

CDM in Post-2012 and URC's Future Activities on CDM, especially in the Pacific

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Apia, Samoa



Outline

- CDM beyond 2012
- URC's future activities on CDM
- URC's future work in the Pacific

The carbon market depends on demand created by policy

- We are now entering a period of uncertain demand, with positive prospects in the long term (2015)
- Expecting to see a new commitment period under the Kyoto Protocol agreed at Qatar in November/December
- Proliferation of Emissions Trading Schemes around the world with prospects for CDM

Demand for CERs will therefore continue, but with new limits

- Quantitative and qualitative limits exist on the demand side
- For example, in the EU there is a preference for LDCs & SIDS, no CERs from new projects registered after 2012 in other developing countries.
- New CDM projects from large developing countries, like China, India, Brazil etc. will significantly decrease
- This will affect the supply of CERs, and give rises to demand for CERs from SIDS and LDCs
- The market price will also change to reflect the new landscape of host country and project developing costs

Comparison of rules in some demand centres

	EU ETS	NZ ETS	RGGI	WCI	Australia
Start date	2005	2008	2009	2013	2015
Size of cap	1880 Mt (2009)	N/A	188 Mt	184 Mt (2013)	Not yet decided
Percent economy-wide emissions covered by ETS	~40%	~50%	~25%	~85% (by 2015)	~67%
2020 reduction target	21% below 2005 levels	N/A	10% below 2009 levels by 2018	Individual jurisdiction targets	5% below 2005 levels
Market value (2011)	€81 billion	€182 million	€130 million	€31 million	N/A
Offset provisions	Limited use of Kyoto credits - qualitative restrictions apply.	Kyoto credits - qualitative restrictions apply.	Limited use of domestic and Kyoto credits allowed - quota increases with price triggers.	Limited use of domestic offsets from approved protocols. Kyoto credits not allowed. REDD credits allowed from approved jurisdictions.	Limited use of domestic and Kyoto credits - qualitative restrictions apply.

Comments

- The change in carbon market after 2012 means that LDCs and SIDS will receive even more attention in both CDM rules, and market demand
- The high costs of CERs from LDCs and SIDS will also affect the final market prices
- EU ETS will keep it door open for CERs from LDCs and SIDS
- For the Pacific Island Countries, the development of carbon trading scheme in two of its big neighbours, New Zealand and Australia, provides new opportunities and platforms

URC will continue some of its existing CDM support

- Making available CDM Guidebooks and CDM project websites

Databases and tools with UNFCCC support

- CDMpipeline database, which now include monthly updated information about CDM projects, JI projects, PoAs
- CDMBazaar, a free web-based form for CDM project marketing
- CDM Loan Scheme



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United Nations Framework Convention on Climate Change presents the CDM Loan Scheme

CDM LOAN SCHEME

The overall objective of the CDM Loan Scheme is to support CDM projects in "Least Developed Countries" (LDC) and countries with less than 10 registered CDM activities by providing interest-free loans to cover administration costs related to the development of CDM projects.

Project Ideas

Sellers

Buyers

Service Providers

The Project Idea section shows project ideas that have not been submitted for validation yet, including contact information.

Go to this section to:

- View project ideas and search for attractive investment options around the world
- View project ideas to find a partner for future CDM activities
- View project ideas and sort them according to your requirements

[> Visit CDM project ideas section](#)

The Seller section shows seller profiles, including contact information, and the projects which have been added by registered Sellers.

Go to this section to:

- View seller entries and details of sellers in the carbon market
- View project entries and details of CDM projects and CERs at various stages
- View sellers and projects, and sort them according to your requirements

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The Buyer section shows profiles of buyers in the carbon market, including preferences and contact information.

Go to this section to:

- View buyer entries and details of buyers in the carbon market
- View detailed purchasing profiles of buyers
- View buyer profiles, and sort them according to your requirements

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The Service provider section shows profiles of companies, including contact information, who supply carbon market technologies and services.

