



Carbon Finance Project Development Workshop



Clean Development Mechanism Issues in Mongolia

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- **Mongolia signed the United Nations Framework Convention on Climate Change (1992) on 30 September, 1993.**
- **Having established the National Committee on Climate, the Government of Mongolia developed and approved a national report on Climate and strategic policy on GHG Emission Reduction, adaptation policy and strategic program on implementation of their mechanisms on July 19, 2000.**

Objective of the Convention

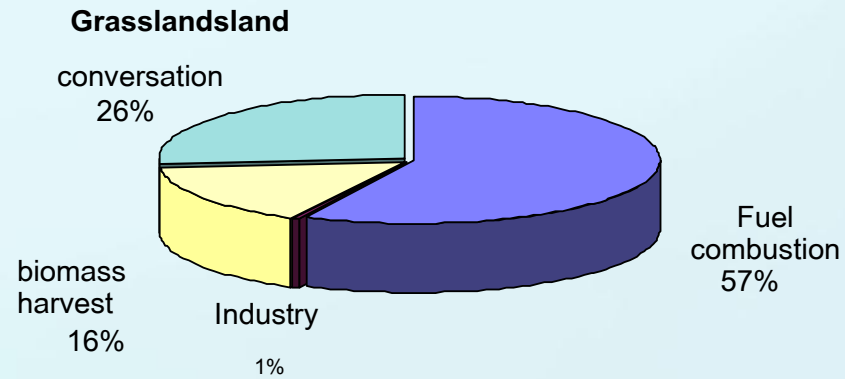
The objective is to achieve "stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system"

To achieve this objective it is necessary to ensure the sustainable economic development, secure food and fodder production, and natural ecological adaptation in climate change.

Activities undertaken for implementation of the Convention on Climate Change:

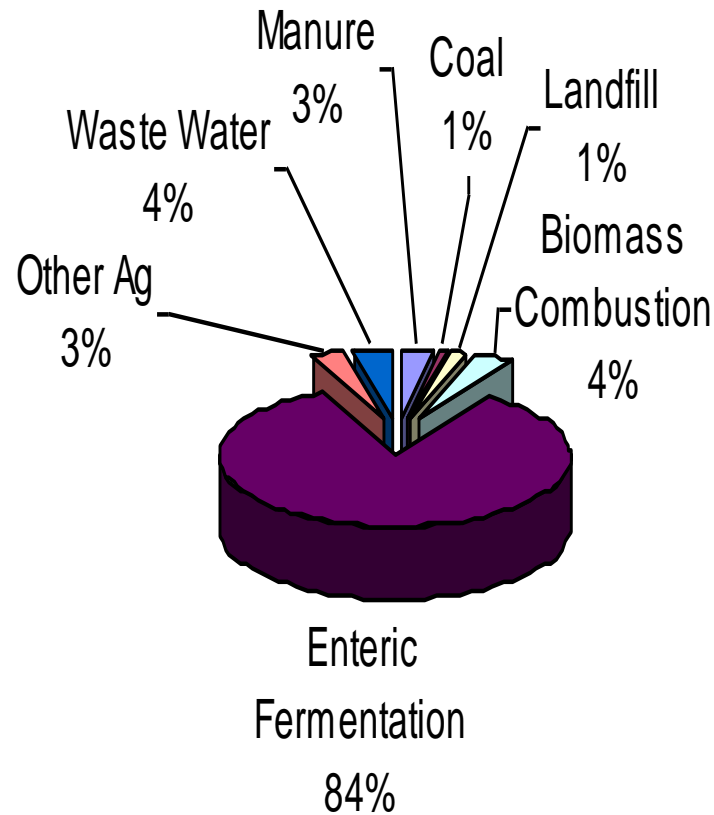
1. Having changed the Agricultural impact assessment, the Government developed the National Program on Climate and approved it in July, 2000.
2. National Committee on Climate was established by a Decision of Government in 2000.
3. Under GEF support, the National Report on Climate was developed and sent to the Convention Secretariat in 2001.
4. Under GEF support for surveys of climate change, UNEP survey ‘Effect and adaptation of Pasture and Animal Husbandry to the Climate Change’ was conducted in 2002-2004.

CO2 Emission, Mongolia 2005



CH₄ Emission, Mongolia 2005

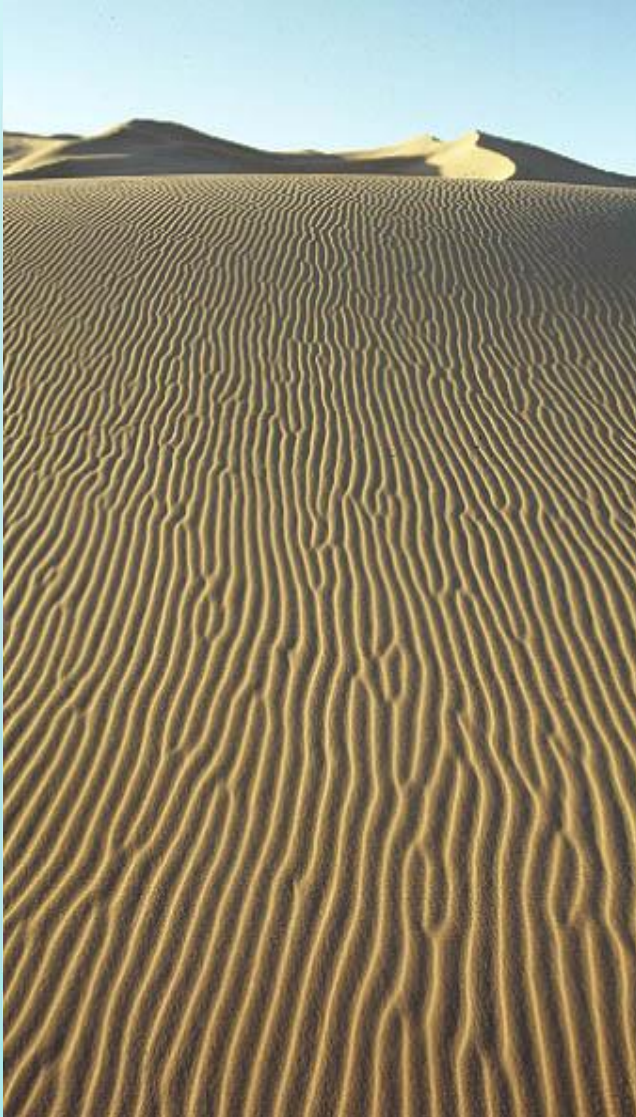
Mongolia's Estimated Anthropogenic Methane Emissions by Source, 2005



