

# Investors' Guide to Clean Development Mechanism in Malawi

J. Mwenechanya

EAD

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# Key areas

1. General overview of Malawi
  - Geographical location
  - Economic activities in Malawi
  - Environment
2. Clean Development Mechanism in Malawi
  - Institutional Framework
  - Capacity Building for CDM initiatives in Malawi
  - Opportunities for CDM project activities in Malawi
  - CDM Projects in the Pipeline, May 2013
  - Contact details

- Assists project developers, Consultants, Interested parties on key issues relating to CDM opportunities in Malawi
- Showcasing of what Mw has done/doing on CDM nationally & internationally

## General Overview

- Introduces Malawi as a country & its geographical position
  - Malawi is a LDC in Sub-Saharan Africa, lying in the southern end of the Great East African Rift Valley
  - Economic activities:
    - With increased investment and development in the private sector, the energy sector has become significant in the economy of the country - electricity, liquid fuels and gas, coal, biomass and other renewable sources of energy
    - Investment opportunities in various sectors – Agriculture, potential for expanding agro-processing which are mostly exported; mining – 5% GDP uranium concentrates, cement, limestone, gemstone, agricultural lime and rock aggregates; manufacturing sector -12%GDP

## Environment status of Mw

- Justifies that over the last few decades, Malawi has experienced extreme weather events, ranging from droughts to floods and flush floods.
- Clearly show that there are large temporal and spatial variability in the occurrence of climate-related disasters and calamities
- VA studies prediction: Temperatures are likely to increase by 1.0, 2.0 and 4.0 °C for the yrs 2020, 2075 & 2100, respectively, and that rainfall will increase by between 2.0 and 8.0% by the year 2100.

# CLEAN DEVELOPMENT MECHANISM

- **Institutional framework** – Mw as Signatory to the KP & party to the UNFCCC
- Brief description of CDM as one of the Kyoto Protocol provisions (Article 12) that promote cleaner technologies in developing countries to mitigate GHGs while contributing to sustainable development.
- EAD is the DNA for the CDM in Malawi.
  - CDM Approval Procedures & SD Criteria for CDM projects.

## **Benefits of CDM to Malawi**

- Additional financial inflow of investment.
- Employment opportunities.
- Environmentally benign technology.
- Improved standard of living in rural areas.
- Clean and safe environment.
- Mitigate the effects of Climate Change

## **Capacity Building for CDM initiatives in Malawi.**

- UNEP-EU cooperation activity on 'Capacity Building related to Multilateral Environmental Agreements (MEA) in African, Caribbean and Pacific (ACP) Countries.'
  - Developed CDM project pipeline
  - Trainings & awareness raising

# Opportunities for CDM project activities in Malawi

| SECTOR                   | PROJECT ACTIVITY                           |
|--------------------------|--|
| Energy                   | Efficient energy technologies              |
|                          | Efficient energy technologies              |
|                          | Increase ethanol to petrol blending ratios |
| Renewable energy options | Wind power generation                      |
|                          | Geothermal power generation                |
|                          | Solar energy (heating and lighting)        |
|                          | Mini hydro power generation                |
| Cement Industry          | Changing Blending/Mix of Cement            |
|                          | Alternative Fuels                          |
|                          | Energy Efficiency                          |
|                          | Waste Heat Recovery                        |
| Sugar Industry           | Co-generation (Combined Heat and Power)    |
|                          | Bio-ethanol                                |
| AFOLU                    | Agriculture                                |
|                          | Forestry                                   |
|                          | Housing redevelopment/ development         |
| Waste Management         | Reduce waste generation                    |
|                          | Composting                                 |
|                          | Mechanical biological treatment            |
|                          | Disposal of waste in sanitary landfill     |
| Timber Industry          | Co-generation (Combined Heat and Power)    |

