

Mitigation Actions through the Clean Development Mechanism (CDM)

TRAINING WORKSHOP FOR PUBLIC AND PRIVATE SECTOR ON CDM AND USE OF SBs AS MRV TOOL FOR WIDER MITIGATION ACTIVITIES IN RWANDA

26-27 April 2016 – Kigali, Rwanda

Ritah Rukundo –RCC Kampala

1 CDM overview and Project cycle

2 The story so far

3 Sustainable development co-benefits

4 Climate Neutral Now Initiative



1 CDM overview and Project cycle



Background

- Established as a “flexible mechanism” by the Kyoto Protocol, to help ANNEX I Parties to meet their **emission reduction commitments**, while bringing **sustainable development benefits** to the CDM host countries.
- The first global, environmental investment and credit scheme of its kind.



Source:
<http://serendip.brynmawr.edu/exchange/node/11993>

Very complex and very important for all stakeholders!!



- ❑ Additional (would not happen without CDM incentive)
- ❑ Environmental integrity (reductions are real)

CDM Value



projects are issued
saleable credits

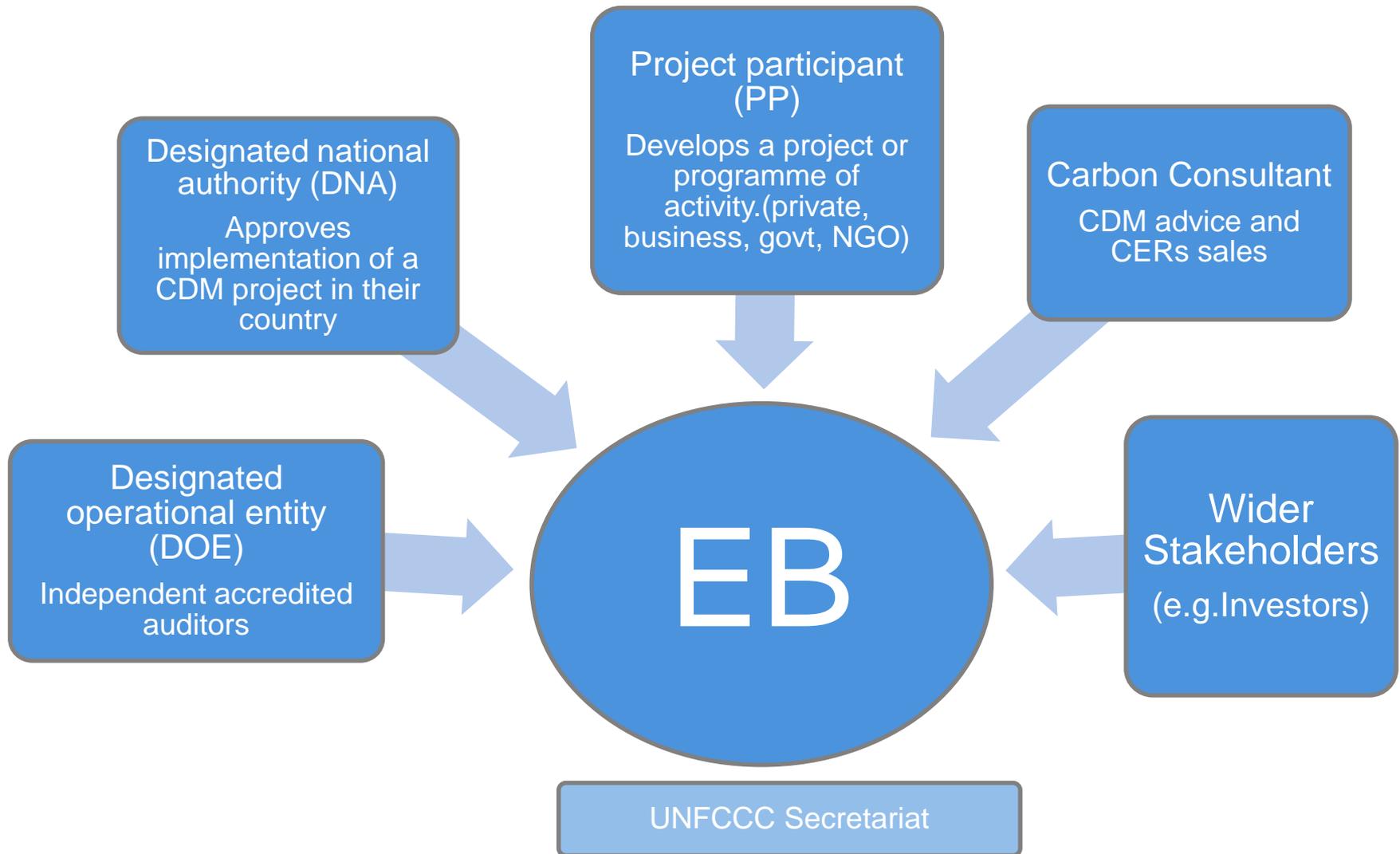
• 1 **CER** = 1 tonne of CO₂



Contribution to Sustainable Development
- employment, income generation,
health benefits and infrastructure
development

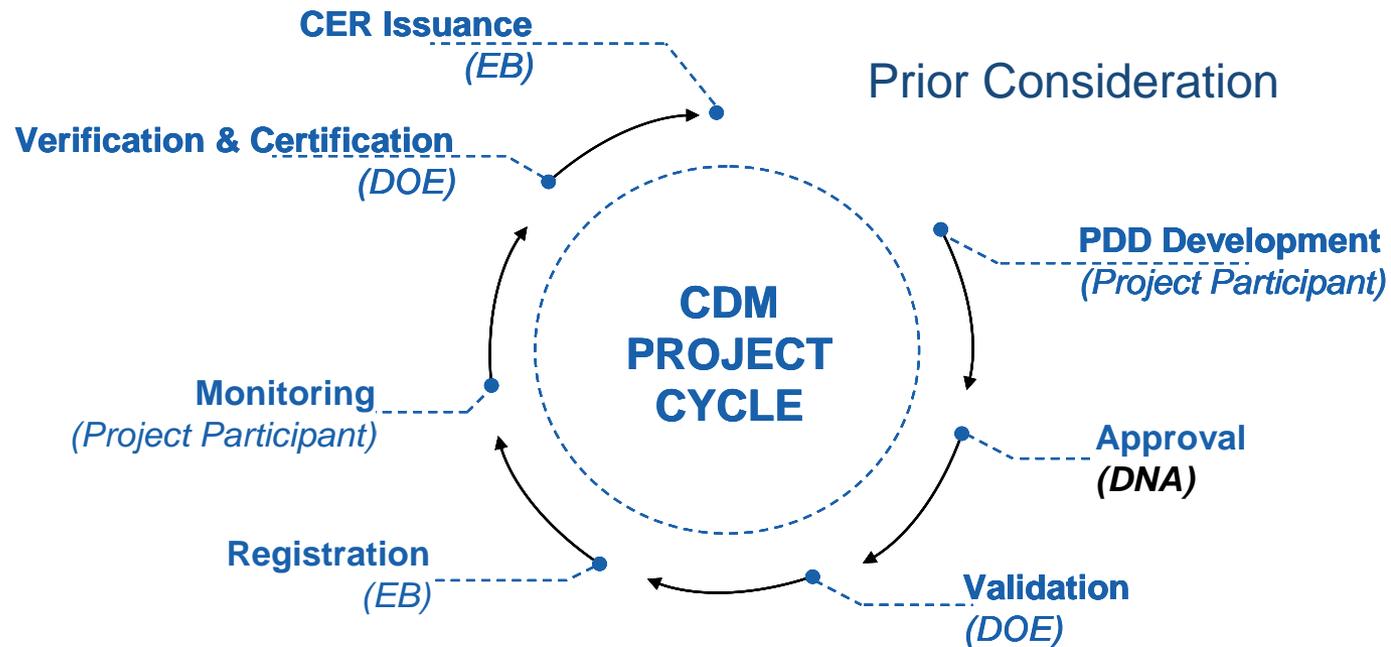


Key players under the CDM



The CDM Project cycle

- A **project** based mechanism.