Go to this section to:

- View service provider entries
- View detailed profiles of service providers
- View service providers, and sort them according to your requirements

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Register to add your profile to the CDM Bazaar, and to add project information or announcements.

[> Register](#)

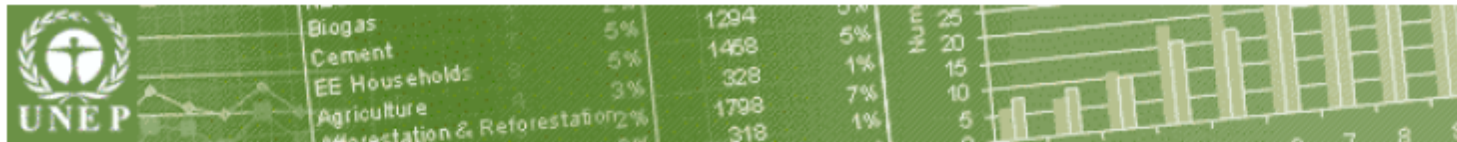
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Last updated:
1st August 2012

Content of CDM/JI Pipeline

- » Home
- » Overview
- » CDM projects by type
- » CDM projects by host region
- » CERs
- » Approved CDM methodologies
- » JI projects
- » DOEs/AIEs

Other websites of interest

- CDM Bazaar
- CDM Loan Scheme

Welcome to the UNEP Risoe CDM/JI Pipeline Analysis and Database

The CDM/JI Pipeline Analysis and Database contains all CDM/JI projects that have been sent for validation/determination. It also contains the baseline & monitoring methodologies, a list of DOEs and several analyses. Almost all information is from cdm.unfccc.int and ji.unfccc.int.

This monthly newsletter shows a sample of the analysis in the Pipeline. If you want more information, then look into the left column and click on the links to sub-pages or click on the download for the full Pipeline, which contain tables with a line of key information for all CDM and JI projects. You can also download a rather old guidance document to the Pipeline.

» [Go to overview page](#)

Please cite as "UNEP Risoe CDM/JI Pipeline Analysis and Database, August 1st 2012".

Please do not put the spreadsheets on other web-sites, you may only put a link to them on this site.

Contact

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» **Maija Bertule**
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Downloads

» [CDM Pipeline overview](#)

» [PoA Pipeline overview](#)

» [CDM project distribution within host countries by region and type](#)

» [JI Pipeline overview](#)

UNFCCC Loan Scheme for CDM

Welcome,

This site is an electronic loan application system. Loans are offered to provide financing for the CDM validation, registration and verification process. This includes: a) the preparation of the Project Design Document (PDD); b) the validation by a 'Designated Operational Entity' (DOE); c) the registration of the project with the UNFCCC, and d) the monitoring and verification of the first issuance of 'Certified Emissions Reductions' (CERs).



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[Register as a CDM Consultant](#)
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[Loan Application Form](#)

Loan Criteria

Loans may be extended to selected applicants following a thorough review and assessment process. The minimum eligibility criteria can be summarized as follows:

- Projects must have a high probability of registration with the UNFCCC and generating at least 7,500 CERs/year for projects in Least Developed Countries (LDCs), and 15,000 CERs/year in non-LDCs
- Projects must be in host countries with a maximum of 10 CDM project activities registered with the UNFCCC at the time of application
- Project documentation must be developed by an experienced CDM consultant
- The loan must not "crowd out" other obvious funding for the development costs (like donor funding or funding by an already identified buyer of CERs from the project)

Please note that CDM consultants will be constituted as legal signatories of the loan agreements. Read more about the role of the CDM consultant [here](#). Any experienced, qualified and interested CDM Consultant can register for the pre-qualification process of the Consultant Roster in order to be considered to participate in the CDM Loan Scheme.

