

# NAMA on Sustainable Charcoal

## Learning Sharing Event: Cambodia's Response to Climate Change

### Funded by:



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CLIMATE CHANGE DEPARTMENT  
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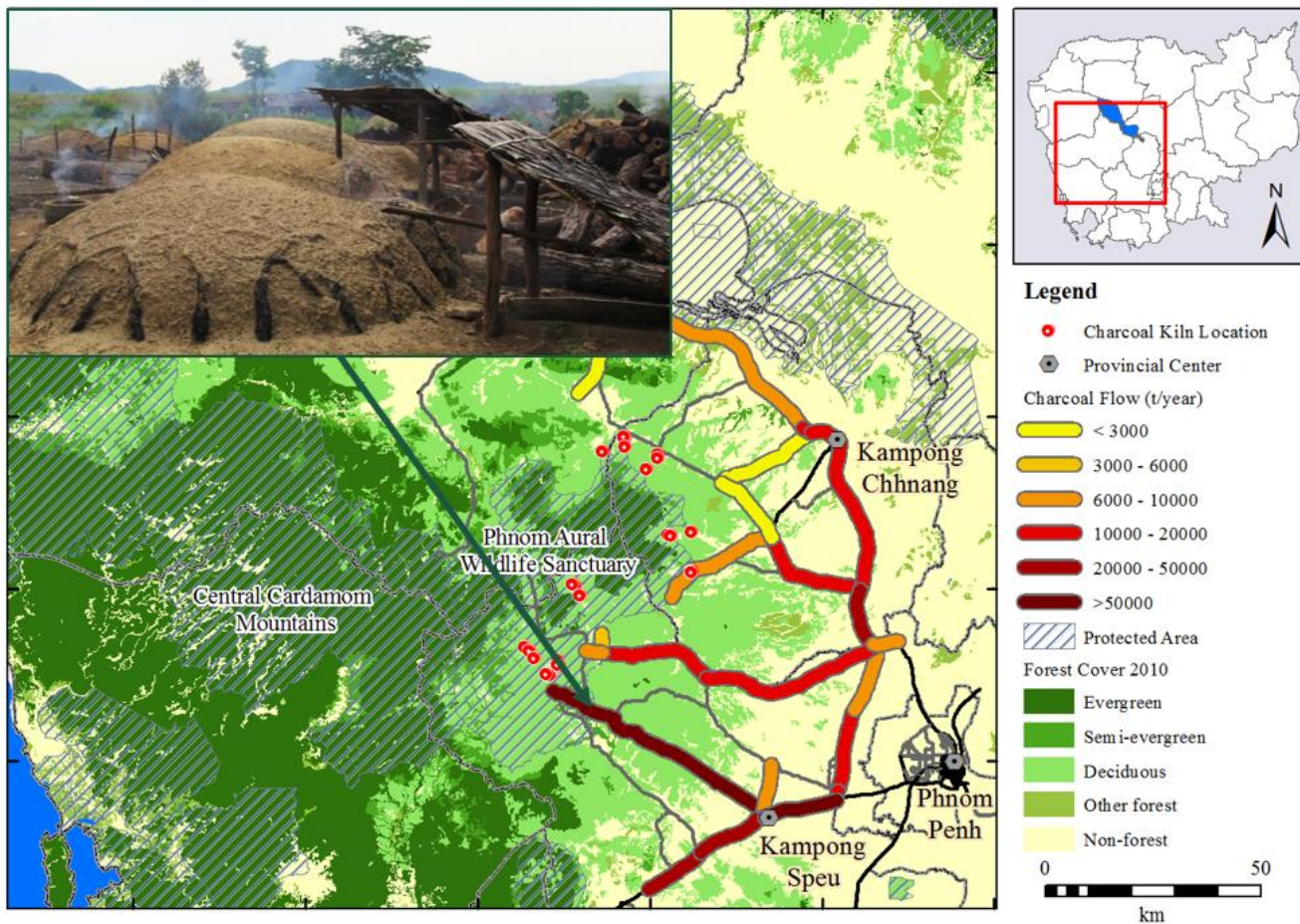


**United Nations**  
Framework Convention on  
Climate Change



- ▶ **Nationally Appropriate Mitigation Actions** – NAMAs – are voluntary actions taken by developing countries to reduce GHG emissions.
- ▶ NAMAs are seen as an operational mechanism for the achievement of the **National Determined Contributions** to UNFCCC and Climate Change Mitigation strategies.
- ▶ A NAMA should lead to **transformational change that tackle the existing barriers for low-carbon development**:
  - **Permanent, irreversible change to a low-carbon economy.**
  - **More rapidly than it would happen otherwise.**
- ▶ Achieving these changes requires significant **redirection of financing flows** towards sustainable/low-carbon development models.