The completed form should be sent to

1. the Host Party DNA

(find DNA contacts at: <https://cdm.unfccc.int/DNA/index.html>)

and

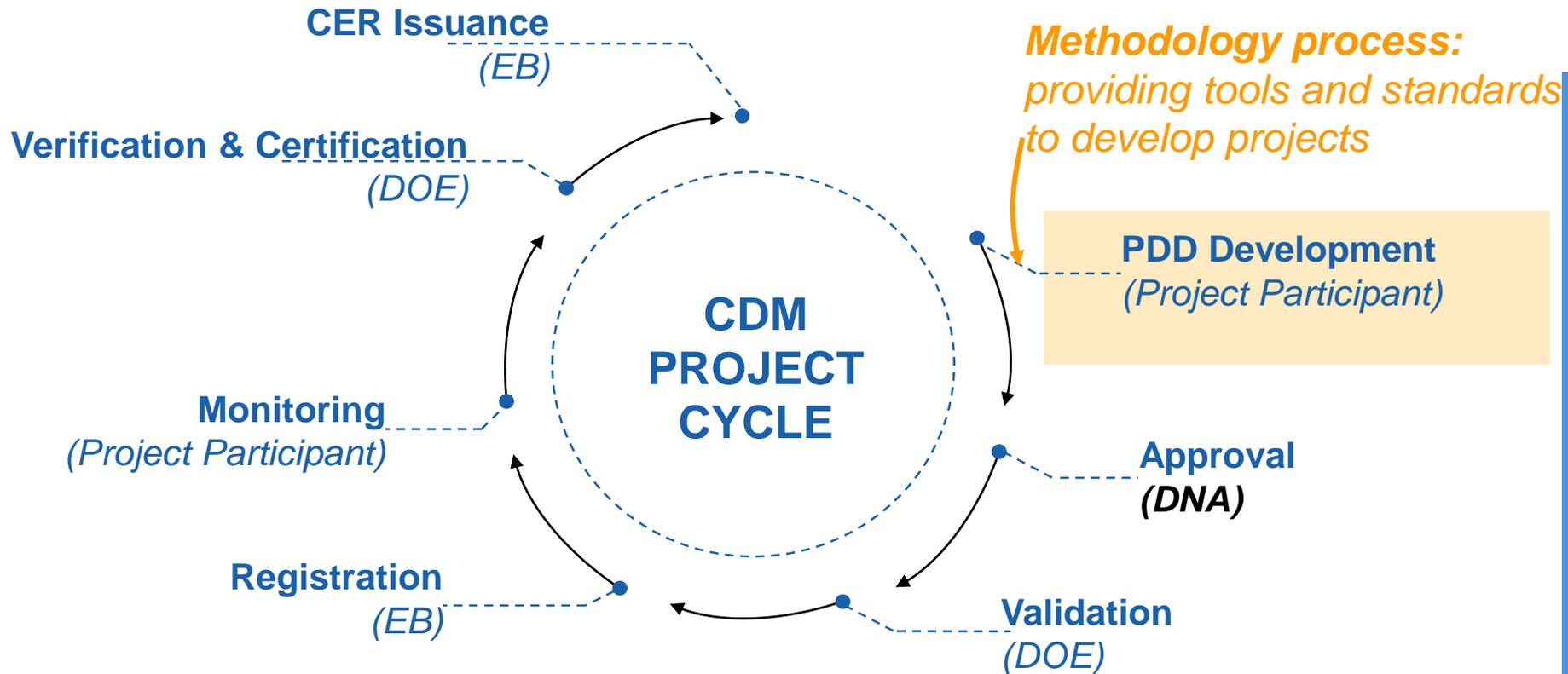
2. the UNFCCC secretariat

(P.O. Box 260124 D-53153 Bonn Germany,
OR cdmregistration@unfccc.int)

http://cdm.unfccc.int/Reference/PDDs_Forms/index.html#gov



PDD Development



- Project Design Document (CDM-PDD): Project participants shall submit information on their proposed CDM project using the CDM-PDD form.



What is a methodology?



Baseline and monitoring methodology applied to each project for:

- Assessing additionality (e.g. would the project have happened anyway without CDM?)
- Calculating CERs (e.g GHG emissions emitted in absence of project activity *minus* GHG emissions caused by project activity)

Approved CDM methodologies by scope

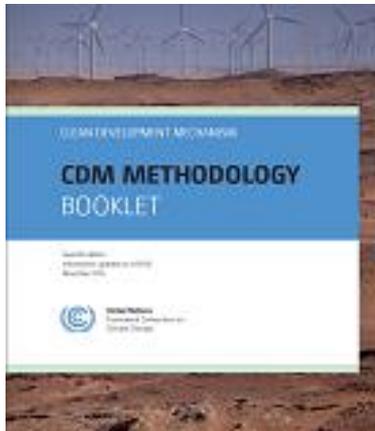
Energy demand [3]

Energy industries (renewable - / non-renewable sources) [1]

Waste handling and disposal [13]

Afforestation and reforestation [14]

Manufacturing industries [4]



Mining/mineral production [8]

Construction [6]

Metal production [9]

Chemical industries [5]

Fugitive emissions from fuels (solid, oil and gas) [10]

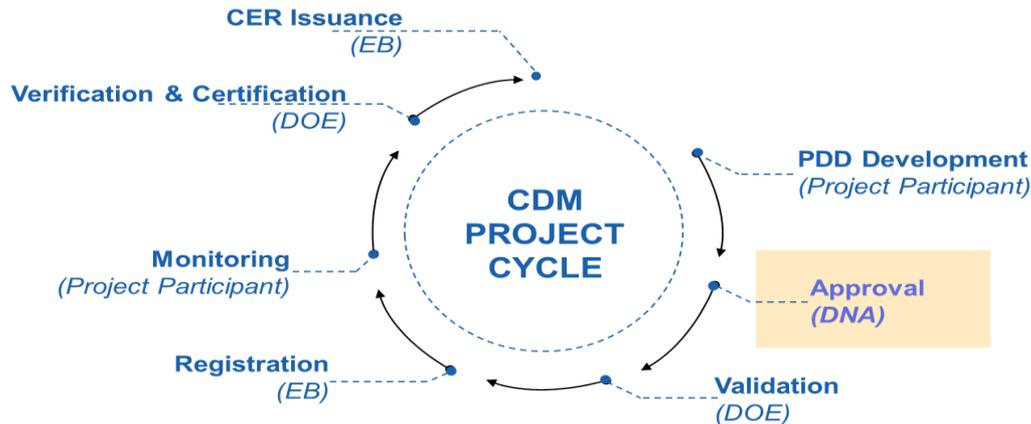
Fugitive emissions from production and consumption of halocarbons and sulphur hexafluoride [11]

Agriculture [15]

Transport [7]



