

Need to Reform International and Domestic Rules?

Yuji MIZUNO

Senior Expert / Climate Policy Project
Institute for Global Environmental Strategies

The CDM – light and shadow

- ◆ We all know the great success of the CDM.
- ◆ But people feel some bring down on the CDM.
 - ☞ Majority of issued CERs comes from non-CO₂ reduction projects.
 - ☞ Non-equitable regional distribution of CDM projects.
 - ☞ Less technology transfer, less poverty alleviation, etc
- ◆ How much extent the CDM is contributing to sustainable development?

The roles of DNA

| | DOE | DNA |
|--|--|--------------------------|
| Validation and Registration stage | Check additionality and ER calculation | Check SD contribution |
| Verification and Issuance stage | Check monitoring and ER calculation | No Check SD contribution |

Need to check SD contribution?

- ◆ Some of the registered CDM projects state, in the PDDs,
 - ☞ The project owner will pay part of the income for community development,
 - ☞ Once there is a revenue from sale CERs.
- ◆ In the monitoring report and the certification report, there is no statement whether the owner has spent some money for that.
 - ☞ It is not a mandate under the CDM M&P.

PDD

MR
VR
CR

Micro-scale emission reduction

- ◆ There are many potentially “micro-scale” CDM projects in developing countries.
 - ☞ Biogas, biomass, hydro, PV, etc.
- ◆ Their potential CERs are few.
 - ☞ 5,000t/y, 1,000t/y, 500t/y, 100t/y....
 - ☞ Clearly non profitable.
- ◆ PDD, demonstration of additionality, baseline calculation, validation, verification, etc.
- ◆ A thousand of micro-scale CDM projects will generate merely a million t/y CERs.
- ◆ Will it create distortion to the CER market?

There are rooms to reform CDM rules.

- ◆ DNA can be involved in the CDM process after the approval.
- ◆ Monitoring can be expanded to SD contribution.
- ◆ Default amount of CERs can be generated under the certain circumstances.
- ◆ Fast track procedures can be introduced for the specific CDM projects.
- ◆ If those are agreeable and reasonable.

Thank you very much

The views expressed herein are solely those of the presenter. They do not reflect the views of IGES or other researchers.