CDM-2019VC-INFO01

Regular report

United Nations platform for voluntary cancellation of certified emission reductions

Version 01.0



United Nations Framework Convention on Climate Change

1. Introduction

- 1. The Executive Board of the clean development mechanism (CDM) (hereinafter referred to as the Board), through the CDM Executive Board workplan 2019, requested regular reports on progress made in specific areas.
- 2. This report covers the United Nations online platform for voluntary cancellation of certified emission reductions (CERs) (hereinafter referred to as the VC platform) and is provided on a biannual basis. The reporting period for this report is 1 January 2019 to 30 June 2019. The report provides a comprehensive view of the usage of the VC platform with respect to CERs cancelled by purchaser type, country, host party of the CDM activities, and sectoral scopes.
- 3. A comparison with previous periods has been included to help illustrate activity on the VC platform since September 2015.

2. Report

4. In the reporting period, the number of orders placed and successfully completed by the users of the VC platform (hereinafter referred to as cancellations) increased with respect to the previous period¹. At the same time, the total CERs cancelled decreased, reflecting a decrease in the average number of CERs per cancellation.

| Reporting period | Cancellations | CERs cancelled | Variation (CERs cancelled) |
|--|---------------|----------------|-------------------------------|
| 1 September to 31 December 2015 | 462 | 8 750 | _ |
| 1 January to 30 June 2016 | 269 | 13 377 | 53% |
| 1 July to 31 December 2016 | 294 | 36 917 | 176% |
| 1 January to 30 June 2017 | 350 | 65 668 | 78% |
| 1 July to 31 December 2017 | 517 | 72 499 | 10% |
| 1 January to 30 June 2018 ^a | 456 | 86 010 | 19% |
| 1 July to 31 December 2018 | 1 947 | 318 852 | 271% |
| 1 January to 30 June 2019 | 2 092 | 265 963 | -17% |
| Total | 6 387 | 868 036 | |

 Table 1.
 Number of completed cancellations and CERs cancelled on the VC platform by period

^(a) In addition to the CERs cancelled in the period, 63,267 CERs were identified and negotiated for

¹ Cancellations are reported based on the time of confirmation of the underlying purchase orders. The number of cancellations (as well as CERs cancelled) may change between reporting periods as a result of the time spent by the users in completing the payments for their orders (bank transfers, in particular, may take up to 90 days).

cancellation through the VC platform. However, due to administrative constraints on the purchaser's side, the secretariat assisted with processing the cancellation through the regular track.

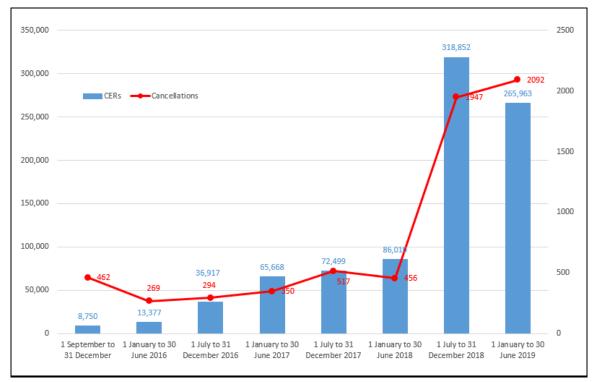


Figure 1. Number of cancellations and CERs cancelled on the VC platform by period

5. Table 2 shows the activities of the two main groups of users since the beginning of the platform's operations.

 Table 2.
 Number of cancellations and CERs cancelled on the VC platform by type of purchaser

| Type of purchaser | Cancellations | CERs cancelled |
|-----------------------------|---------------|----------------|
| Companies and organizations | 1 660 | 627 209 |
| Individuals | 4 727 | 240 827 |
| Total | 6 387 | 868 036 |

6. The number of CERs cancelled by companies and organizations increased by 188 per cent compared to the same period of the previous year. The number of CERs cancelled by individuals increased 165 per cent compared to the same period of the previous year.

| | Companies and organizations | | Individ | uals |
|---------------------------------|-----------------------------|-------------------|---------------|-------------------|
| Reporting period | Cancellations | CERs cancelled | Cancellations | CERs cancelled |
| 1 September to 31 December 2015 | 136 | 2 199 | 326 | 6 551 |
| 1 January to 30 June 2016 | 71 | 7 809 | 198 | 5 568 |
| 1 July to 31 December 2016 | 109 | 29 319 | 185 | 7 598 |
| 1 January to 30 June 2017 | 91 | 56 391 | 259 | 9 277 |
| 1 July to 31 December 2017 | 186 | 56 900 | 331 | 15 599 |
| 1 January to 30 June 2018 | 174 | 63 252 | 282 | 22 758 |
| 1 July to 31 December 2018 | 361 | 228 639 | 1 586 | 90 213 |
| 1 January to 30 June 2019 | 532 | 182 700 | 1 560 | 83 263 |
| Total | 1 660 | 627 209 | 3 163 | 240 827 |

Table 3.Number of cancellations and CERs cancelled by companies and organizations
and by individuals, by period

7. The proportion of CERs cancelled by individuals has been growing over the last five reporting periods thanks to different social media campaigns and better search-results positioning on Google.

