



BOAD

www.boad.org



**BALANCING
DEVELOPMENT
AND CLIMATE**





*Partial view of the BOAD headquarters
Lomé (TOGO)*

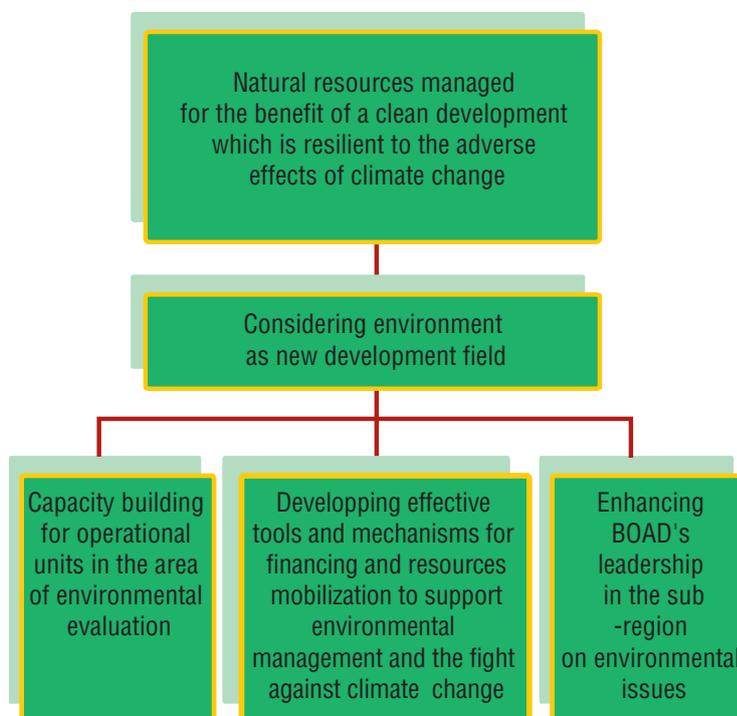
Like most of other African countries, the WAEMU countries are increasingly facing the adverse effects of climate change (floods, prolonged droughts, strong winds, coastal erosion, etc.). These phenomena have, over the last years, exacerbated vulnerability of both populations and natural ecosystems useful to life.

Aware that this will be a threat, at short, middle and long terms, to the investment efforts of the development of WAEMU states, BOAD committed itself, as a part of its vision, to be “a solid development bank for economic integration and transformation in West Africa”, to improve environmental management and to pursue its appropriate resources mobilization to support green projects.

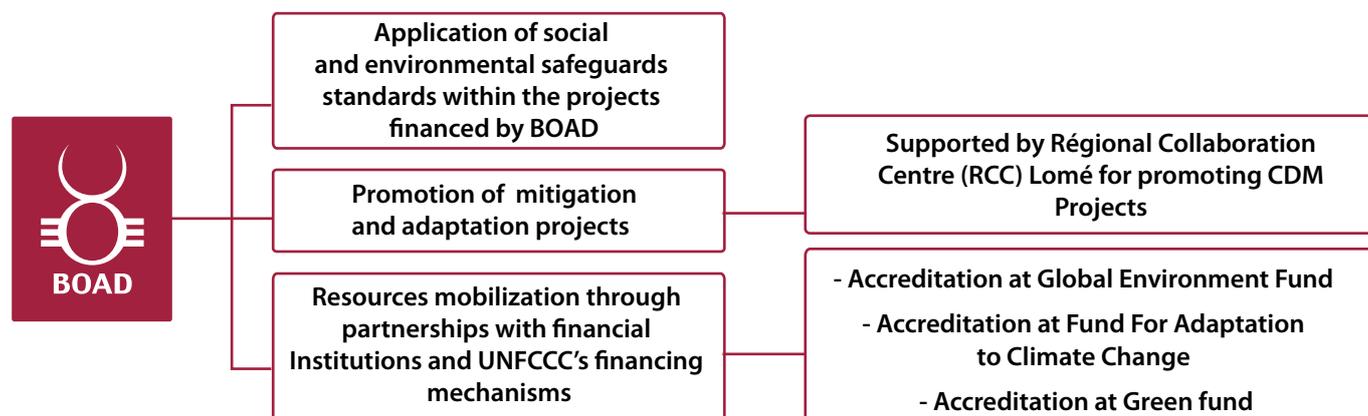
Considering that the economic development and long-lasting social well-being of its member States depends essentially on the sustainable management of the Union’s natural resources, in a context of shortages in the face of population pressure and the adverse climate, BOAD made it its vision to endeavour, in operational, technical and financial terms, to ensure that, it has: “natural resources managed for the benefit of a clean development which is resilient to the adverse effects of climate change in the member countries”.

