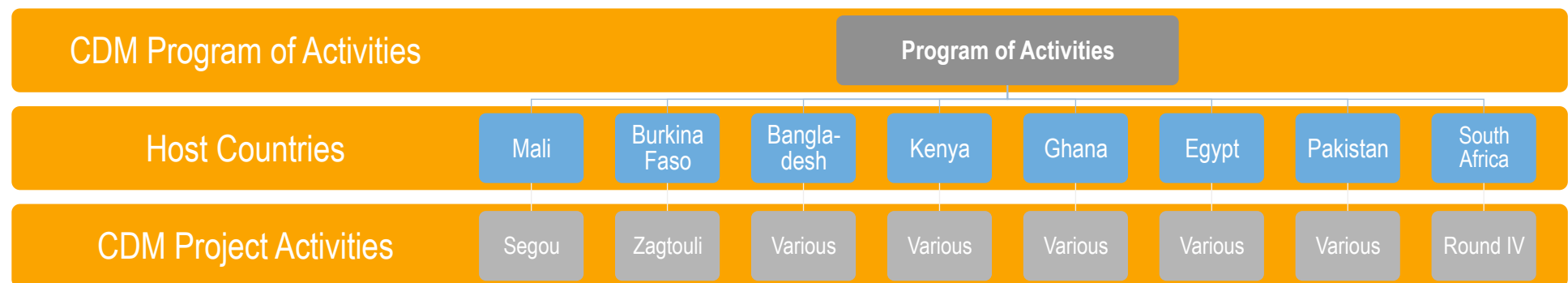
Our projects are UN-Certified

Scaling Up Solar PV Generation

<http://cdm.unfccc.int/ProgrammeOfActivities/Validation/DB/OX3K0512SQU5LKOQJKYA6R27JVJBK0/view.html>

our location: Home > Project Search

Scaling-Up Solar Photovoltaic Power Generation Across Africa and the Levant Region.	
Host party(ies)	Burkina Faso Côte d'Ivoire Egypt Ghana Jordan Kenya Mali Namibia Nigeria Senegal Chad Togo Uganda South Africa
Methodology(ies)	ACM0002 ver. 16



Outline

- Scatec Solar's Carbon & Climate Finance Strategy
- Innovation Using the Clean Development Mechanism



Barriers to Accelerated Deployment

Power purchase agreement
counterparty has a poor credit
rating

Host country may not guarantee
the power purchase agreement
counterparty

Cost of capital is too high to
allow for an affordable tariff to be
delivered

Project is capable of delivering
climate mitigation and/or
adaptation benefits (positive
externalities) that are currently
not able to be assigned a
financial value

Specific physical limitations in
the host country that result in
higher than usual capital costs in
respect of international
benchmarks

Benefits of the Clean Development Mechanism

Additionality Assessment

- CDM is the only mechanism available today that can allow for multilateral certification of a project as representing enhanced climate action (additional to business as usual)

Local Stakeholder Consultation

- All CDM projects must be approved by multiagency committees of the Host Country governments and consultation with local stakeholders is mandatory. This adds resilience to the project

Standardization of Project Impact

- Not all tons are the same. Different standards propose different methods of calculation. Not only does CDM reduce confusion, it also provides assurances about environmental integrity

Mechanism is Available Now

- Project developer can pick up and use the mechanism today. There are over 200 methodologies from which to choose. Project design can take full account of modalities

Thank you

Our values

- Predictable
- Driving results
- Changemakers
- Working together