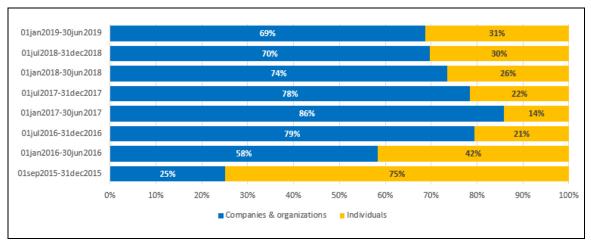


Figure 2. Percentage of CERs cancelled on the VC platform by type of purchaser

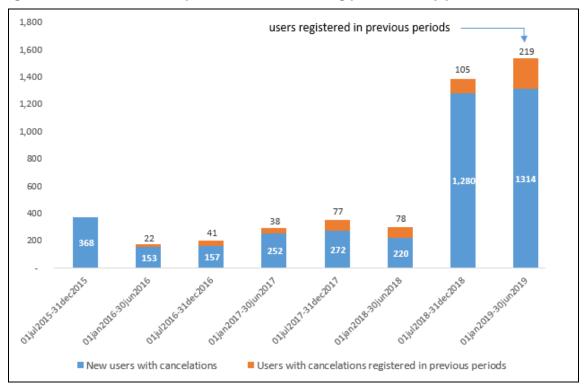
8. To date, 4,021 purchasers have cancelled CERs on the VC platform. For the reporting period, of a total of 1,533 purchasers, 1,314 (or 85 per cent) were new purchasers. This is only a slight increase in the proportion of new purchasers in comparison to the previous period but almost six times more than in the same period of the previous year. Of the new purchasers in the reporting period, the individuals were 1,064 and the companies and institutions were 250, which maintains the previous trend in the mix of users. The number

of recurrent users who had purchased in previous six-month periods increased by 108 per cent compared to the previous reporting period (Jul - Dec 2018).

| Reporting period | New purchasers | Returning purchasers |
|---------------------------------|----------------|----------------------|
| 1 September to 31 December 2015 | 368 | |
| 1 January to 30 June 2016 | 153 | 22 |
| 1 July to 31 December 2016 | 157 | 41 |
| 1 January to 30 June 2017 | 252 | 38 |
| 1 July to 31 December 2017 | 272 | 77 |
| 1 January to 30 June 2018 | 220 | 78 |
| 1 July to 31 December 2018 | 1 285 | 105 |
| 1 January to 30 June 2019 | 1 314 | 219 |
| Total | 4 021 | |

Table 4.Number of new purchasers and returning purchasers

| Figure 3. | Number of new | purchasers and | returning p | ourchasers by period |
|-----------|---------------|----------------|-------------|----------------------|
| Figure 3. | Number of new | purchasers and | returning p | ourchasers by period |



9. Purchasers from 57 countries cancelled CERs during the reporting period. Purchasers from 91 countries cancelled CERs on the VC platform since September 2015. Purchasers from the top five countries – United States of America, Switzerland, Sweden, Germany and Sri Lanka – represent 57 per cent of the CERs cancelled. The website has been visited by users from 187 countries since 1 September 2015.

| Reporting period | Countries with cancellations |
|---------------------------------|------------------------------|
| 1 September to 31 December 2015 | 44 |
| 1 January to 30 June 2016 | 31 |
| 1 July to 31 December 2016 | 36 |
| 1 January to 30 June 2017 | 40 |
| 1 July to 31 December 2017 | 54 |
| 1 January to 30 June 2018 | 39 |
| 1 July to 31 December 2018 | 59 |
| 1 January to 30 June 2019 | 57 |
| Total | 91 ^a |

| Table 5. | Countries with purchasers who completed cancellations by period |
|----------|---|
|----------|---|

^(a) The total of 91 countries applies to the entire period of operations of the VC platform.

Table 6. Top 10 countries by number of CERs cancelled

| | Tota | al | Last 6 r (1 July to 31 D | nonths ecember 2018) |
|----------------|---------------|-------------------|-----------------------------|-------------------------|
| Countries | Cancellations | CERs cancelled | Cancellations | CERs cancelled |
| United States | 2 232 | 193 966 | 708 | 91 279 |
| Switzerland | 119 | 108 667 | 27 | 4 160 |
| Sweden | 281 | 80 120 | 118 | 48 130 |
| Germany | 466 | 65 162 | 112 | 18 256 |
| Sri Lanka | 18 | 48 670 | 7 | 7 678 |
| Australia | 390 | 40 340 | 126 | 5 847 |
| United Kingdom | 692 | 39 217 | 362 | 15 176 |
| Spain | 64 | 27 583 | 25 | 17 084 |
| Denmark | 177 | 25 116 | 54 | 6 160 |

| | Total | | Last 6 ۱ (1 July to 31 D | months ecember 2018) |
|-----------------|-------|---------|-----------------------------|-------------------------|
| Other countries | 1,948 | 239 195 | 553 | 52 193 |
| Total | 6 387 | 868 036 | 2 092 | 265 963 |