National Approval



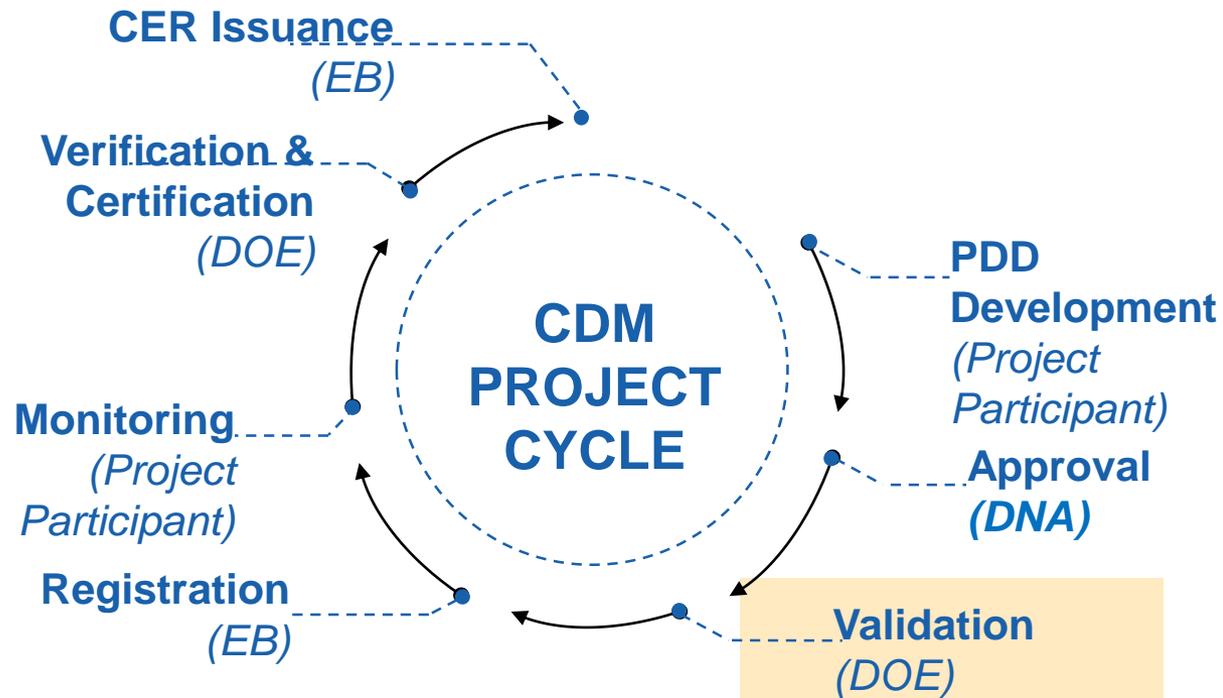
DNA given authority to issue Letter of Approval that states:

1. The project has been approved for the purposes of Article 12 of the Kyoto Protocol
2. That participation in project is voluntary
3. The project assists in achieving country's sustainable development objectives
4. Authorize the project participants to participate in the CDM project

Validation Process

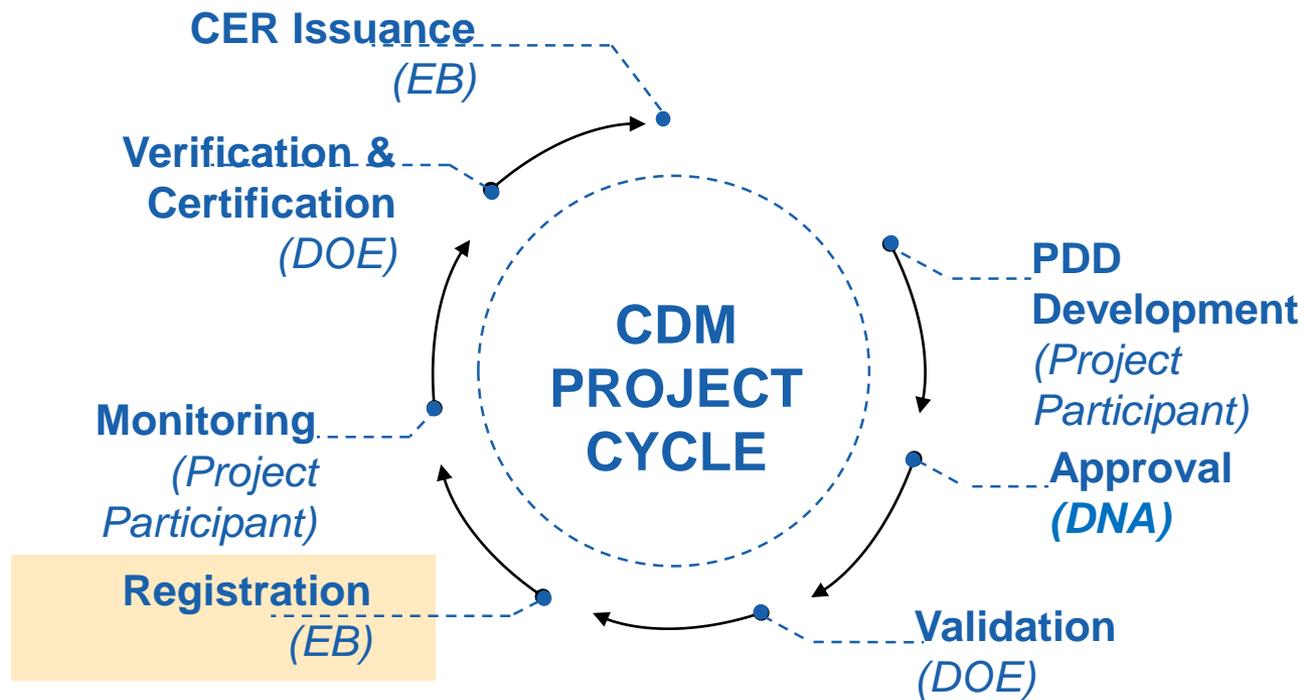


Project design document is validated by accredited **designated operational entity (DOE)** , private third-party certifier.



Registration

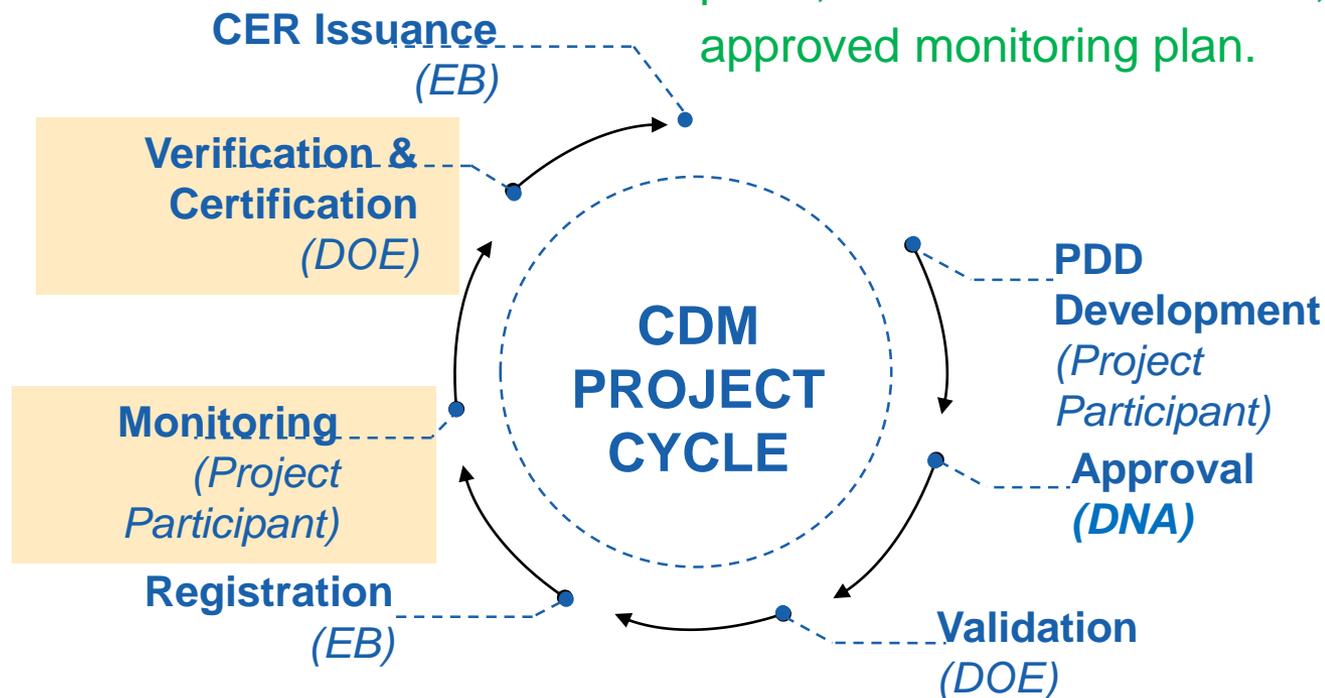
- Completeness check by secretariat
- Vetting by secretariat and Executive Board
- If a Party or three members of Executive Board request review, project undergoes review, otherwise proceeds to registration



Monitoring, Verification and Certification

- Project participant responsible for monitoring actual emissions according to approved methodology and the monitoring plan in the PDD.