CDM Bazaar



- Facilitating networking and knowledge exchange among CDM stakeholders from all over the world
- Facilitating the identification of serious business partners at all stages in the CDM project cycle
- Facilitating the development and enhancing the regional distribution of CDM projects

CDM Loan Scheme - Background

The Conference of the Parties serving as the meeting of the Parties (CMP) adopted the “[Guidelines and modalities for the operationalization of a loan scheme](#)” at CMP.6 in Cancun, Mexico, in December 2010.

Conditions:

- In countries with fewer than 10 registered project activities (of each year)
- To cover for the costs of:
 - Development of PDDs
 - Validation
 - First verification
- Interest-free

Potential to benefit approximately 80 countries ([32 in Asia-Pacific, 14 in Central Asia and Eastern Europe](#))

Funds from the interest accrued on the [CDM Trust Fund](#), and voluntary contributions (USD 5,2 million available incl. admin costs)

UNFCCC Secretariat's Role

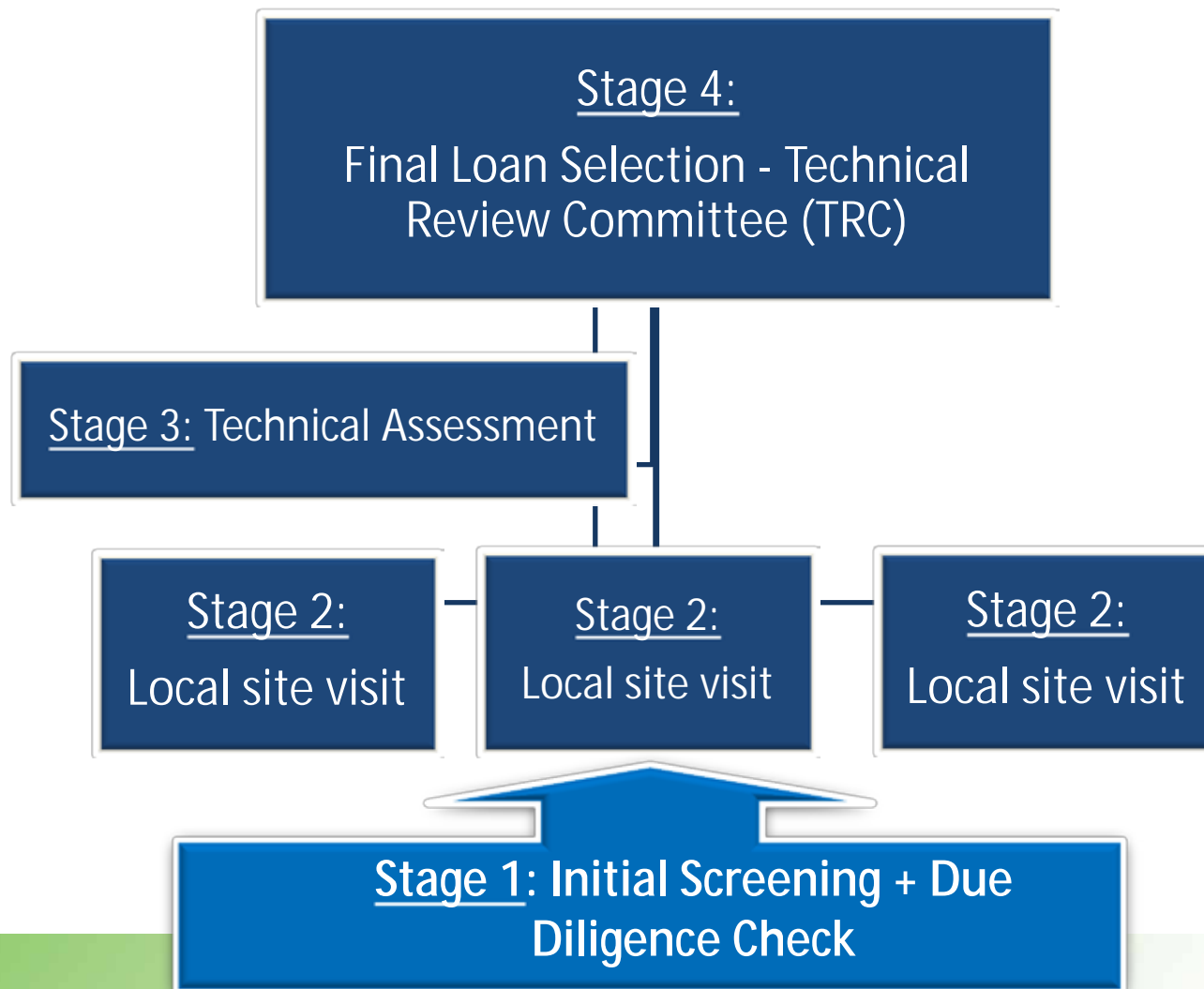
- UNFCCC secretariat will:
 - Approve annual business plans for the Loan Scheme, prepared by UNOPS and URC
 - Review and approve regular operational and financial reports
- Review the **performance** of the Loan Scheme and take action as necessary
- **Report** to the CDM Executive Board, and implement modifications requested by the Board or CMP

