

# How has the new approach to demonstration of additionality been applied to the development of microscale CDM project activities?

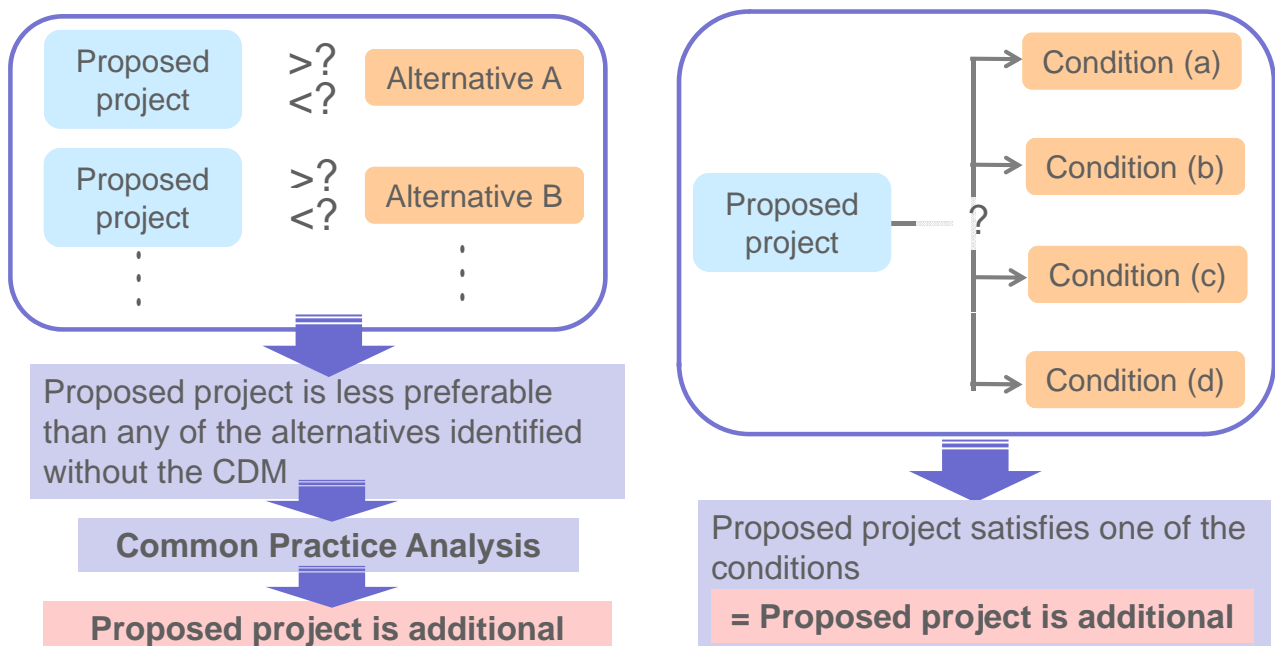
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This presentation is based on Okubo (2011) "New approach for demonstrating additionality" in CDM Reform 2011, Hayama, Japan

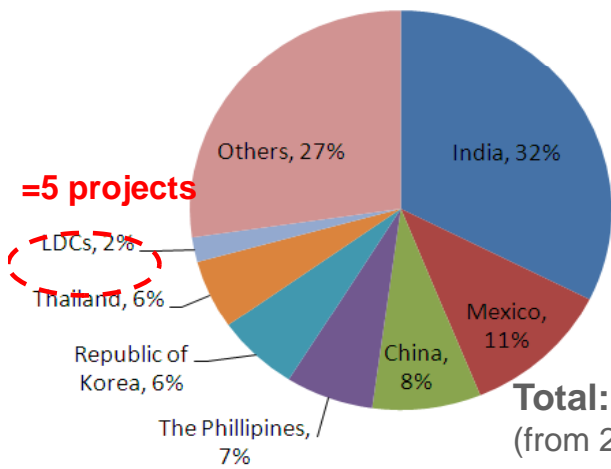
## Different approaches to demonstrating additionality



➤ A microscale CDM project can be considered 'additional' if it satisfies one of the conditions using new approach

