

IGES Market Mechanism Capacity Building

**Market Mechanism Group
Institute for Global Environmental Strategies**

Overview of Capacity Building Programme

- The programme funded by the Ministry of the Environment, Japan
- Programme since FY2003
- Collaborating countries:
 - Cambodia
 - China
 - India
 - Indonesia
 - Lao PDR
 - Mongolia
 - the Philippines
 - Thailand
 - Vietnam



Capacity Building Activities

- #1 Facilitate the introduction of market mechanisms
- #2 Provide useful database and Research report
- #3 Support new market mechanism
- #4 Propose CDM reform

3

#1 Introduction of market mechanisms

Supporting GHG project identification and development

- ✓ Sector-specific workshops
- ✓ PDD technical consultation
- ✓ GHG validation/verification workshops
- ✓ provincial workshops with local governments

4

#2 Provide useful MM-related information

- IGES MM is well recognised as the top research institute in the world with respect to Kyoto Mechanisms and related quantitative data as well as analysis.

New Market Mechanisms



· New Market Mechanisms in CHARTS



· Possible Elements of Market-based Mechanisms

Kyoto Protocol Related Information



· CDM in CHARTS



· GHG Emissions Data

CDM Reform Reports & Papers



· CDM Reform 2011: Verification of the Progress and the way forward



· IGES- TERI CDM Reform Paper Series

CDM Country Fact Sheet

Cambodia, China, India, Indonesia, Lao PDR, Mongolia, Philippines and Thailand



CDM/JI Project Database (Updated every month)



· CDM Project Database



· CDM Programme of activities (PoA) Database

Grid Emission Factors data / Emission Reductions Calculation Sheet Series

· IGES CDM Methodology Parameter Data



· ERs Calculation Sheet



5

#3 Support new market mechanism

Supporting institutional frameworks

- ✓ Setting up regulations and robust MRV systems for new market-based mechanisms such as NAMA crediting and bilateral crediting, along with the establishment of appropriate reference scenarios, including domestic emissions trading and VER crediting schemes.

6

#4 Propose CDM reform

We are active in proposing CDM reform on the following topics.

- ✓ Standardised baselines
- ✓ Programme of Activities (PoA)

CDM Reform 2011: Verification of the Progress and the way forward Verifying the progress of CDM reform



Challenges for CDM reform in 2011 and focus of this report is:

- ✓ Efficiency and scale-up
- ✓ Standardization
- ✓ Regional Distribution

7

IGES Capacity Building in Mongolia for the Establishment of New Market Mechanisms

Memorandum of Understanding (MOU) to collaborate in establishing new market mechanisms in Mongolia was signed by IGES and MNET. (Apr. 2011)

Market Mechanism for Mongolia

1. Aiming to establish mechanisms suitable for domestic situation of Mongolia through the consultation with Mongolian government
2. Supporting the development of MRV methodology in Mongolia
3. Establishing the standardized baseline:
Boiler replacement projects-supply side energy efficiency

8

Establishing Heat Only Boiler (HOB) Standardized Baseline

- Positive list for boiler replacement CDM:
 - ✓ Mongolia (and other regions characterized by cold winter and importance of coal as fuel)
 - ✓ the remaining lifetime of replaced boiler is over 10 yrs
 - ✓ the benchmark of additional level is 80% efficiency
- Possibility for applying to PoA
- Setting the baseline scenario and emission reduction
- Baseline CO₂ emission factor will be considered

Workshops Jointly organized by IGES and MNET

IGES and MNET organized workshops in July 2011.

1. New Market Mechanism and MRV Workshop

- ◆ Nationally appropriate mitigation actions (NAMA) and MRV
- ◆ Mitigation and air pollution reduction programme



2. CDM (PoA) Programme of Activity Workshop

- ◆ Design & possibility of PoA
- ◆ Expectations & lessons learned

Workshops Jointly organized by IGES and MNET (cont.)

Workshops coming up on Nov. 2nd & 3rd at UB hotel

1. Workshops for New Market Mechanisms (NMMs) in Mongolia

Introduction and Report on MOEJ's initiatives on
NMMs

Towards the Establishment of NMMs in Mongolia

2. "CDM Project Development Experience" Consultation Meeting

Experience sharing among project developers

Update on current development in CDM

Programme of Activity (PoA)

11

IGES Market Mechanism Group

● E-mail: cdm-info@iges.or.jp

● Publications

<http://www.iges.or.jp/en/cdm/report.html>

12