Lessons from the CDM capacity building

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IGES
CDM benefits are not provided for all yet

Registered project by country

- China: 53%
- India: 18%
- Thailand: 29%
- Indonesia: 2%
- Malaysia: 2%
- Mexico: 3%
- Viet Nam: 3%
- Brazil: 4%
- Other: 13%

Source: IGES project database, Jan 2013
CDM EB has been addressing the issue of uneven distribution

<table>
<thead>
<tr>
<th>Year of adoption/start</th>
<th>Measure</th>
<th>Applicable country</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>All</td>
</tr>
<tr>
<td>-</td>
<td>Participation in sub-regional and global capacity building events or awareness-raising activities</td>
<td>✓</td>
</tr>
<tr>
<td>2003</td>
<td>Simplification of modalities and procedures for small scale projects</td>
<td>✓</td>
</tr>
<tr>
<td>2006</td>
<td>Programme of Activities</td>
<td>✓</td>
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<tr>
<td></td>
<td>Removal of the registration fee for small scale projects</td>
<td>✓*</td>
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<tr>
<td></td>
<td>DNA Forum</td>
<td>✓</td>
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<tr>
<td>2007</td>
<td>CDM Bazaar</td>
<td>✓</td>
</tr>
<tr>
<td>2010</td>
<td>Simplification of demonstrating additionality of microscale project activities</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Post-registration changes to the start date of the crediting period</td>
<td>✓</td>
</tr>
<tr>
<td>2011</td>
<td>Standardised Baseline</td>
<td>✓</td>
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<tr>
<td></td>
<td>Positive list of specific technologies for small-scale project activities</td>
<td>✓</td>
</tr>
<tr>
<td>2012</td>
<td>Nairobi Framework</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>CDM loan scheme</td>
<td>✓*</td>
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<tr>
<td></td>
<td>DNA help desk and CDM help desk</td>
<td>✓</td>
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<tr>
<td></td>
<td>Online course for DNA</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Provide default factor options in the calculation of the emission factor for an electricity system</td>
<td>✓</td>
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</tbody>
</table>

*Additional measures
Year of 2005 is the peak of starting capacity building (CB) program for the CDM

More than 80 capacity building programmes were implemented in the world

Number of capacity-building programmes

Source: author
CB support is still not enough for some countries

Average CB program implementation

*Number of CB program/number of country in the area

Source: author
Capacity building does not always result in tangible outcomes in LDCs

Number of CB programs and registered projects in LDCs

- Tanzania: Duplicated supports, stringent criteria for LoA issuance, high application fee
- Mozambique: Power generated mainly hydro, lack of capacity of DNA staff (delay of DNA establishment)
- Zambia: DNA has no specific and explicit legal authority

Source: econ pory, CD4CDM

Source: author
Wide coverage activity program tends to be long operation but is limited in number

**Type of activities and support**

- Awareness raising (80)
- Developing institutional capabilities (40)
- Policy/strategy establishment (60)
- Developing human capabilities (DNA, private sector) (20)
- Project identification (PDD/PIN writing) (0)
- Publication, support tool (60)
- Technology transfer/Assessment of technology and barrier (40)
- Finance (20)
- Project establishment (10)

**Program period and coverage activities**

- Number of programs
- Average implementation period

**Practical level**

*Multiple category applications allowed

Source: author
Cambodia DNA’s active role has removed barriers in the CDM

- Interactive communication with stakeholders
  - Provide various type of workshops
  - Share draft of the national approval procedures and assessment criteria used in sustainable development
  - Provide national value for emission reduction calculation “Grid emission factor of the Phnom Penh grid electricity system”

- Proposal to the EB
  2008 Procedures for review of registration
  2009 Procedures for requesting changes to the start date of the crediting period
  2012 Standardized baseline proposal

CB supports by IGES and CD4CDM etc,
## Importance of project supports by DNA

<table>
<thead>
<tr>
<th>LDCs</th>
<th>Submission to the CDM EB</th>
<th>Approval</th>
<th>Publication</th>
<th>Number of registered Project</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Call for input /Proposal</td>
<td>Change in the definition of forest</td>
<td>Proposal of standardised baseline</td>
<td>Default values of fraction of non-renewable biomass</td>
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<tr>
<td>Uganda</td>
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<td>X</td>
<td>x</td>
<td>X</td>
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<tr>
<td>Cambodia</td>
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<td>Nepal</td>
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<td>Senegal</td>
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<td>Bangladesh</td>
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<td>Lao PDR</td>
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<td>X</td>
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<td>Madagascar</td>
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<td>DR Congo</td>
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<td>Bhutan</td>
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<td>Ethiopia</td>
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<td>Tanzania</td>
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<td>Zambia</td>
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<td>x</td>
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<tr>
<td>Mali</td>
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<td>Mauritania</td>
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<tr>
<td>Angola, Burundi, Chad, Gambia, Liberia, Malawi</td>
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<tr>
<td>Lesotho, Mozambique</td>
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<td>X</td>
<td></td>
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<tr>
<td>Togo</td>
<td>X(2)</td>
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<tr>
<td>Other 25LDCs</td>
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4 Important Steps for the Market Mechanism to be Fully Functional

Step 1: Project Approval
Step 2: Database/Facilitation
Step 3: Project Management
Step 4: New Market Mechanisms

Source: Koakutsu (2012)
Step by Step Approach is Required, but International Experience Could Support

Institutional setting (Project Approval)
- Approval rules, procedures and time
- Relevant laws and regulations

Database/ Facilitation
- Project relevant data (emission factor)
- Web publishing, conference

Project Management
- Project monitoring data and system
- Fund scheme, certification scheme

New Market Mechanisms
- Design own scheme and objectives
- Verified emission reduction (VER), Emission Trading System (ETS)

- Wealth of Experience from the countries participating to the CDM
- Grid Emission Factor
- Standardized baselines
- DNA Website
- Programme CDM Management
- Monitoring & Reporting
- MRV methodology
- Link with Nationally Appropriate Mitigation Actions (NAMAs)

Source: Koakutsu (2012)
Conclusion

✓ Long operation and wide activity coverage support through capacity building is important for a strong base of project implementation.
✓ Capacity building supports should be more standardised and more systemic to provide effective operation.
✓ The institutional capacity build within DNA will be the basis for the implementation of new market mechanisms.