Loan Application Conditions

A person/entity interested in applying to a loan must:

- Select an approved CDM Consultant from the list available at the CDM Loan Scheme website
- Submit a complete application form (extended PIN form) through the website
- Respond to any requests for clarification, additional information or site visit required by UNOPS/URC

Loan Application Review and Selection Process



Loan Applications Timeline for 2012

- [First loan application window](#) [18 Apr – 30 June](#)
- 1. Technical Review Committee (TRC) meeting August
- Loan agreements issued – period 1 September

- [Second loan application window](#) [1 July – 30 Sep](#)
- 2. Technical Review Committee (TRC) meeting November
- Loan agreements issued – period 2 November

First loan application window

- After closure of the first application period (30 June 2012):
 - 42 applications received
 - 29 Africa
 - 6 Middle East
 - 4 Asia
 - 2 Caribbean
 - 1 Eastern Europe
 - 60% LDCs
 - 22 PoAs, 11 large scale, 9 small scale
 - 13 different project types (RE, EE, methane, transport, AR/RE)

More capacity building activities

- We have a big CDM expert team, and extensive experiences in CDM capacity building support
- At the recent Rio 20+ Summit, the resolution is enhancing UNEP's role in promoting the environmental dimension of sustainable development, including capacity building
- We will continue work on CDM and other carbon mechanism capacity building projects to developing countries, funded by UNEP and various developed countries

URC Work in the Pacific

Finish the remaining activities under the ACP MEA project, including:

- Developing and finalising 8 PDDs for Fiji, Vanuatu, Tonga, Samoa and Solomon Islands
- DNA establishment and operationalisation work in Fiji, Vanuatu, Tonga, and Samoa, e.g. CDM policy review and recommendation reports for each country, CDM project websites, CDM Investors' Guide (Fiji and Vanuatu)
- 2 more national workshops (Samoa and 3rd Workshop for Vanuatu)

2012 Australasia Carbon Expo Participation

- **Time and Place: 7-9 November, 2012, Melbourne, Australia**
- **Preliminary agreement between URC and the organiser:**
 - ü a delegation up to 15 people,
 - ü a Pacific booth and a URC booth,
 - ü a workshop on CDM Capacity Building for Pacific Island Countries
 - ü a side event
- **Delegation composition: country representatives, plus a few financial sector representative from the Pacific**
 - ü Original workplan includes a regional bankers' forum
 - ü To raise financial sectors' awareness about carbon finance
- **Material preparation**
 - ü CDM booklets for other countries (Tonga, Samoa, Vanuatu as well?)
 - ü Banners

EC ACP MEA Phase II

- EU and other ACP MEA partners are now discussing about ACP MEA Phase II
- Details of the design of Phase II are not decided yet
- As some components of ACP MEA requests a 1-year extension, Phase II may not be able to start in 2013
- We need you comments and suggestions about the content focus and coverage for the CDM component in the possible Phase II

Thanks

Project website: www.acp-cd4cdm.org

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