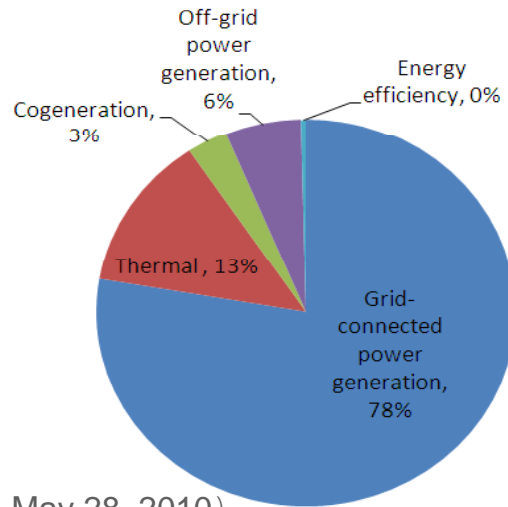
# Microscale CDM projects registered before the adoption of the guidelines (registration)

By host country



Total: 253  
(from 2004 – May 28, 2010)

By project type



Source: IGES CDM Database as of 1 Aug. 2011

➤ Some microscale projects of common types (e.g. grid-connect power generation) have already emerged in major CDM host countries, but few have appeared in LDCs

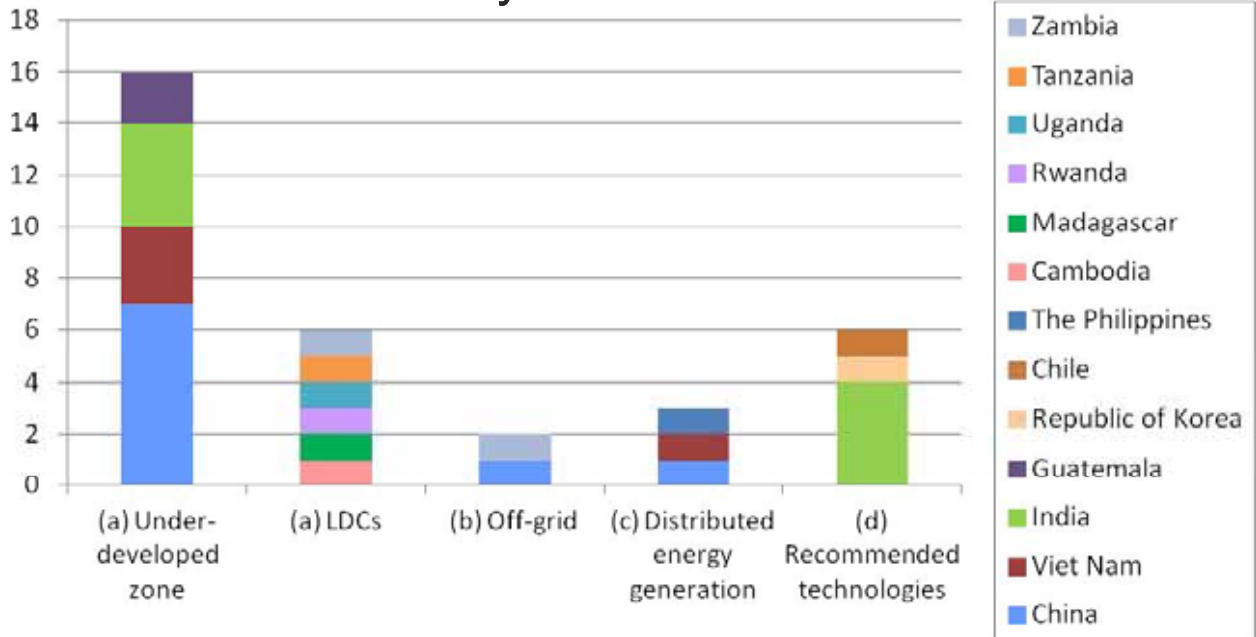
## Status of microscale CDM project development using the guidelines

- The projects that has entered validation using the guidelines: 30 (from 29 May 2010 to 1 August 2011)
- 3 of them have been registered
- In LDCs, development of 7 projects had started in about a year using the guidelines