Designated operational entity verifies certifies that emission reductions took place, in the amount claimed, according to approved monitoring plan.

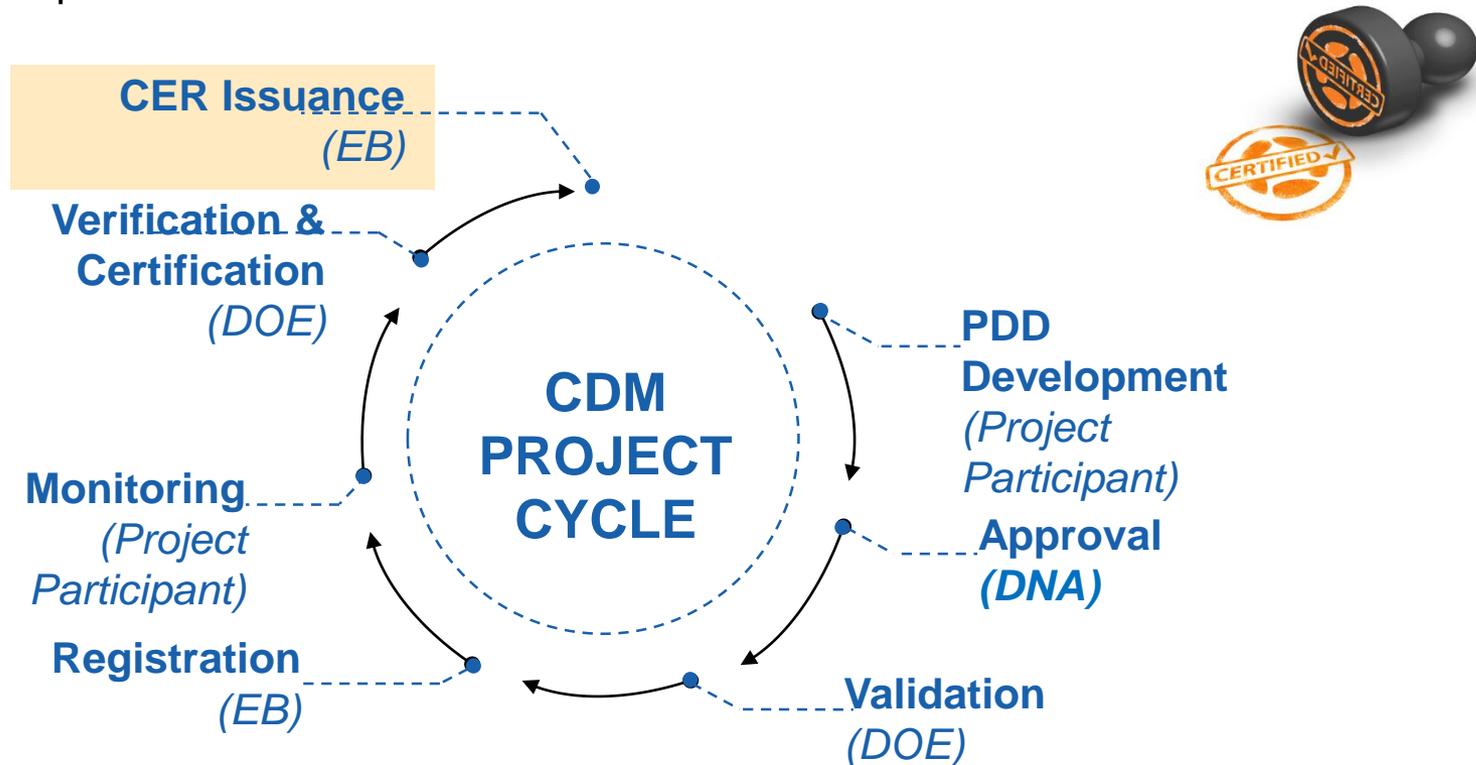


CER Issuance

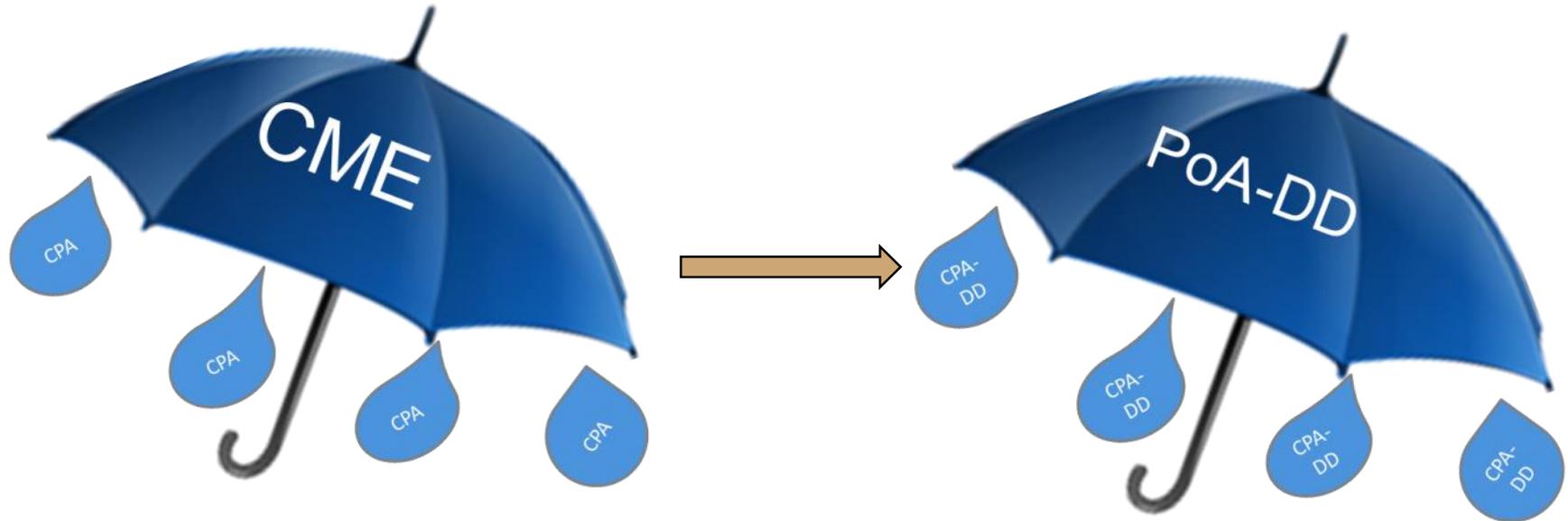
Completeness check by secretariat

Vetting by secretariat and Executive Board

If a Party or three members of Executive Board request review, request undergoes review, otherwise proceeds to issuance



