CDM-2019VC-INFO02

# Regular report

# United Nations platform for voluntary cancellation of certified emission reductions

Version 01.0



**United Nations** Framework Convention on Climate Change

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## 1. Introduction

- 1. In 2017, the Executive Board of the clean development mechanism (CDM) requested that its regular reporting process include the operational results of the United Nations online platform for voluntary cancellation of certified emission reductions (CERs) (hereinafter referred to as the platform).
- 2. The platform is an online e-commerce service of the CDM registry that enables project participants to offer the voluntary cancellation of CERs to the general public and can be accessed under the link: <u>https://offset.climateneutralnow.org/</u>.
- 3. This report covers the period **1 July 2019 to 31 December 2019.** It provides a comprehensive view of the use of the platform with respect to cancelled CERs by purchaser type, country, host party of the CDM activities, and sectoral scopes.

### 2. Report

4. In the reporting period, the number of paid orders and the number of CERs cancelled through those orders increased with respect to previous periods.

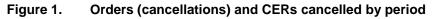
Reporting period	Orders	CERs cancelled	Variation (in CERs cancelled)
1 September to 31 December 2015	462	8 750	_
1 January to 30 June 2016	269	13 377	+53%
1 July to 31 December 2016	294	36 917	+176%
1 January to 30 June 2017	350	65 668	+78%
1 July to 31 December 2017	517	72 499	+10%
1 January to 30 June 2018	456	86 010	+19%
1 July to 31 December 2018	1 947	322 566	+275%
1 January to 30 June 2019	2 103	273 728	-15%
1 July to 31 December 2019	2 796	481 283	+75%

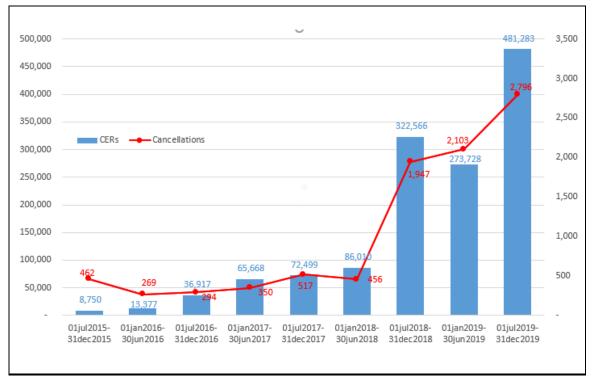
 Table 1.
 Orders and CERs cancelled by period<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> Orders are tracked based on their confirmation date. However, orders are reported only when paid. The number of orders (and the corresponding CERs cancelled) may change over the reporting periods, resulting from the time spent between confirmation and payment for orders (e.g. bank transfers may take up to 90 days to pay after order confirmation). To illustrate, an order placed in the current reporting period would not be reported if its payment is still outstanding at the time the report is produced. Once paid, it will be reported for the six-month period when the order was confirmed. The paid order will be noticed in the subsequent report if the payment is completed by the end of the subsequent report period.

Reporting period	Orders	CERs cancelled	Variation (in CERs cancelled)
Total	9 194	1 360 798	

5. The results of table 1 are presented graphically in figure 1.





6. Table 2 shows the activities of the two main groups of users – individuals and organizations – since the beginning of the platform's operations.

Table 2.	Orders and CERs cancelled by type of purchaser
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Type of purchaser	Orders CERs cancelled	
Companies and organizations	2 476	970 258
Individuals	6 718	390 540
Total	9 194	1 360 798

7. The number of CERs cancelled by companies and organizations increased by 75 per cent compared to the previous period and by 43 per cent compared to the same period of the previous year. This indicates a certain seasonality in the way companies act, with cancellations being more common during the second half of the year. The number of CERs cancelled by individuals increased by 77 per cent compared to the previous period and by

65 per cent compared to the same period of the previous year, following the same seasonal trend.