# The situation of charcoal in Cambodia



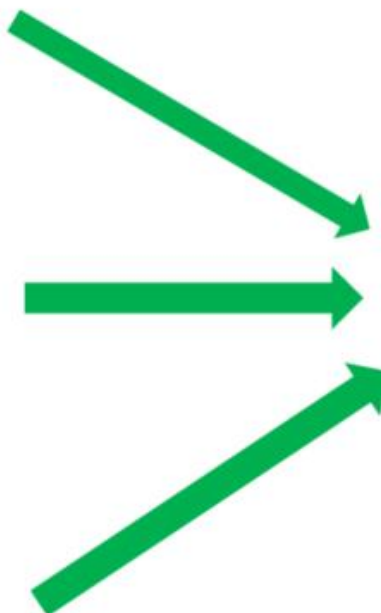
- ▶ Every year **336,000 tonnes of charcoal** are consumed for a value of **85 million USD**.
- ▶ Annually, 1.6 million tonne of wood are overharvested leading to the annual emission of **3 million tonnes of CO<sub>2</sub>**.

## CHALLENGES FOR SUSTAINABLE CHARCOAL



Why should the anybody invest/engage in SUSTAINABLE charcoal?

- Unsustainable
- Informal economy
- Extremely low prices

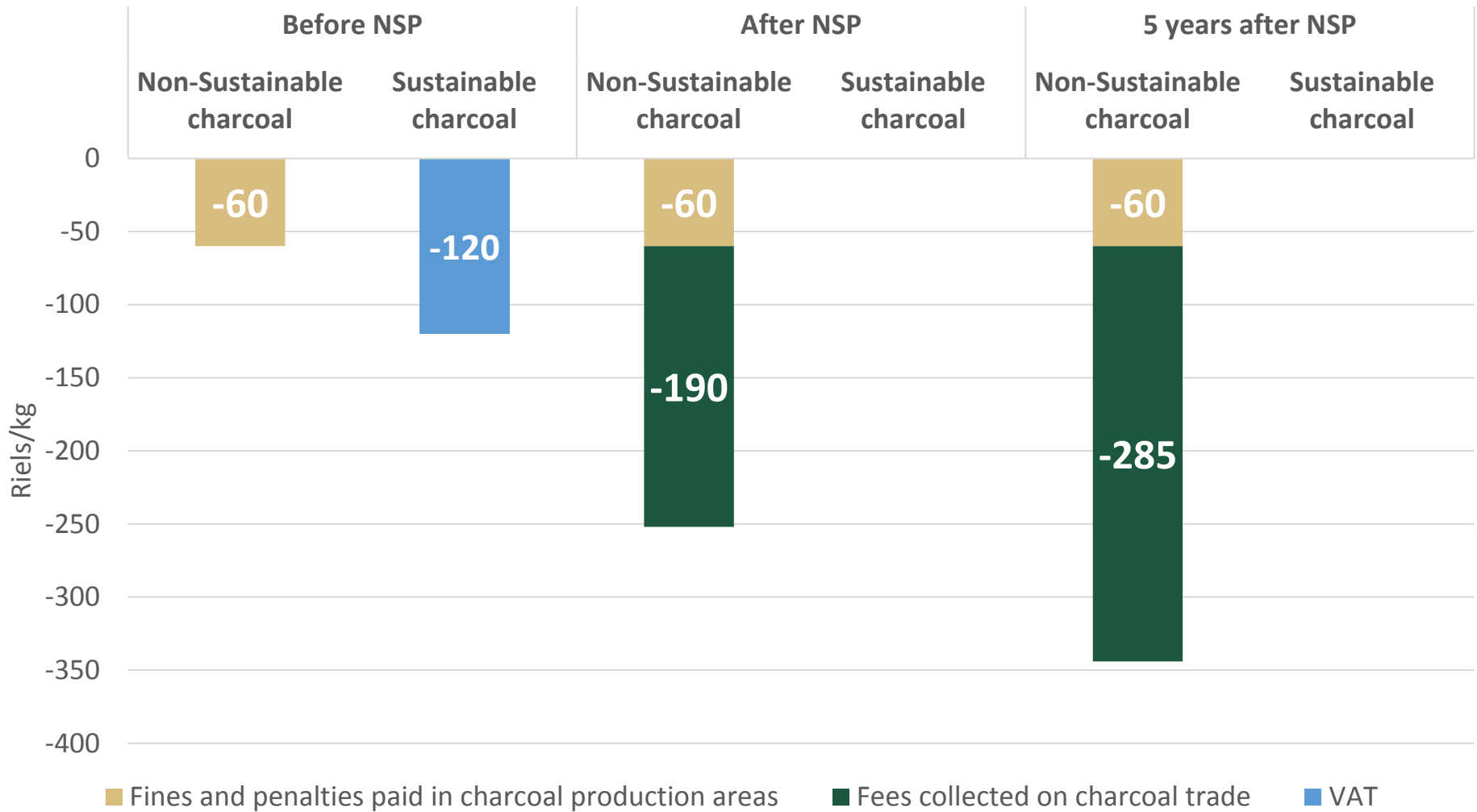


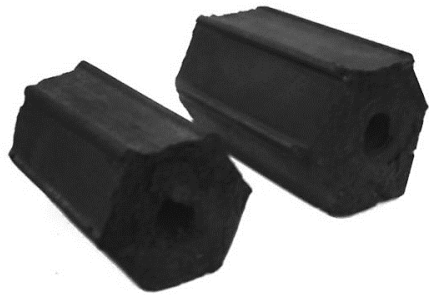
**UNFAIR COMPETITION!**



*Sustainable Green Fuel Enterprise, NAMA Inception Workshop, 2015*

# NAMA design: redirecting financing flows - part 1





Char-briquette from coconut shell and charcoal waste



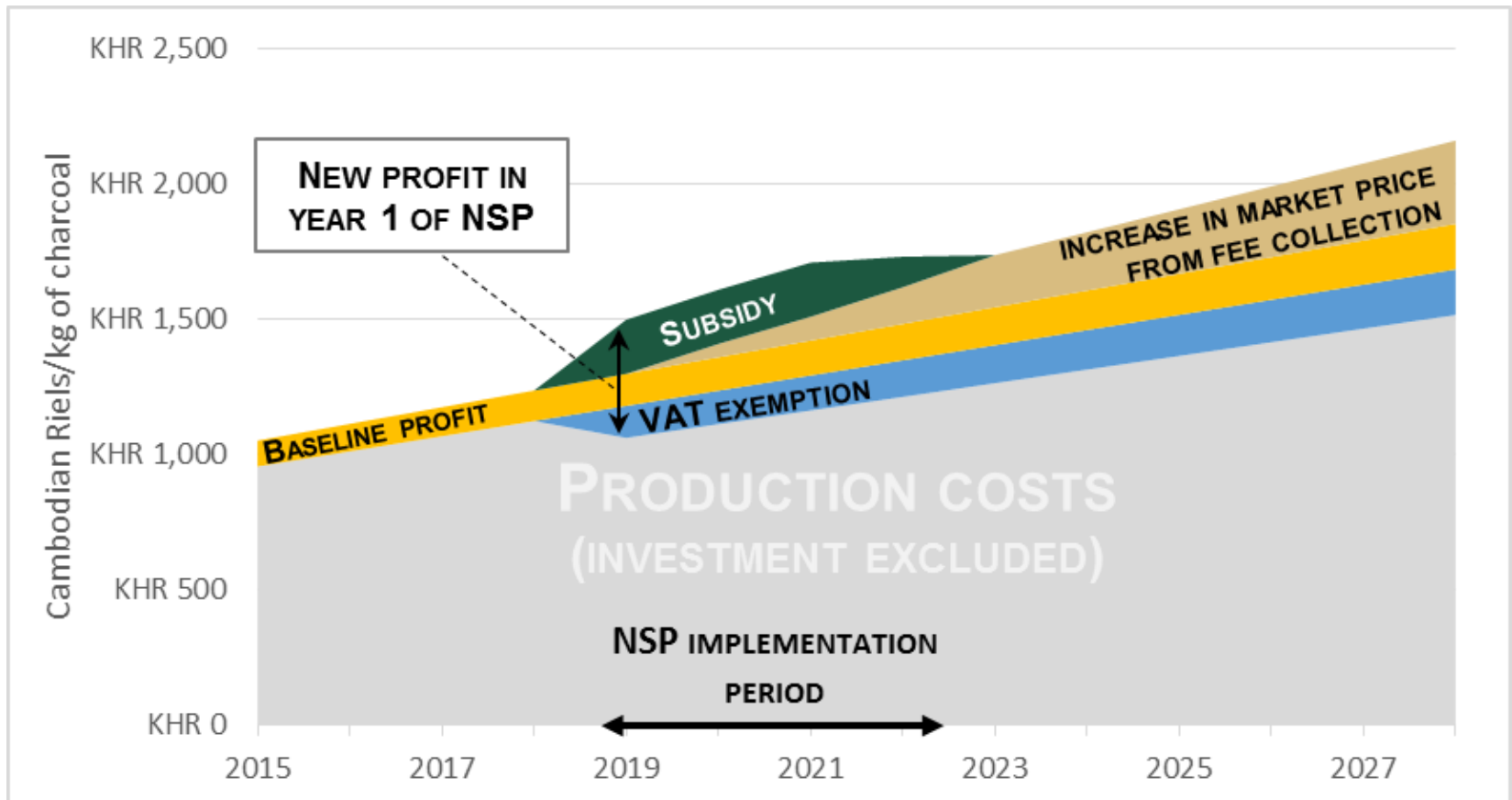
Bamboo charcoal from Community Forest



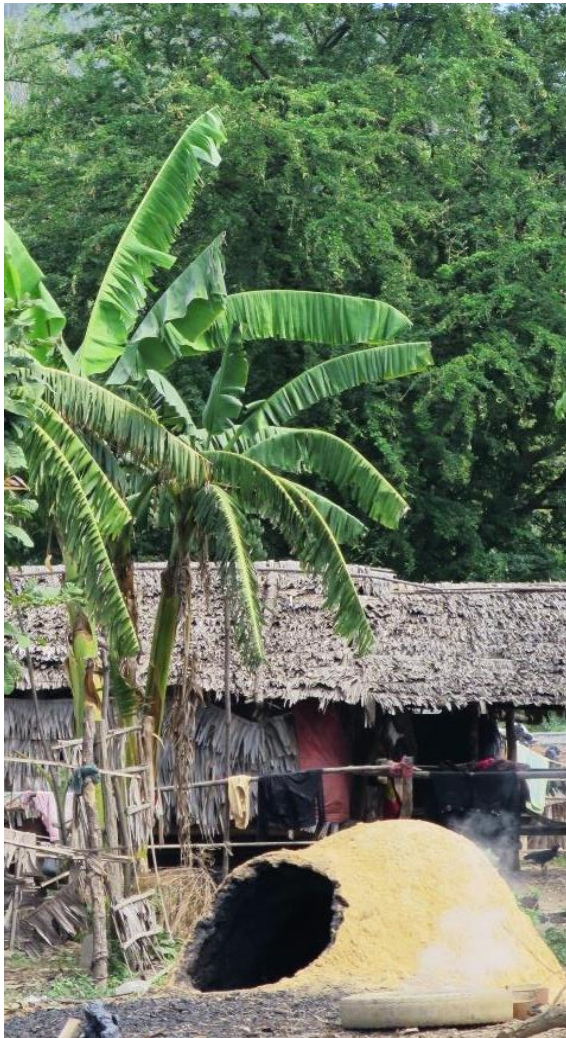
Wood charcoal from sustainably managed Acacia plantation

- ▶ The **basis of a regulation on charcoal is a chain-of-custody certification** of the charcoal sold in market to insure its sustainable origin.
- ▶ Certified charcoal shall be differentiated in the market through a **national “sustainable charcoal” label**.
- ▶ **Certified and non-certified shall be treated differently** to promote sustainable charcoal production and consumption.