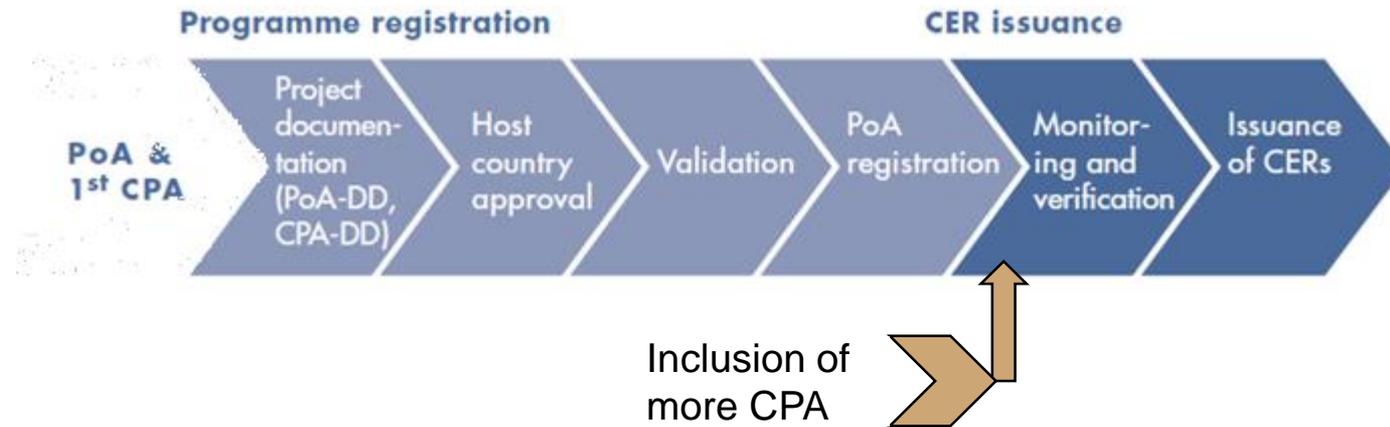
Programme of Activities (PoA)



CME – coordinating or managing entity
CPA – Component project activity

PoA-DD: PoA design document
CPA-DD: CPA design document

Component Project Activity (CPA) inclusion



- Step 1: CME ensures that the CPA meet the eligibility criteria;
- Step 2: CME submits CPAs to DOE
- Step 3: DOE confirms
- Step 4: DOE uploads to UNFCCC Website

No need to submit to the Board for further check

CDM + Added Certification

Additional branding or labeling of existing and new CDM Carbon Credits generated by projects

Example: The CDM Gold Standard (Launched in 2003)

A carbon standard certification scheme for both CDM and Voluntary market credits.

Primarily for projects under RE and EE sectors

GS CDM projects can only use CDM-EB approved methodologies

Comply with both CDM and GS approval processes

Details: www.goldstandard.org



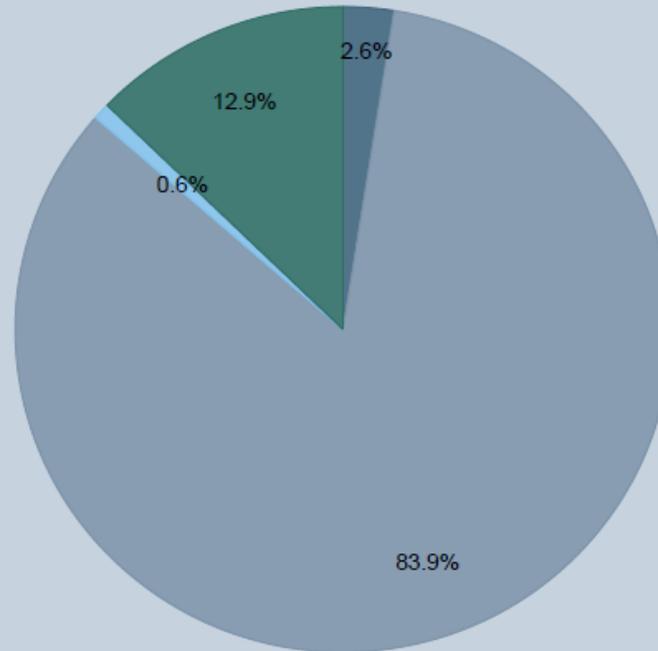
2 The story so far



Regional Distribution of CDM registered projects

Distribution of registered projects by UNFCCC region

Total registered projects: 7700



Data as of 31 Mar 2016
Source: UNFCCC

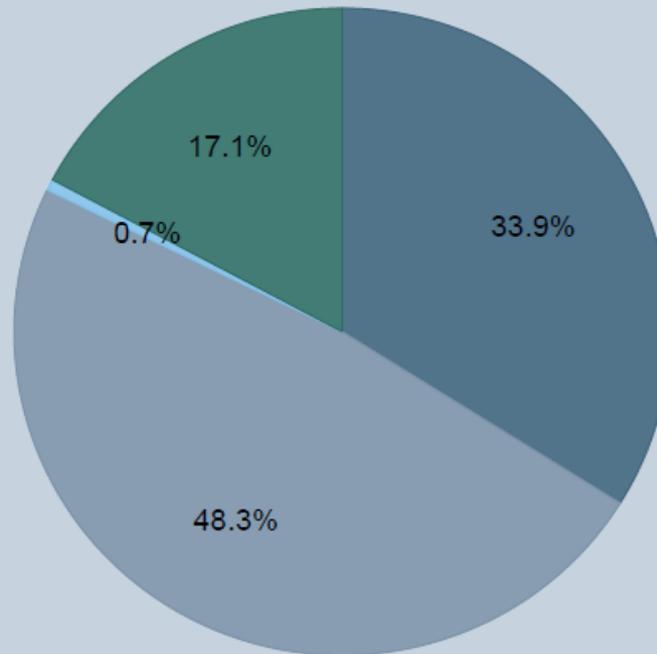
Africa Asia & Pacific Economies in transition Latin America & Caribbean



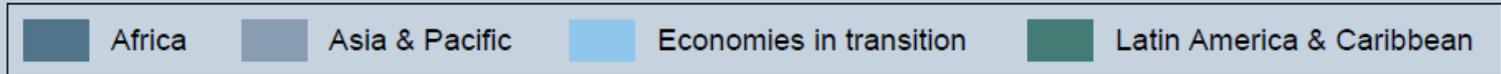
Regional Distribution of CDM registered PoAs

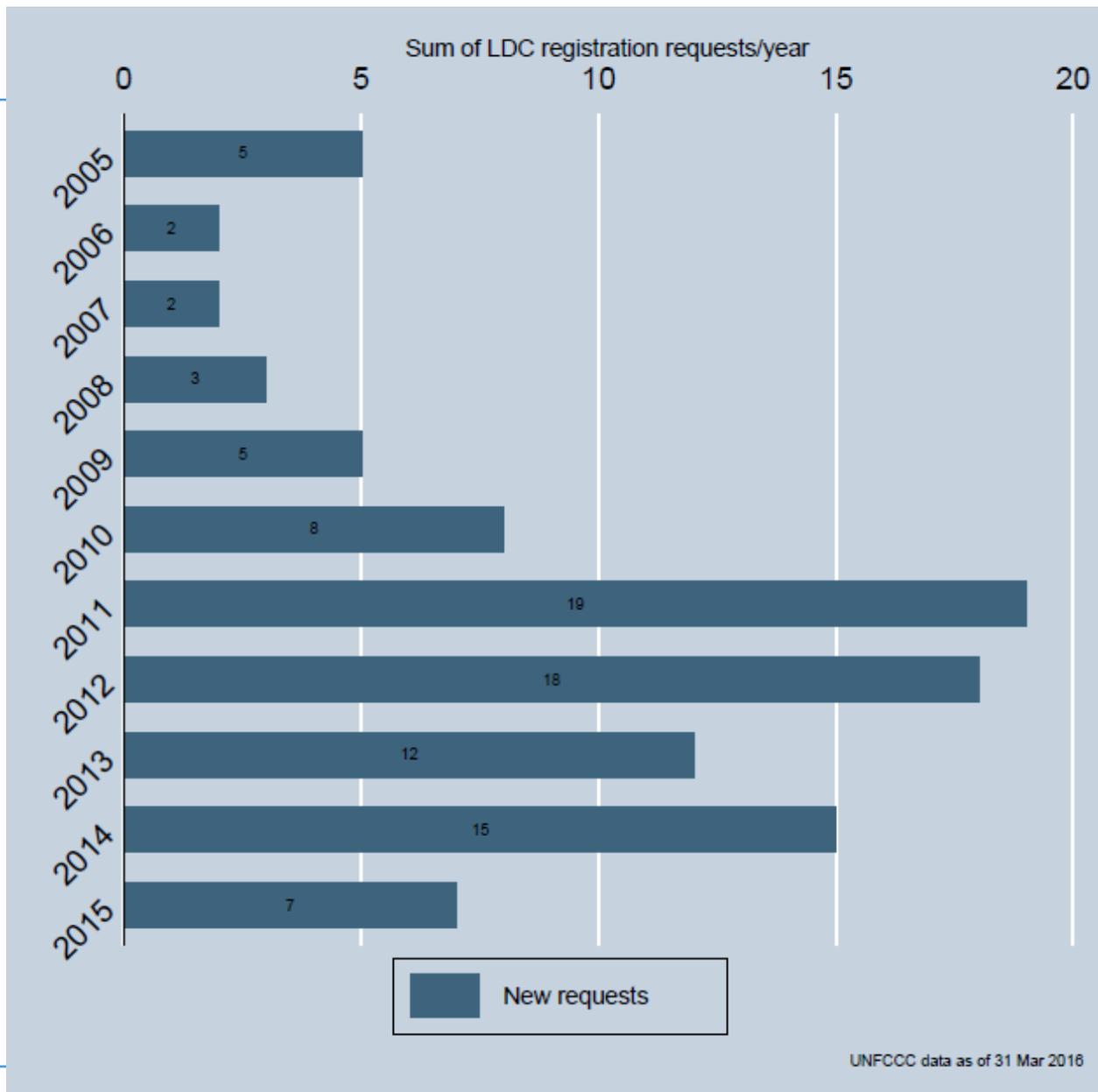
Distribution of registered PoAs by UNFCCC region