Thus, the Bank is committed to support its member states to address resilience to climate shocks and achieve sustainable and inclusive growth.

2015–2019 VISION – OBJECTIVES – STRATEGIC AREAS



BOAD AND THE CLIMATE



TECHNICAL AND FINANCIAL PARTNERSHIPS

PARTNERS	FORM	FIELDS INVOLVED
United Nations Framework Convention on Climate Change (UNFCCC)	Protocol BOAD/UNFCCC	Support advice for CDM project identification and development
United Nations Capital Development Fund (UNCDF)	Developing project	Cleans (mitigation) LOCAL (adaptation)
Fund for Adaptation to Climate Change	Funding through grant	Adaptation Projects
United Nations Convention to Combat Desertification (UNCCD)	Developing project	Accredited as observer
Global Environment Fund	Funding through grant	
West African Science Service Center on Climate Change and Adapted Land Use (WASCAL)	Formulating and developing project	Adaptation and mitigation projects

«Within the implementing and the development of the RCC lomé, BOAD intended to be pragmatic and seeks to consider ecological potential as the base for sustainable development of Africa.»

Christian ADOVELANDE
CEO BOAD

ACCREDITATION TO THE THREE FINANCIAL MECHANISMS OF THE UNFCCC

One of BOAD's priorities is to assist its member states in their promoting green projects and program efforts. The accreditation process to the financial mechanisms of the UNFCCC, initiated in 2011, has been successfully controlled; BOAD had now been accredited to GEF, FFA and GF.

GEF's mission is to provide substantial resources to developing and transitional countries for climate adaptation and to reduce their GHG emissions.

Thus, BOAD mobilize resources for financing priority green projects in the GEF, FFA and GF's areas of intervention.

THE ACCREDITATION ENSURE BOAD :

- an institutional position and certain mandate as a political entity
- advising role for governments in West Africa through integrated approaches
- close collaboration with regional entities (ECOWAS, WAEMU authorities)

Through :

- Improve capacity of absorption of resources for environmental benefits
- Build capacities and awareness of regional actors
- Increase global distribution of GEF resources and visibility
- NAPA, NAMA, technology need assessment

BOAD - UNFCCC COLLABORATION : THE REGIONAL COLLABORATION CENTRE LOMÉ (RCC)

BOAD, since January 2013, has hosted the first Regional Collaboration Centre on Clean Development Mechanism (CDM), is the result of a successful collaboration with the UNFCCC. This centre aims is to provide direct support to governments, NGOs and the private sector to identify and developing CDM projects in Africa. This field support is part of an global initiative aiming to improve the regional distribution of CDM projects by breaking barriers such as lack of resources and expertise, which prevent Least Developed Countries (LDC) to access finance climate through the CDM. This means a technical support to regional actors (project developers, Designated National Authority) through the establishment of a platform for sharing knowledge and experiences about the benefits of the CDM.

Moreover, RCC Lomé works closely with partner organizations which provide assistance to parties through other mitigation activities, including Nationally Appropriate Mitigation Actions (NAMAs), preparation of Intended Nationally Determined Contributions (INDCs) and readiness to Green Climate Fund (GCF).

This centre has already provided direct support to projects under execution in areas like energy, improved cook stoves, efficient power lighting, solar water heating, etc. In addition, the RCC has built capacities for its staffs in the areas such as "standardized baselines" and "carbon finance" applied to improved cook stoves.