	Companies and organizations		Individuals	
Reporting period	Orders	CERs cancelled	Orders	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	362	232 365	1 585	90 201
1 January to 30 June 2019	536	189 646	1 567	84 082
1 July to 31 December 2019	811	332 377	1 985	148 906
Total	2 476	970 258	6 718	390 540

Table 3.	Orders and CERs cancelled by type of purchaser by period
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8. Social media campaigns and better search-results positioning on Google, for both the platform and Climate Neutral Now,<sup>2</sup> are the main drivers for the continuous growth of the platform's use.

<sup>&</sup>lt;sup>2</sup> Climate Neutral Now is an initiative which, among other activities, promotes the platform with the public and its results are reported to the Board through a dedicated reporting track.

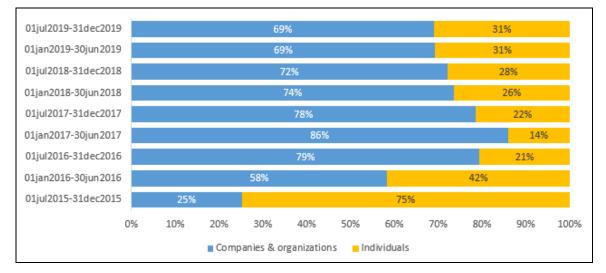


Figure 2. Proportion of CERs cancelled by type of purchaser by period

9. To date, 5 465 purchasers have cancelled CERs on the platform. For the reporting period, of a total of 1 796 purchasers, 368 (or 20 per cent) were returning ones, reflecting an increase in the returning purchasers of 67 per cent in comparison to the previous period (Jan - Jun 2019). Of the 1 428 new purchasers in the reporting period, 1 109 were individuals and 319 were companies and institutions, continuing the trend for a second consecutive period of a faster-growing number of companies than of individuals.

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	1 286	104
1 January to 30 June 2019	1 320	220
1 July to 31 December 2019	1 428	368
Total	5 456	

Table 4.	New and returning purchasers by period
	new and returning purchasers by period

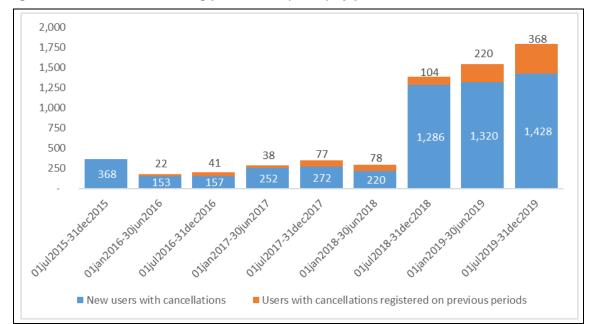


Figure 3. New and returning purchasers (users) by period

10. Purchasers from 65 countries cancelled CERs during the reporting period. Purchasers from 98 countries cancelled CERs on the platform since its launch in September 2015. Purchasers from the top five countries (United States of America, Finland, Switzerland, Sweden, and United Kingdom) represent 57 per cent of the CERs cancelled. Over time, the platform has been visited by users from 187 countries.

Reporting period	Countries with paid orders
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
1 July to 31 December 2019	65
Total	98 <sup>a</sup>

Table 5. Number of countries with paid order	s by period
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The total of 98 countries applies to the entire period of operations of the platform.

<sup>(</sup>a)

	То	tal	g period mber 2019)	
Countries	Orders	CERs cancelled	Orders	CERs cancelled
United States	3 050	322 491	813	119 049
Finland	560	147 419	155	125 615
Switzerland	153	116 916	32	6 503
Sweden	385	106 240	104	26 120
United Kingdom	1 275	80 994	582	41 751
Germany	611	75 808	145	10 646
Spain	141	53 603	77	26 020
Sri Lanka	21	50 652	3	1 982
Australia	494	50 163	103	9 807
France	249	39 017	72	17 859
Other countries	2 255	317 495	710	95 931
Total	9 194	1 360 798	2 796	481 283