## Change in profit for certified sustainable charcoal producers.

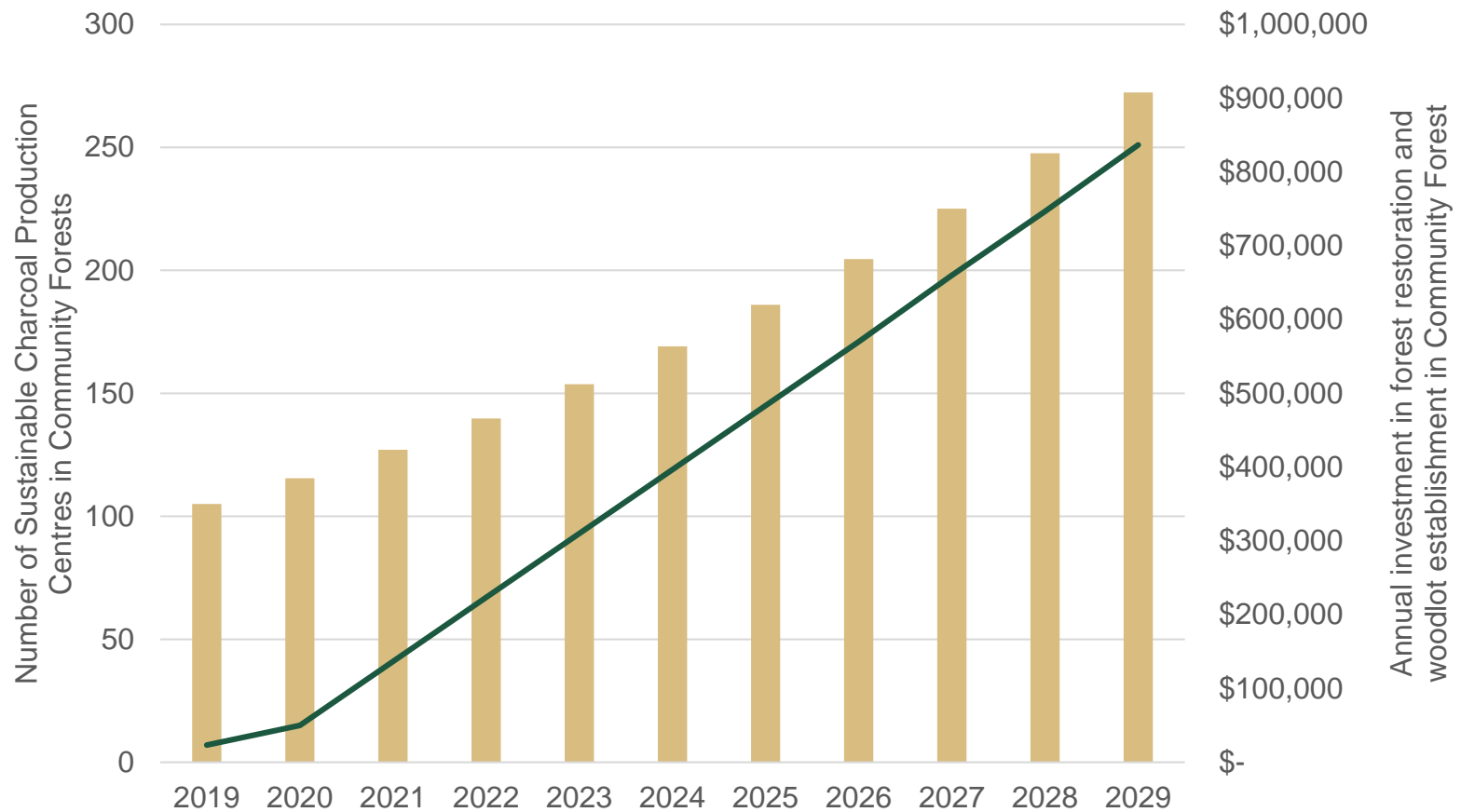


# Formalisation often benefit more to the urban/rich than to the rural/poor population

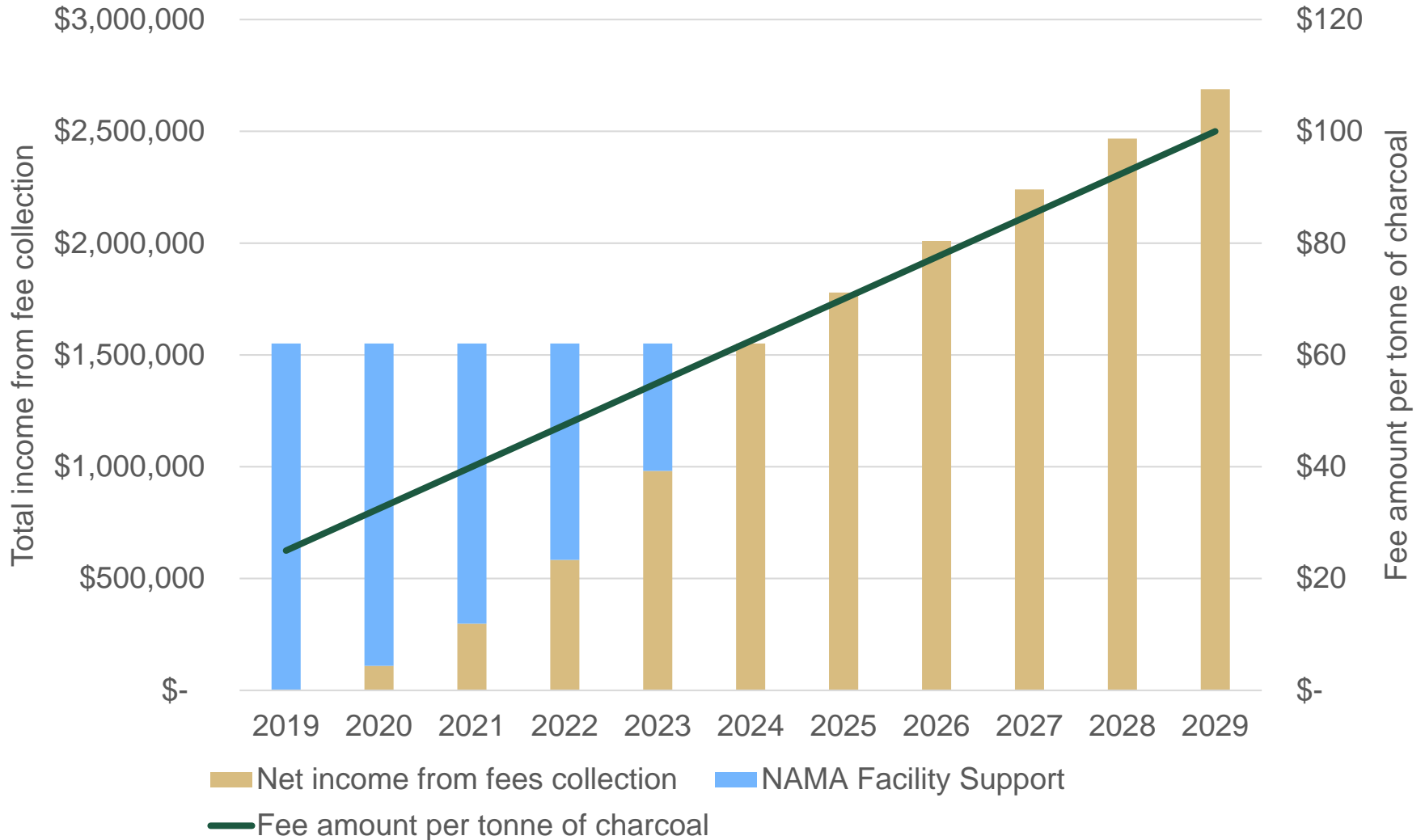




- ▶ **Generate a sustainable financing stream** to support investment in woodlot establishment for traditional charcoal producers conversion.



# NAMA design: permanent change towards low-carbon development



- ▶ A **good and strong collaboration with the GSSD** from the beginning of the development is essential to organize the consultations with the ministries and insure that the NAMA activities meet the government expectations.
- ▶ **Engaging potential private actors and building trust takes time** but is essential to insure that the financing mechanisms tackle the existing barriers for private sector investment.
- ▶ **High-level of exchange with the donors** is also very important as the NAMA design process is necessary flexible to meet the ministries expectations and reality of the private sector.
- ▶ The **step from NAMA design to implementation is very big.** The NAMA development process should be long enough and national ownership strong enough to support the transition to implementation.



# Thank You!

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