Total registered PoAs: 291



Data as of 31 Mar 2016
Source: UNFCCC





Achievements of the CDM

- During its 10+ year history, a first-of-its-kind approach to climate change mitigation under administration of the United Nations, CDM has been able to:
 - ✓ Develop 210 methodologies in 25 different sectors
 - ✓ Establish 108 Designated National Authorities
 - ✓ Accredit 36 validators/verifiers (Designated Operational Entities)
 - ✓ Involve 4,500+ institutions in CDM projects
 - ✓ Establish five Regional Collaboration Centres (Africa, Latin America, the Caribbean and Asia)
 - ✓ Develop countless CDM development experts worldwide
 - ✓ Develop an experienced secretariat



- ✓ Over 7,700 registered projects
- ✓ 1.6 billion CERs issued
- ✓ Approximately US\$215 billion investment
- ✓ US194 million contribution Adaptation Fund



UNFCCC Regional Collaboration



Regional Collaboration Centre – St. George's
Promoting Action Against Climate Change



United Nations Climate Change
Regional Collaboration Centre – Bogota



Regional Collaboration Centre – Kampala
Promoting Action Against Climate Change



Regional Collaboration Centre – Lomé
Promoting Action Against Climate Change



United Nations Climate Change
Regional Collaboration Centre
Bangkok



Regional Context – Countries supported

- Angola
- Botswana
- Djibouti
- Egypt
- Eritrea
- Ethiopia
- Kenya
- Lesotho
- Libya
- Malawi
- Mauritius
- Mozambique



- Namibia
- Rwanda
- Seychelles
- Somalia
- South Africa
- South Sudan
- Sudan
- Swaziland
- Tanzania
- Uganda
- Zambia
- Zimbabwe



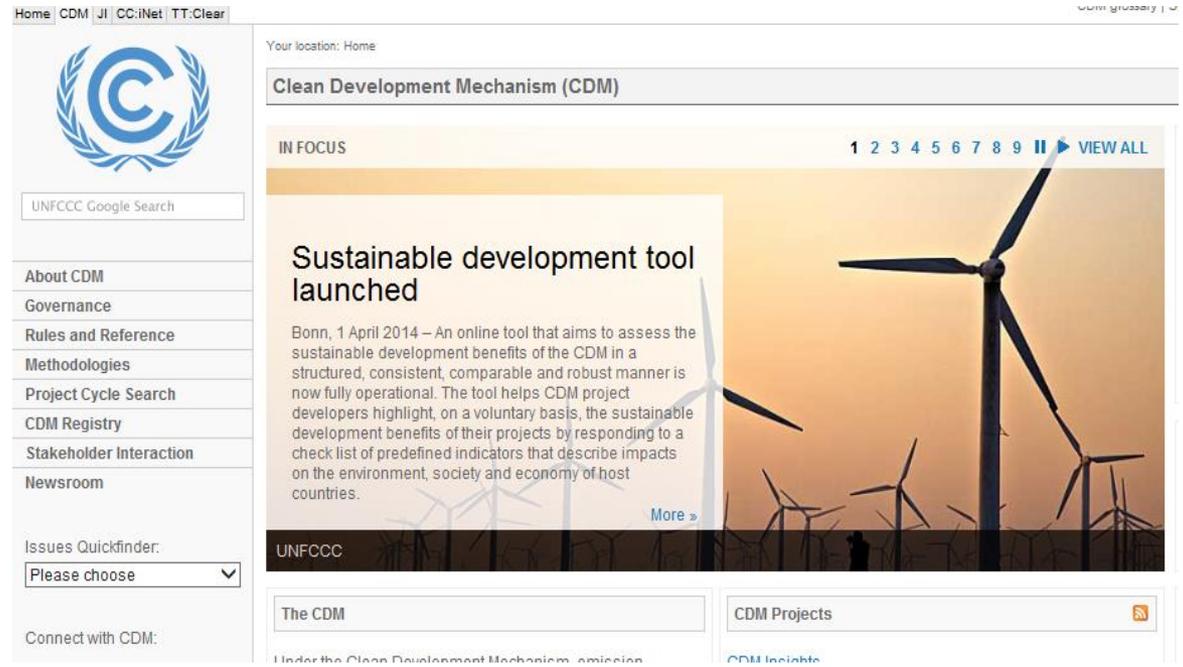


3 Sustainable development co-benefits



What is the SD Tool?

Tool for describing sustainable development co-benefits of CDM project activities (PAs) and programmes of activities (PoAs)