# CDM Projects in the Pipeline, May 2013

|    | Name of Project  | Project Status                   | Developer   | Estimated GHG reduction/year | Estimated start date | Collaboration sought  |
|----|--|----------------------------------|---|------------------------------|----------------------|---|
| 1  | Improved Cook-stoves Programme for Malawi  | PIN                              | Renewable Resources Holdings<br>Contact Person: Zenul Osman<br>Email: <a href="mailto:zenul@renewableresourcesholdings.com">zenul@renewableresourcesholdings.com</a>  | 51,290 tCO <sub>2</sub> eq   | October 2013         | Upfront payment for both PDD development                    |
| 2  | Promotion of Efficient Cook Stoves in Malawi   | LoA issued, pending registration | SADC Regional Carbon Facility & Mulanje Renewable Energy Agency (MuREA),<br>Contact Person: Mr. Vincent Gondwe<br>Email: <a href="mailto:vvgondwe2002@yahoo.com">vvgondwe2002@yahoo.com</a>                                 | 37,072 tCO <sub>2</sub> eq   | September 2013       | Buyer for CERs.   |
| 3  | Distillery effluent (vinasse) management at EthCo Ltd., Dwangwa, Malawi                    | PIN                              | Hestian Innovation Limited,<br>Contact Person: Mr. John O'Connor,<br><a href="mailto:john.oconnor@hestianinnovation.com">john.oconnor@hestianinnovation.com</a>   | 40,000 tCO <sub>2</sub> eq   | April 2013           | Upfront payment for both PDD development and the technology |
| 4  | Improved cook stoves for Malawi  | PIN                              | CO2balance UK Ltd<br>Contact Person: Richard Illife<br>Email: <a href="mailto:projects@co2balance.com">projects@co2balance.com</a>  | 52,000 tCO <sub>2</sub> eq   | September 2013       | Upfront payment for PDD development.                        |
| 5  | CarbonSoft Open Source PoA, LED lighting distribution: Pan-Africa                          | LoA issued, pending registration | CarbonSoft Corporation UK and Solar Solutions Malawi<br>Contact Person: Mr. Johann Heyns<br>Email: <a href="mailto:johann.heyns@btinternet.com">johann.heyns@btinternet.com</a>   | 49,187 tCO <sub>2</sub> eq   | October, 2011        | None  |
| 6  | PoA for Landfill Gas Capture Project   | PIN                              | Malawi City Councils Environment Consortium,<br>Contact Person: Mr. S.P. Mitini Nkhoma<br>Email: <a href="mailto:bcachief@malawi.net">bcachief@malawi.net</a><br><a href="mailto:spmitini@yahoo.com">spmitini@yahoo.com</a> | 130,000 tCO <sub>2</sub> eq  | June, 2013           | Upfront payment for both PDD development and the technology |
| 7  | PoA for the Reduction of Emissions from Non-renewable fuel from cooking at household level | LoA issued, pending registration | Green development AS<br>Att: Havard Norstebo<br>Email: <a href="mailto:Havard.norstebo@gmail.com">Havard.norstebo@gmail.com</a><br><a href="mailto:blessings.mwale@gmail.com">blessings.mwale@gmail.com</a>                 | 100,000 tCO <sub>2</sub> eq  | April, 2012          | Buyer for CERs.   |
| 9  | International Water Purification Programme   | PIN                              | South Pole Carbon asset Management,<br>Contact Person: Christoph Sutter<br>Email: <a href="mailto:waterPoA@southpolecarbon.com">waterPoA@southpolecarbon.com</a>  | 60,000 tCO <sub>2</sub> eq   | February, 2012       | Upfront payment for PDD development and buyer for CERs      |
| 10 | Blantyre City CDM Compost making project from MSW  | PIN                              | Active Youth Initiative for Social Enhancement e mail:<br><a href="mailto:ayisemain@ayisemw.org">ayisemain@ayisemw.org</a><br><a href="mailto:marcelchisi@ayisemw.org">marcelchisi@ayisemw.org</a>                          | 50,000 tCO <sub>2</sub> eq   | October, 2013        | Upfront payment for PDD development and buyer for CERs.     |