- 10. The total number of online sessions since September 2015, including sessions not resulting in cancellations, reached 216,169 (71,020 in the first half of 2019 and 149,005 in the last 12 months). More than 45 per cent of the sessions were redirected from the Climate Neutral Now and UNFCCC websites.² BBC (15%), Twitter (10%) and Facebook (10%) were also important drivers in this period.
- 11. To date, 71 CDM activities have started the process of opening an account on the VC platform. Geographically, these projects represent 13 host parties (Brazil, Chile, China, Costa Rica, Fiji, Honduras, India, Kenya, Malawi, Pakistan, Republic of Korea, Sri Lanka and Thailand).
- 12. The CERs cancelled by project participant, host party and sectoral scopes of the CDM activities are shown in tables 7 and 8 below.

| Host party | CDM activities | Cancellations | CERs cancelled |
|-------------------|----------------|---------------|-------------------|
| India | 41 | 692 178 | 3 941 |
| Brazil | 8 | 50 790 | 321 |
| Thailand | 3 | 48 313 | 405 |
| Chile | 9 | 29 706 | 731 |
| Pakistan | 1 | 14 490 | 108 |
| China | 1 | 14 130 | 203 |
| Malawi | 1 | 9 098 | 410 |
| Kenya | 1 | 7 666 | 162 |
| Costa Rica | 2 | 1 135 | 79 |
| Sri Lanka | 1 | 242 | 10 |
| Fiji | 1 | 137 | 8 |
| Republic of Korea | 1 | 89 | 8 |
| Honduras | 1 | 62 | 1 |

 Table 7.
 Cancellations by host party of CDM activities to date

² <www.climateneutralnow.org> and <https://unfccc.int/climate-action/climate-neutral-now>.

| Host party | CDM activities | Cancellations | CERs cancelled |
|------------|----------------|---------------|-------------------|
| Total | 71 | 6 387 | 868 036 |

Figure 4. Percentage of CERs cancelled by host party of CDM activities to date

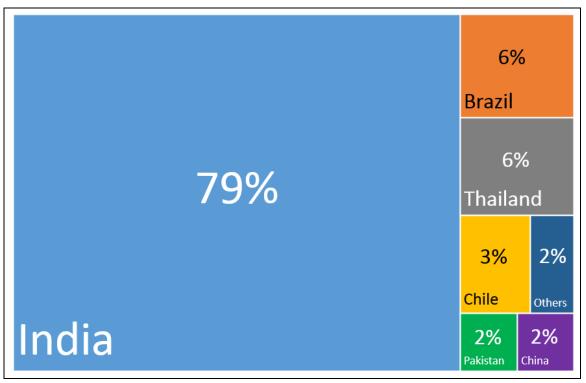
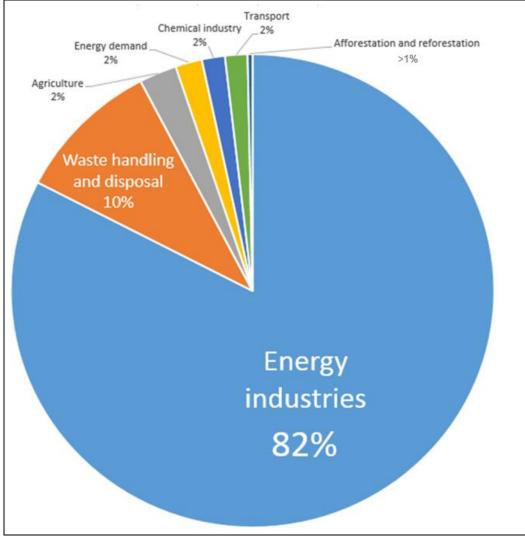


Table 8. Cancellations by sectoral scope of CDM activities to date

| Sectoral scope | CDM activities | Cancellations | CERs cancelled |
|--|----------------|---------------|-------------------|
| Energy industries | 55 | 4 120 | 727 880 |
| Energy industries; Waste handling and disposal | 5 | 574 | 48 027 |
| Waste handling and disposal; Agriculture | 1 | 475 | 23 397 |
| Waste handling and disposal | 4 | 210 | 20 073 |
| Energy demand | 2 | 572 | 16 764 |
| Chemical industry | 1 | 108 | 14 490 |
| Transport | 1 | 203 | 14 130 |
| Afforestation and reforestation | 1 | 115 | 3 033 |

| Sectoral scope | CDM activities | Cancellations | CERs cancelled |
|---|----------------|---------------|-------------------|
| Energy industries; Waste handling and disposal; Agriculture | 1 | 10 | 242 |
| Total | 71 | 6 387 | 868 036 |

Figure 5. Percentage of CERs cancelled by unique sectoral scope of CDM activities to date



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| Document information | | | |
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