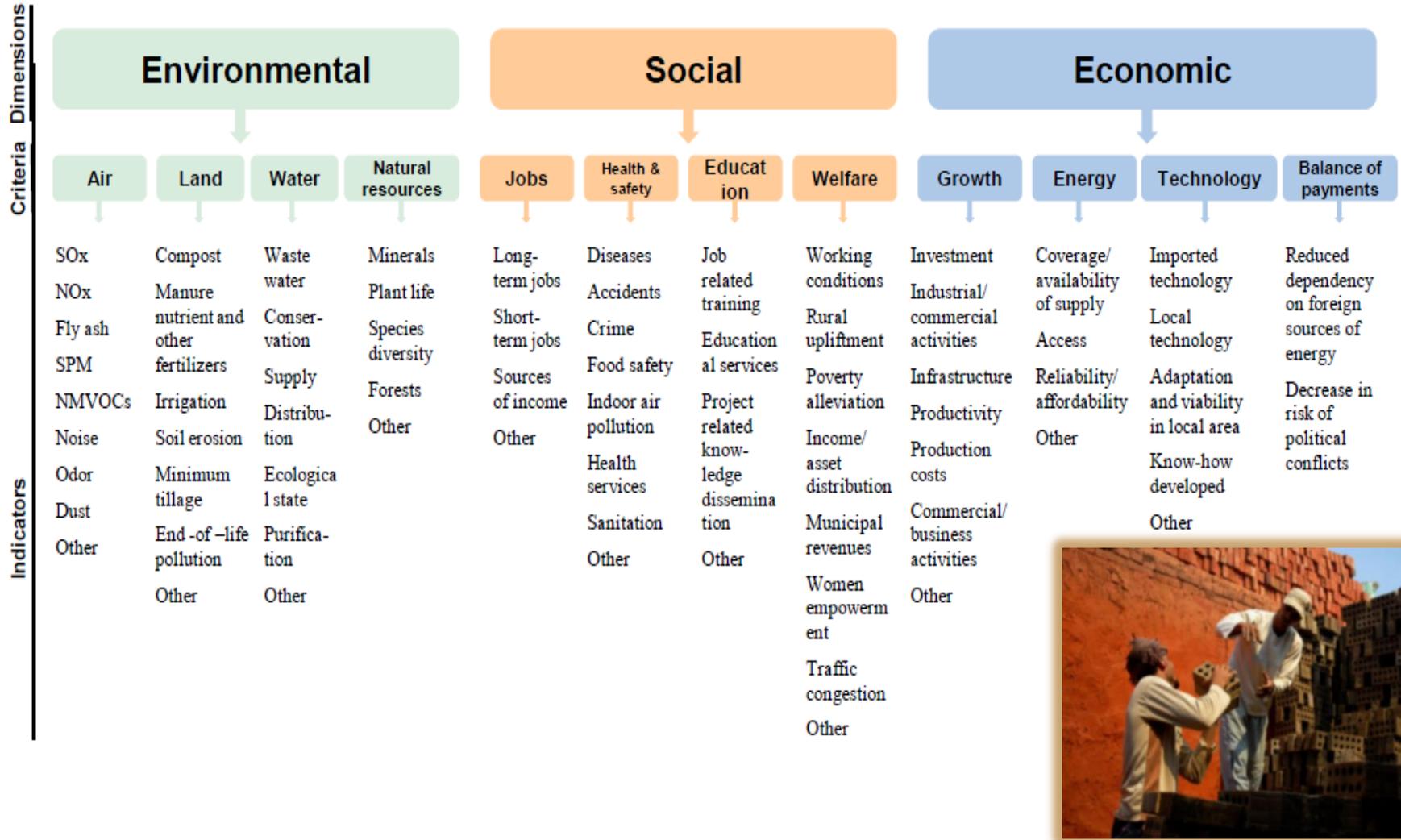


The screenshot shows the UNFCCC website interface. At the top, there is a navigation bar with links for Home, CDM, JI, CC:iNet, and TT:Clear. Below this is the UNFCCC logo and a search bar. A sidebar on the left contains a menu with items: About CDM, Governance, Rules and Reference, Methodologies, Project Cycle Search, CDM Registry, Stakeholder Interaction, and Newsroom. The main content area features a headline 'Sustainable development tool launched' with a sub-headline 'Clean Development Mechanism (CDM)'. The article text states: 'Bonn, 1 April 2014 – An online tool that aims to assess the sustainable development benefits of the CDM in a structured, consistent, comparable and robust manner is now fully operational. The tool helps CDM project developers highlight, on a voluntary basis, the sustainable development benefits of their projects by responding to a check list of predefined indicators that describe impacts on the environment, society and economy of host countries.' Below the article is a 'More >' link. At the bottom of the page, there are sections for 'The CDM' and 'CDM Projects'.

Assesses CDM development co-benefits in a structured, consistent comparable and robust manner.



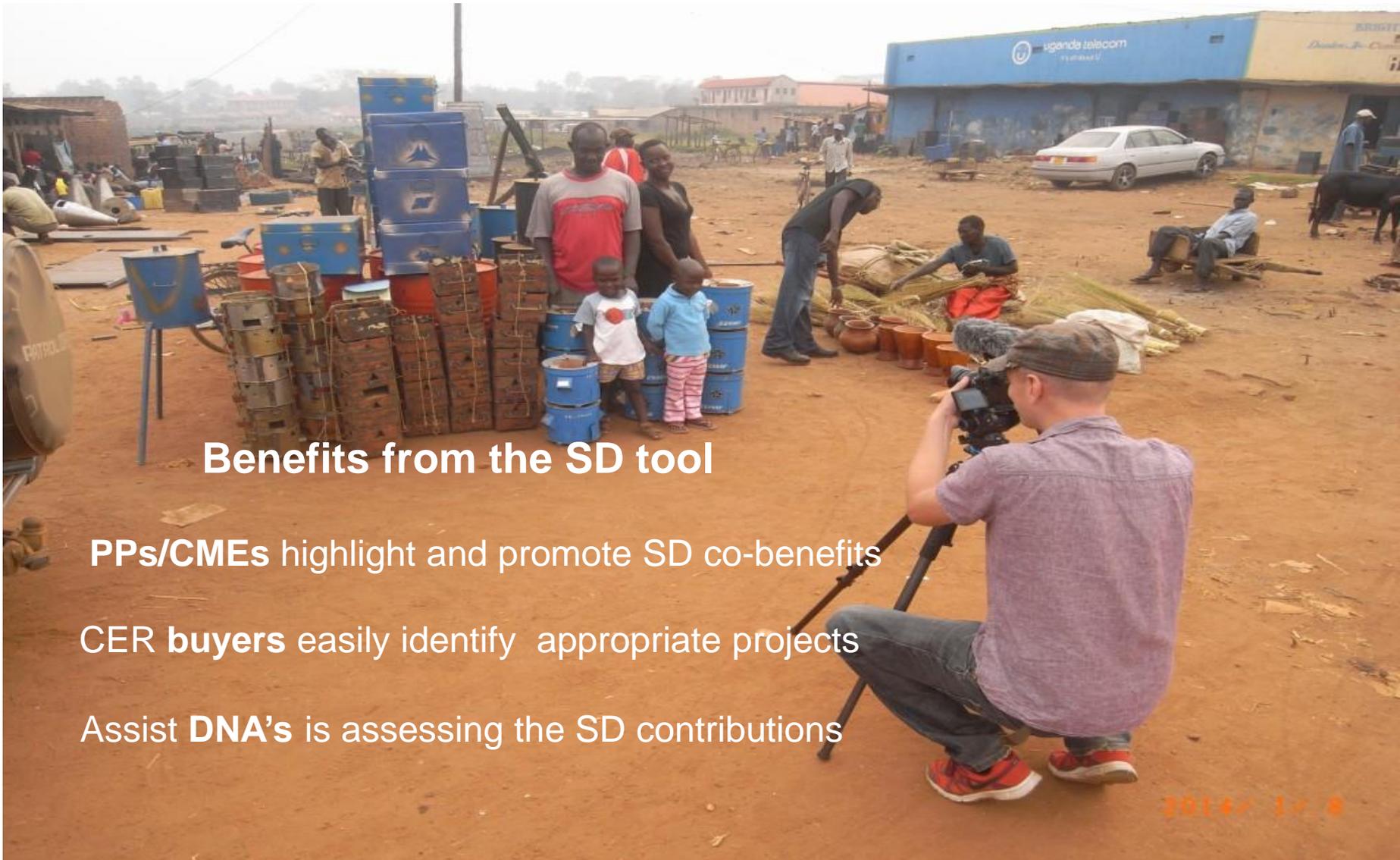
SD Taxonomy



Details of the SD tool

- ✓ The tool produces a **sustainable development co-benefits (SDC) description report**
- ✓ **Checklist** approach
- ✓ **Indicators** have been informed by relevant standards and identified based on what is reported in the PDDs of over **2500** registered CDM project activities
- ✓ Applicable to both **Registered Projects** and those in **Pre-registration** stage