|    |  |                                  |  |   |                 |   |
|----|--|----------------------------------|--|---|-----------------|---|
| 11 | Malawi Sustainable Urban Energy Project (Promotion of efficient alternative energy sources in Malawi using Save80 cookstove) | PIN                              | Initiative for Climate Change Management Ltd, Contact Person: Mr. Themba Chirwa<br>Email: <a href="mailto:iccmild@yahoo.com">iccmild@yahoo.com</a>   | 970,300 tCO <sub>2</sub> eq             | January, 2014   | Upfront payment for PDD development and buyer for CERs. |
| 13 | Nkhotakota Geothermal Power Project  | PIN                              | Dept. of Energy Studies, Mzuzu University, Contact Person.: Kondwani Thapasila<br>Email : <a href="mailto:tcret@mzuni.ac.mw">tcret@mzuni.ac.mw</a><br><a href="mailto:registrar@mzuni.ac.mw">registrar@mzuni.ac.mw</a> | 205,530 tCO <sub>2</sub> eq             | January, 2017   | Upfront payment for PDD development and buyer for CERs  |
| 14 | Efficient lighting programme – CFL lights in pilot areas in Malawi   | PIN                              | Dept. of Energy Studies, Mzuzu University<br>Contact Person.: Kondwani Thapasila<br>Email : <a href="mailto:tcret@mzuni.ac.mw">tcret@mzuni.ac.mw</a>   | 9,843 tCO <sub>2</sub> eq               | January, 2017   | Upfront payment for PDD development and buyer for CERs  |
| 15 | Electrification in Malawi  | PIN                              | Coordinator ApS, Damhusvaenget<br>Contact Person: Morten Pedersen<br>Email: <a href="mailto:perdesenm@yahoo.com">perdesenm@yahoo.com</a>   | 29,760tCO <sub>2</sub>                  | September, 2013 | Upfront payment for PDD development and buyer for CERs  |
| 16 | Green Rural South PoA  | PIN                              | Vecteur Carbone, Paris, France<br>Contact Person: Eric Matalon<br>Email: <a href="mailto:eric@vecteurcarbone.fr">eric@vecteurcarbone.fr</a>  | 650,000tCO <sub>2</sub>                 | August, 2013    | Upfront payment for PDD development and buyer for CERs  |
| 17 | Improved Cookstoves Programme for Malawi and Cross-border regions of Mozambique  | LoA issued, pending registration | Total Land Care, Malawi<br>Contact Person: Mr. Trent Bunderson<br>Email: <a href="mailto:trentbunderson@yahoo.com">trentbunderson@yahoo.com</a>  | 10,000 to 16,239 t CO <sub>2</sub> /yr. | 2012            | Upfront payment for PDD development and buyer for CERs  |
| 18 | Waste to Energy from MSW to avoid GHG Emissions in the city of Lilongwe  | PIN                              | Zero Emission Resource Initiatives (ZERI),<br>Contact Person: Mr. R. Kawiya<br>Email: <a href="mailto:rikawiya@gmail.com">rikawiya@gmail.com</a>   | 80,000 t CO <sub>2</sub> eq/yr.         | November, 2013  | Upfront payment for PDD development and buyer for CERs  |
| 19 | Improved Cookstoves for Rural Households in Malawi   | PIN                              | Chinansi Foundation, Malawi<br>Att: Mr. S. Chithyola<br>Email: <a href="mailto:director@chinansifoundation.org">director@chinansifoundation.org</a>  | 198,800t CO <sub>2</sub> eq/yr          | June 2012       | Upfront payment for PDD development and buyer for CERs  |
| 20 | Project of Compost Making from MSW in the City of Councils   | PIN                              | Training Support for Partners<br>Contact Person: Mr. R. Kafakoma<br>Email: <a href="mailto:robertkafakoma@gmail.com">robertkafakoma@gmail.com</a>  | 80,000t CO <sub>2</sub> eq/yr           | July 2013       | Upfront payment for PDD development and buyer for CERs  |
| 21 | Efficient Cook Stove Programme   | LoA issued, pending registration | Alchemy Carbon Limited<br>Att: Mr. Michael Sherry<br>Email: <a href="mailto:msherry@alchemycarbon.co">msherry@alchemycarbon.co</a>   | 250,000t CO <sub>2</sub> eq/yr          | September 2013  | Buyer for CERs  |



# Contact Details

The Director  
Environmental Affairs Department  
Lingadzi House  
Private Bag 394  
Lilongwe 3  
Malawi.

Tel: +265-1-771 111

Fax: +265-1- 773 379

Email: kamphatso1@gmail.com

shamiso\_b@yahoo.com

jarvismwenechanya@gmail.com

URL: <http://www.nccpmw.org>

Malawi Investment and Trade Centre (MITC)  
First Floor, Aquarius House/Plaza House  
Private Bag 302  
Capital City  
Lilongwe 3  
Malawi.

Attention: Mrs. P. Kaupa

Tel: +265-1-770800/ 771 315 / 771 707

Fax: +265-1-1 771 781

Email: [mitc@mitc.mw](mailto:mitc@mitc.mw)

URL: <http://www.malawi-invest.net>