CDM RAILWAY PROJECT IN INDIA

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KEY FEATURES

MFF: Railway Sector Investment Program (RSIP) (36330)

- Total project cost = US$1,144 m
- ADB MFF loan = US$ 500 m
- Includes double tracking of 840 km and electrification of 641 km of railway tracks
- Expected project implementation period is 7 years (2012 – 2018)

Enhancing readiness of RSIP as a CDM project (TA 7828)

- CDTA (US$ 400,000)
- Includes only double tracking component
- Expected TA implementation period is 5.5 years (July 2011 – Dec 2016)
- Activities include preparation of documents required by UNFCCC under the CDM process
- Capacity building of the Ministry of Railways, GOI

KEY FEATURES (contd)

Enhancing readiness of RSIP as a CDM project (TA 7828)

- Source of emission reductions is shift in mode of transport of passengers and freight from trucks, buses and cars to rail
- New methodology for quantifying emissions proposed
- New methodology has similarities with existing ACM0016 and AM0090
- Estimated emission reductions is 750,000 tons per annum
- Cumulative emission reductions in 21 years is approximately 16 millions tons of CO2

4 railway tracks are:
1. Hospet – Tinaighat (229 km) Karnataka
2. Daund – Gulbarga (224 km) Maharashtra, Karnataka
3. Raipur – Titlagarh (203 km) Chhatisgarh, Orissa
4. Sambhalpur – Titlagarh (182 km), Orrisa
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Enhancing readiness of RSIP as a CDM project (TA 7828)

- Fact Finding mission
- Consultation mission
- MRM
- Concept clearance
- TA approval
- Loan negotiations
- Board approval (Facility)
- TA effectiveness
- TA consultant recruited
- Preparation of methodology initiated

2011

Jan
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2012

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Enhancing readiness of RSIP as a CDM project (TA 7828)

- Draft methodology submitted to UNFCCC
- Methodology review by methodology panel (MP)
- Assigned number of proposed methodology: NM0357
- First contract awards
- Mid August: MP to review the revised methodology
- June end: 35 comments provided by MP
- 30th April – 15th May: Opened for public comments
- 25th April: Qualified for review

Third Workshop on Enhancing the Regional Distribution of CDM Projects in Asia and the Pacific
18–20 July 2012 • ADB Headquarters, Manila, Philippines
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Methodology approved by UNFCCC
Submission of PDD to DOE
- PDD validation by DOE
- Approval by DNA
Review/approval of PDD by EB
PDD registration with UNFCCC

First 6 months monitoring
Verification of monitoring report
Issuance of CERs
Enhancing readiness of RSIP as a CDM project (TA 7828)

CHALLENGES/LESSONS

- CDM process is very lengthy and bureaucratic
- Lack of data and difficulties in collecting data
- Use of default values leads to loss in income
- Worthwhile only for large scale projects
Thank you!