➤ Microscale project development has significantly increased in LDC

	Host country	Project type	Num.
Non-LDC	China	Hydro power	8
		Solar thermal	1
	Viet Nam	Hydro power	3
		Biogas power	1
	India	Wind power	2
		Photovoltaic (PV)	2
	Guatemala	Hydro power	2
	Republic of Korea	Hydro power	1
	Chile	Hydro power	1
	Thailand	Biomass power	1
The Philippines	Biogas power	1	
LDC	Cambodia	Biogas power	1
	Madagascar	Photovoltaic (PV)	1
	Rwanda	Other renewable	1
	Uganda	Biomass power	1
	Tanzania	Hydro power	1
		Biomass power	1
	Zambia	Hydro power	1

## Number of microscale CDM projects under validation by condition satisfied

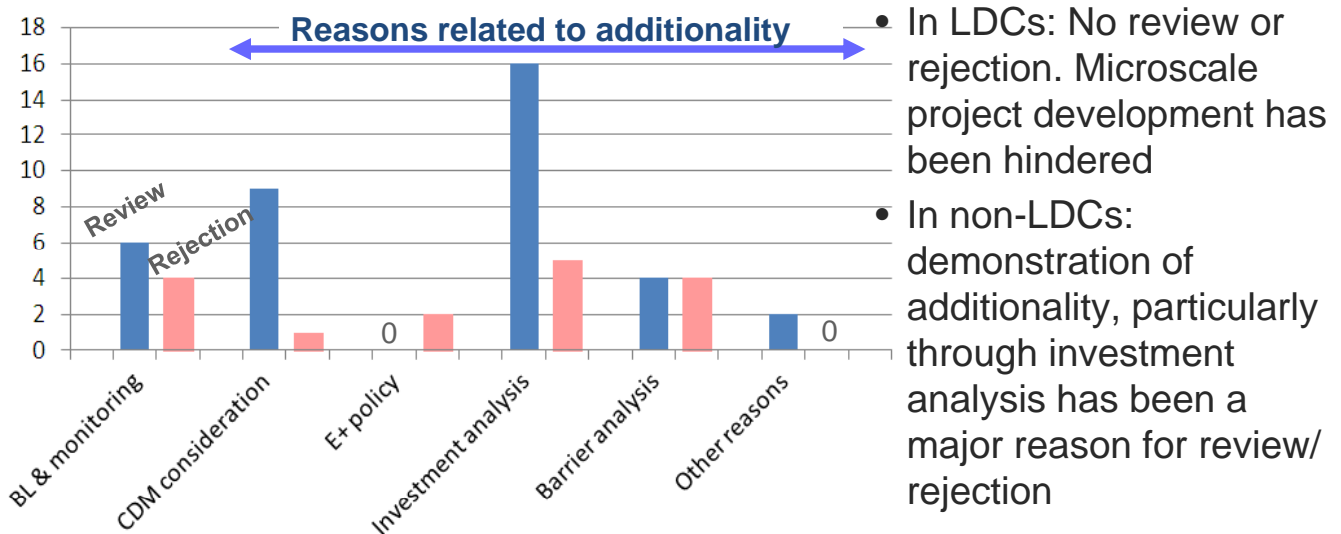


Source: IGES CDM Database as of 1 Aug. 2011, PDD of each project

➤ The condition that the project is in underdeveloped zone is most used but the definition of and data to prove “underdeveloped” varies depending on a project or host country 4

## Potential influences of the guidelines on microscale project development

Number of reviewed and rejected microscale projects by category of reason



Source: IGES CDM Review and Rejected Project Database as of 1 Aug. 2011

➤ The guidelines are likely to promote microscale project development by removing a barrier of additionality demonstration or reducing review/rejection related to its process ;

## Issues to be addressed for improvements of the guidelines

- The guidelines should provide as much certainty of passing the additionality test as possible to simplify the process
  - ✓ Indicators and their values to prove “underdeveloped zone”
  - ✓ Clear guidance for host countries about “technologies/measures recommended by host country”
  - ✓ Appropriateness of “technologies or measures with a total installed capacity of less than or equal to 5% to national annual electricity generation