MISSIONS

- Facilitation of communication between (climate change) stakeholders and the UNFCCC Secretariat
- Support for time and costs reduction for CDM projects preparation
- Development of Standardized Baselines to facilitate the calculation of greenhouse gas emission reductions in order additionality demonstration of CDM projects
- Promotion of programme of Activities that offer better regional distribution of CDM especially in Africa
- Strengthening the access of LCDs' project promoters to the carbon market
- Provision of capacity building infrastructure for national and regional actors (in the climate change sector)

THE CARBON INITIATIVE AND THE CLEAN DEVELOPMENT MECHANISM (CDM)

THE CARBON INITIATIVE

To enable its member countries to: (i) fully benefit from the repercussions of the CDM, (ii) Adapt themselves under congenial conditions to the effects of climate change and, (iii) contribute at global level to the efforts made towards emissions reductions, BOAD has embarked on a carbon Initiative aimed to promoting and funding projects eligible for CDM. As multilateral financial institution, it aims to play a catalyst role in the carbon market within the Union. In this connection, BOAD in conjunction with DNAs and public and private project proponents has developed a portfolio of projects currently being processed in the areas like efficient energy, renewable energies, industrial processes, agriculture, soil preservation, irrigation and forestry.

in partnership with CDC Climat, member of Caisse des Dépôts Group and PROPARGO of AFD group, BOAD cooperate to create the Fonds Carbone pour l'Afrique, launched in 12th april at Addis-Abeba in the margins of the Africa Carbon Forum

THE CLEAN DEVELOPMENT MECHANISM (CDM)

CDM is the only mechanism of carbon finance approved by the United Nations and fully operational and available to help LDCs to reach sustainable development while contributing to achieve the target of reducing Greenhouse Gas emissions (GHG) in industrialized countries. This requires a global effort towards a resilient, low-carbon development.

Purpose of the CDM

- Contribute to the ultimate objective of the UNFCCC mainly, the limitation of GHG emission concentration in the atmosphere at a level such that the concentration will not have dangerous interferences with the climatic system of the planet;
- Help the countries in Appendix 1 of the Convention to meet their commitments stated under Article 3 of the Protocol, with respect to the limitation of GHG emissions during the first period of commitment (2008-2012);
- To help developing countries (non-Appendix 1) to achieve Sustainable Development.

Gases involved

To be eligible to CDM, a project must necessarily generate reduced emission of GHG. Greenhouse effect gases involved specified in Appendix A of the Protocol include: Carbon Dioxide (CO₂), Methane (CH₄) Nitrous Oxide (N₂O), hydrofluorocarbons (HFC) Perfluorinated Hydrocarbon (PFC) Sulfur hexafluoride (SF₆). These various gases have a global warming potential also know as planet warming potential, which is used to assess the efforts made so far as regards reduction.

Sectors eligible CDM

Appendix A to the Kyoto Protocol also specifies the sectors / categories of emissions, which can be carried as emissions projects including:

- Energy (combustion of fuels in power industries, manufacturing, construction, transport industries, and other sectors such as residential areas and the tertiary sector, fugitive emissions)
- Waste (dumps, treatment of waste water, etc.);
- Industrial processes;
- Use of solvents;
- Agriculture (enteric fermentation in domestic animals, manure management, etc.).
- Forest (afforestation). They are emitting sectors as described by the inventory methodology gestures Intergovernmental Group of Experts on Climate Change (IPCC)

The carbon market

The carbon market is an instrument that contributes toward climate change control. This market allows countries which saved emission units (emission allowed but not used) to sell this excess to countries that have exceeded their objectives in terms of emissions. The carbon market covers two forms of market: the regulated market and the voluntary market. On the regulated market, a governmental regulation generates a request for carbon credits. The government chooses a quantified target of reduction that the polluters (major industrialists) must achieve. There is thus a ceiling for their emissions. Companies in the regulated market which failed to achieve their reduction objective can buy carbon credit from companies that exceeded theirs. That can be done as part of a mutual agreement or at carbon exchange market. Contrary to the regulated market, the voluntary exchange market is a mechanism for carbon credits exchange unrelated to international regulation. Though, it is not regulated, some standards were developed so as to ensure a true and verifiable reduction of greenhouse effect gas emissions (GHE).



BOAD

68 av de la libération, BP 1172 Lomé, Togo
Tél.: +228 22 21 59 06 • Fax : +228 22 21 52 67
boadsiege@boad.org
www.boad.org