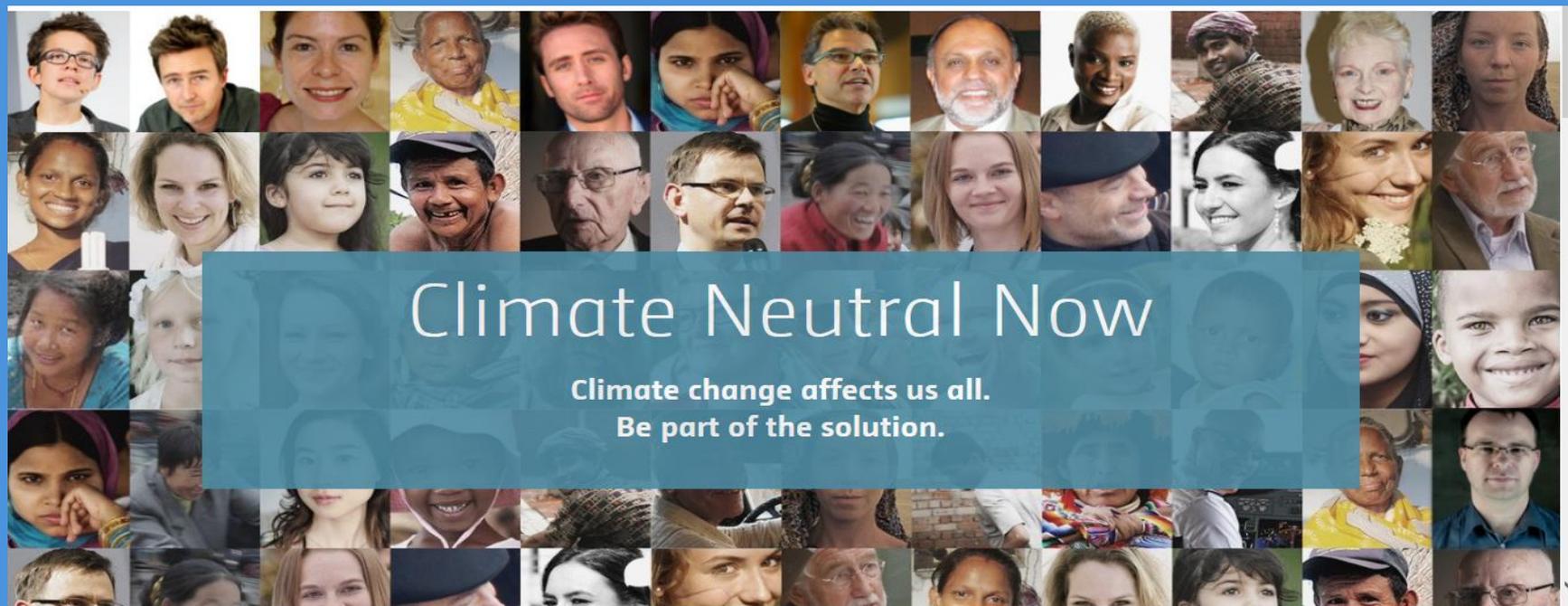
Benefits from the SD tool

- PPs/CMEs highlight and promote SD co-benefits
- CER buyers easily identify appropriate projects
- Assist DNA's is assessing the SD contributions

2014/1/8



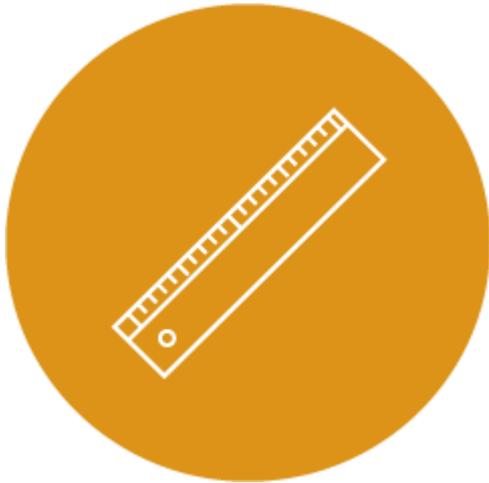
United Nations Framework Convention on Climate Change



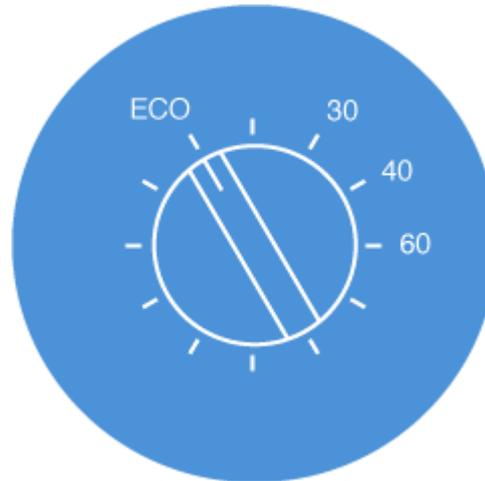
Inviting individuals and organizations to contribute to building a climate neutral society.



HOW IT WORKS



1. **Measure** your organization's or personal climate footprint



2. **Reduce** emissions as much as possible



3. **Offset** what cannot be reduced, totally or partially, with UN offsets (CERs)

Online platform for cancellation of CERs



1. To allow the public to offset in a voluntary manner.
2. To support CDM project developers by providing an additional channel to offer their CERs for sale (and cancellation) to the public.



Voluntary cancellation of CERs...?

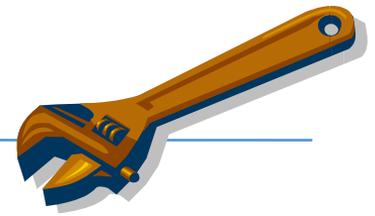
Voluntary cancellation = removal of a CER from further use or transfer.



- Why use voluntary cancellation?
 - ✓ Organizations or individuals wishing to show leadership
 - ✓ Increase **de facto mitigation** (in particular by governments);
 - ✓ **Support** developing countries (transfer of finance, technology, capacity building, etc.);
 - ✓ Contribute to closing pre-2020 mitigation ambition gap;



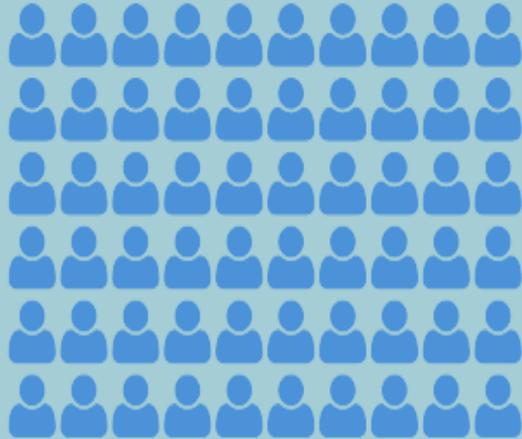
Key characteristics of the platform



- ❖ Makes CERs available for voluntary cancellation (VC) easily visible and searchable;
- ❖ Certificate issued to the buyer for each purchase
- ❖ No brokerage fee charged to any user;
- ❖ Only CERs located in the CDM registry will be offered (both CP1 and CP2).
- ❖ PayPal or credit card fees (both methods possible).



An opportunity for CDM project developers



8,654,021 Certified Emission Reductions

Have been purchased and cancelled

Join the action on emission reductions

[#ClimateNeutralNow](#)



And others...



“

Climate neutrality is a long term vision of the world we want this century, but it begins today and requires action from everyone - from governments to corporations, cities and individuals. I've already pledged to personally become Climate Neutral Now and invite you to join me in measuring, reducing and offsetting your emissions. Climate change will affect everyone, yet everyone can effect positive change now.

”

Christiana Figueres
Executive Secretary
UN Climate Change Secretariat



- Visit www.ClimateNeutralNow.org
- or contact ClimateNeutralNow@unfccc.int



Thank you for your attention



UNFCCC Regional Collaboration Centre

A collaboration between the UNFCCC Climate Change Secretariat
and the East African Development Bank

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UNFCCC Regional Collaboration Centre, Kampala