Decision by Marrakech (Morocco) Parties' Conference on Establishment of Three Funds:

1. Special fund of Climate Change to support adaptation and technological transfer for economic development and expansion;
2. Less developing countries' fund for development and implementation of national programs on adaptation of less developing countries and
3. Kyoto Protocol Adaptation Fund for financing of project activities of adaptation to climate change.

Kyoto Protocol



To date, totally 139 countries and regional economic cooperation entities/ organizations signed the Protocol.

GHG emission in the countries from Annex 1 is 61.6%.

GHG are:

- 1. Carbon Dioxide (CO₂)**
- 2. Methane (CH₄)**
- 3. Nitrous Oxide (N₂O)**
- 4. Hydroflurocarbons (HFCs)**
- 5. Perflurocarbons (PFCs)**
- 6. Sulfur Fluoride (SF₆)**

Significance of the Kyoto Protocol

Since 2000 the Protocol has been legally binding emission reduction in different countries.

- Researchers identify that drastic climate change has been occurred due to global warming.
- One of main causes of global warming is the GHG emission in developed/industrialized countries in the world.
- Under the Protocol the developed countries are assigned to reduce the GHG emission and target to reduce the emission up to the 1990 level within 2008-2012 commitment.
- For this commitment, the countries are targeting to jointly implementing projects and programs on international emission trading, emission reduction, investment, and technological reform and transfer.

Implementation Mechanism of Kyoto Protocol

Mechanisms of Kyoto Protocol implementation include

- GHG emission reduction;
- Increase in “absorption”;
- Emission reduction through cost effective manner

1. Joint Implementation (JI)

2. Clean Development Mechanism (CDM)

3 Emission Trading (ET)

Emission Trading (ET)

Annex 1 countries manage the emission reduction using simple means and deduction of certain percentage of emission reduction in non Annex countries. This target will be achieved through implementation of *CDM* and *JI mechanisms*.



Clean Development Mechanism (CDM)

1. In order to achieve the target of Certified emission reduction (CERs), the Annex 1 countries would implement CDM projects in non-Annex countries, developing countries, in consistence with the sustainable development concept;
2. CDM was finalized by COP-7 (Marrakech, 2001).
3. CDM is now managed by Executive Board that has 10 members.

Joint Implementation (JL)

Cooperation between Annex 1 and non-Annex countries will be undertaken in terms of GHG emission reduction and increase in “absorption”. This commitment is also applicable for the countries in their economic transition.

Actions undertaken by the National Bureau

- In the past, the first national meeting was held and two workshops were organized for representatives of relevant sectors, where project proposals are developed and implemented.
- CDM project proposals are accepted for comments.
- A project of PHRD technical assistance and cooperation (Japan) funded by the World Bank is implemented at the MNE and aims at the following tasks within the Kyoto Protocol enforcement:
 - Capacity building for relevant Mongolian national staff and funding emission reduction activities and
 - Identification of future tendency of global climate change beyond 2012;

Introduction on CDM National Bureau in Mongolia

- Mongolia signed the Kyoto Protocol on December 15, 1999.
- CDM National Bureau in Mongolia was established at the Ministry by an Order by Minister of Nature and Environment on November 14, 2004. The National Bureau was officially registered with the Secretariat of United Nations Framework Convention on Climate Change.
- Since 2006 the supervision of the National Bureau has been delegated to the Sustainable Development and Strategic Planning Department of the MNE.
- Since its establishment the Bureau has been dealing with acceptance of CDM project proposals for comment, assessment, support, and approval and issuance of official letters. Additionally, working groups are established for development of procedures and criteria for project proposal assessment.

Requirements for implementation of CDM projects

- Cooperate with only a party ratified/signed the Kyoto Protocol;
- Be voluntary participation based and well protected Parties' interests;
- Have the National Bureau established;
- Cooperate on long term and applicable basis and demonstrate real emission reduction unit after the project completion;
- Emission reduction is continued after the project completion.



CDM projects in Mongolia

- **Improvement of small scale and medium sized steam boilers and innovation of industrial motors;**
- **Improvement of fuel efficiency and types;**
- **Improvement of waste management;**
- **Use of bio-fuels;**
- **Use of wind, hydro, and solar energy;**
- **Improvement of hydro-power station management;**
- **Implementation of projects aiming at reduction of emissions of agricultural origins;**



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Thanks for your attention

