

# **Project Eligibility Criteria for the CFIP Programme under the Bilateral Agreement between Zambia and Norway**

January 2026

# Mandatory Eligibility Criteria for participating in CFIP (1)

According to the general rules of Article 6 of the Paris Agreement and in line with the Zambian Carbon Market Framework, each project that wants to participate in the CFIP programme **MUST** prove:

- I. **FINANCIAL ADDITIONALITY:** Interested projects shall submit their financial (cash flow) model in USD terms, which documents the financing gap:
  - a) The financing gap shall be demonstrated by documenting the Solar PV Project's internal rate of return (IRR) with a financial benchmark.
  - b) The model shall estimate the unlevered/project IRR after tax.
  - c) The financial benchmark considered for choosing eligible projects is the commercial lending rate in USD terms. This was determined at 12.5% p.a.
  - d) Eligible projects need to demonstrate their financing gap in exhibiting an IRR below the financial benchmark of 12.5%.

# Mandatory Eligibility Criteria for participating in CFIP (2)

Projects **MUST** prove their:

II. **SDG IMPACTS:** This must include;

- a) SDG 13 (emission reductions generated by an activity)
- b) SDG 7 (ex-ante estimate of the projects net electricity generation)
- c) SDG 8 (Number of jobs created)
- d) Project proponents are encouraged to document further SDG impacts (e.g., connection of local communities to the grid, etc), as applicable.

**Please note:**

- **SDG impacts are one of the parameters applied for selecting the CFIP projects.**
- **Project must comply with Safeguarding Principles & Requirements of Gold Standard and GGGI.**

# Mandatory Eligibility Criteria for participating in CFIP (3)

Other mandatory eligibility criteria comprise:

- ❖ Only solar PV projects with a planned **installed capacity between 30 to 80 (max. 100) MW** are eligible.
- ❖ Projects shall be **connected to the national electricity grid**. Mini-grid applications are not eligible.
- ❖ Projects should **encompass a Battery Energy Storage System (BESS)**:
  - a) The renewable installations under the CFIP must include battery storage with a capacity greater than  $\frac{1}{2}$  hour (i.e., the battery capacity must match the plant's output in megawatts with an equivalent amount of storage in megawatt-hours)
  - b) The storage system shall be located at the Solar PV site
  - c) The charging of the storage system by other sources than the Solar PV project shall not be foreseen (e.g., charging by a diesel generator)
- ❖ ZESCO shall be the **primary off taker**.

# Provisional Qualification Criteria for participating in CFIP

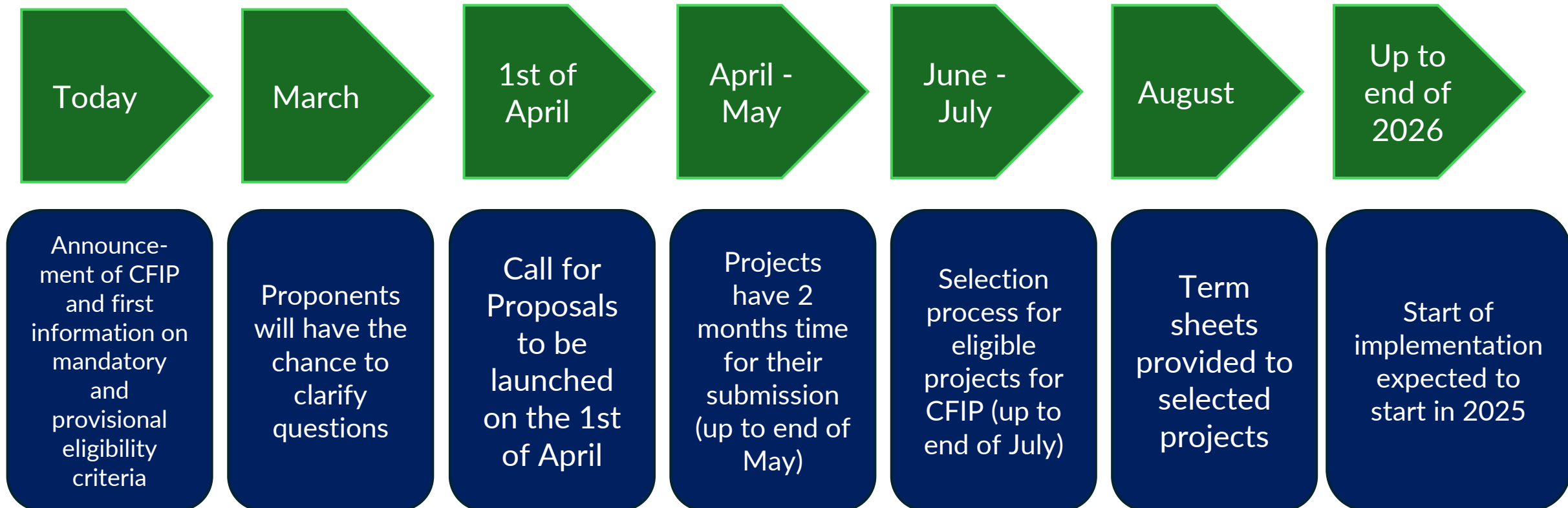
Proposed projects shall be in an **advanced development stage** but must not have started the actual implementation (e.g., land preparation). Projects shall meet the following requirements:

- Have completed technical and financial feasibility studies;
- Have secured access to land (land owned or lease agreement available);
- Have been awarded investor's licence by ZDA for import duty exemption;
- Have conducted the topographic study;
- Have received environmental clearance from ZEMA (incl. other relevant approvals from other authorities);
- Can document interest from loan and equity providers, as applicable.

The **PPA with ZESCO** shall be signed, or is under negotiation:

- a) Under negotiation; draft PPA existing, not yet signed PPA is available; or
- b) PPA was signed more than 18 months ago, and construction has not yet started.

# Timeline for CFIP Implementation



# Thank You