#### Table 6. Top 10 countries by CERs cancelled to date

- 11. The total number of online sessions since September 2015, including sessions not resulting in cancellations, reached 371 240 (155 071 during the reporting period and 226 091 in the last 12 months). The number of sessions increased 118 per cent compared to the previous period and 99 per cent compared to the same period of the previous year. During the reporting period, 23 per cent of the sessions were redirected from the Climate Neutral Now and UNFCCC websites.<sup>3</sup>
- 12. To date, 85 CDM activities have opened a provider account on the platform. Geographically, these activities represent 17 host Parties (Brazil, Cambodia, Chile, China, Costa Rica, Fiji, Honduras, India, Kenya, Malawi, Mongolia, Pakistan, Peru, Republic of Korea, South Africa, Thailand and Uganda).
- 13. The CERs cancelled by host Party and sectoral scopes of the CDM activities are shown in tables 7 and 8 below, followed by a graphic representation of the data.

<sup>&</sup>lt;sup>3</sup> <u>www.climateneutralnow.org</u> and <u>https://unfccc.int/climate-action/climate-neutral-now.</u>

Host party	CDM activities	CERs cancelled	Per cent of all CERs cancelled	
India	45	1 019 791	74.9%	
Brazil	9	96 024	7.1%	
Peru	2	70 842	5.2%	
Thailand	4	54 480	4.0%	
Chile	9	35 518	2.6%	
China	3	18 706	1.4%	
Malawi	2	18 106	1.3%	
Pakistan	1	16 205	1.2%	
Mongolia	1	11 153	0.8%	
Kenya	1	7 666	0.6%	
Cambodia	1	6 372	0.5%	
Costa Rica	2	5 402	0.4%	
Fiji	1	210	<0.1%	
Uganda	1	164	<0.1%	
Republic of Korea	1	89	<0.1%	
Honduras	1	62	<0.1%	
South Africa	1	8	<0.1%	
Total	85	1 360 798	100%	

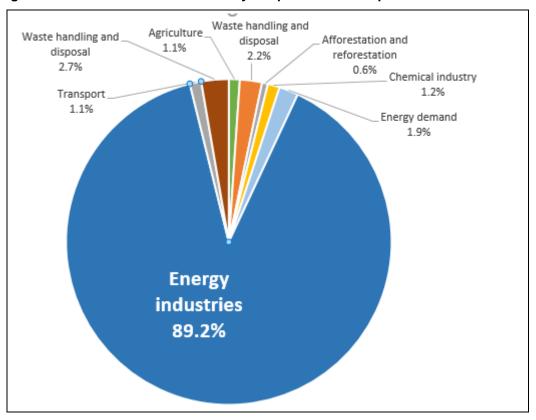
#### Table 7. CERs cancelled by host Party of CDM activities to date

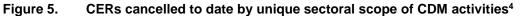
	7.1%	6.2%
74.9%	Brazil	Others
		4.0%
	5.2%	Thailand
India	Peru	2.6% Chile

#### Figure 4. CERs cancelled to date by host Party of CDM activities

#### Table 8. CERs cancelled to date by scopes of CDM activities

Sectoral scope	CDM activities	CERs cancelled
Energy industries	64	1 183 730
Energy industries; Waste handling and disposal	6	55 527
Energy demand	4	25 936
Waste handling and disposal; Agriculture	1	25 318
Waste handling and disposal	5	24 339
Chemical industry	2	16 213
Transport	1	15 440
Afforestation and reforestation	1	7 923
Energy industries; Waste handling and disposal; Agriculture	1	6 372
Total	85	1 360 798





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#### **Document information**

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01.0	3 March 2020	Initial publication
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Business	Function: Governance	

<sup>&</sup>lt;sup>4</sup> The calculation of the percentage is based on the distribution of the CERs cancelled uniformly among the different scopes which compose the scope definition.