



Capacity building until 2012 and beyond

**Cf-Assist, The World Bank
Austrian JI/CDM Workshop
28-29 January 2010, Vienna, Austria**

CDM in numbers

→ 01/2010: CDM passes 2000 registered project milestone

→ 40 CDM PoA under validation.

Status of CDM projects	Annual Average CERs *
CDM project pipeline: > 4200	2602
--- 2022 are registered	340,991,440
--- 44 are requesting registration	7,394,573

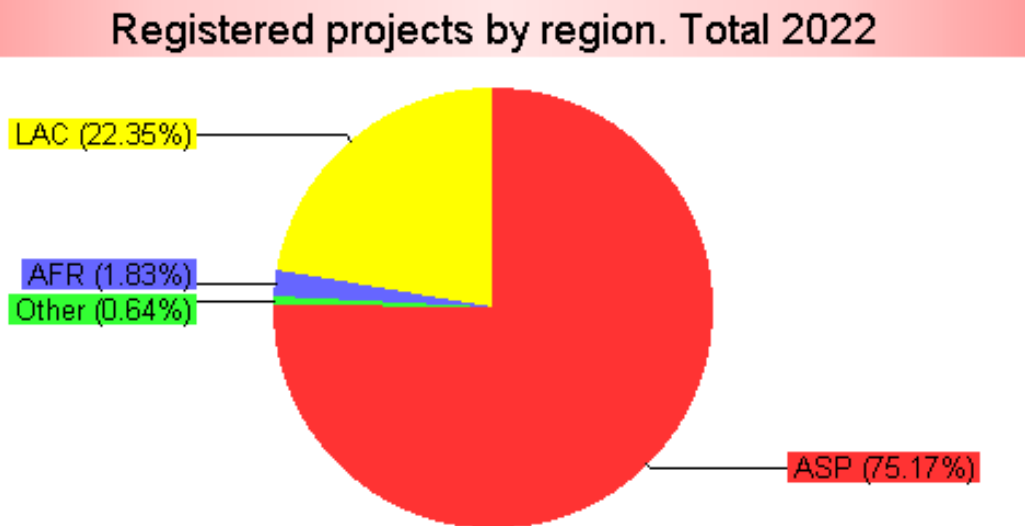
Ref., UNFCCC, 2010

**Assumption: All activities deliver simultaneously their expected annual average emission reductions*

CDM in numbers

→ CDM has been successful in creating a dynamic carbon market, but it can certainly be improved.

→ CDM has encountered a number of challenges and weaknesses, including unequal regional distribution of projects



CMP.5 decision: Guidance to streamline the CDM process

- > ***Urges*** the EB to take effective action to ensure compliance with established timelines for each of *its* procedures
- > ***Welcomes*** the measures adopted by the EB to improve the efficiency of the operation of CDM
- > ***Requests*** the EB to continue its efforts to improve the efficiency and impartiality of the operation of CDM

CMP.5 decision: Guidance to streamline the CDM process

Main provisions:

1- Transparency and accounting issues: Improve efficiency, transparency and consistency of its decision-making.

2- Procedural issues:

- Adopt measures increase capacity and improve performance of DOE;
- Revise procedures for CDM registration, issuance and review with alternatives timelines;
- Revise procedures and guidance on CDM PoA.

3- Methodological issues:

- Prioritize the consideration and development of new methodologies to expand the reach of CDM to under-represented activity types or regions;
- Develop practical rules for assessing additionality;
- SABSTA to develop standardized methodologies.

CMP.5 decision: Guidance to streamline the CDM process

Main provisions (2):

- **Regional distribution:**

- Encourage DNAs to publish the criteria used in the national approval process;
- Develop top-down methodologies with particular consideration of the application of countries that hold fewer than 10 CDM projects;
- Provide loans to support development of CDM projects in countries with less than 10 projects (costs of PDD, validation and first verification)

- **Capacity building:**

- Continue support to implementation of NF;
- Request parties and cooperation agencies to promote S-S cooperation

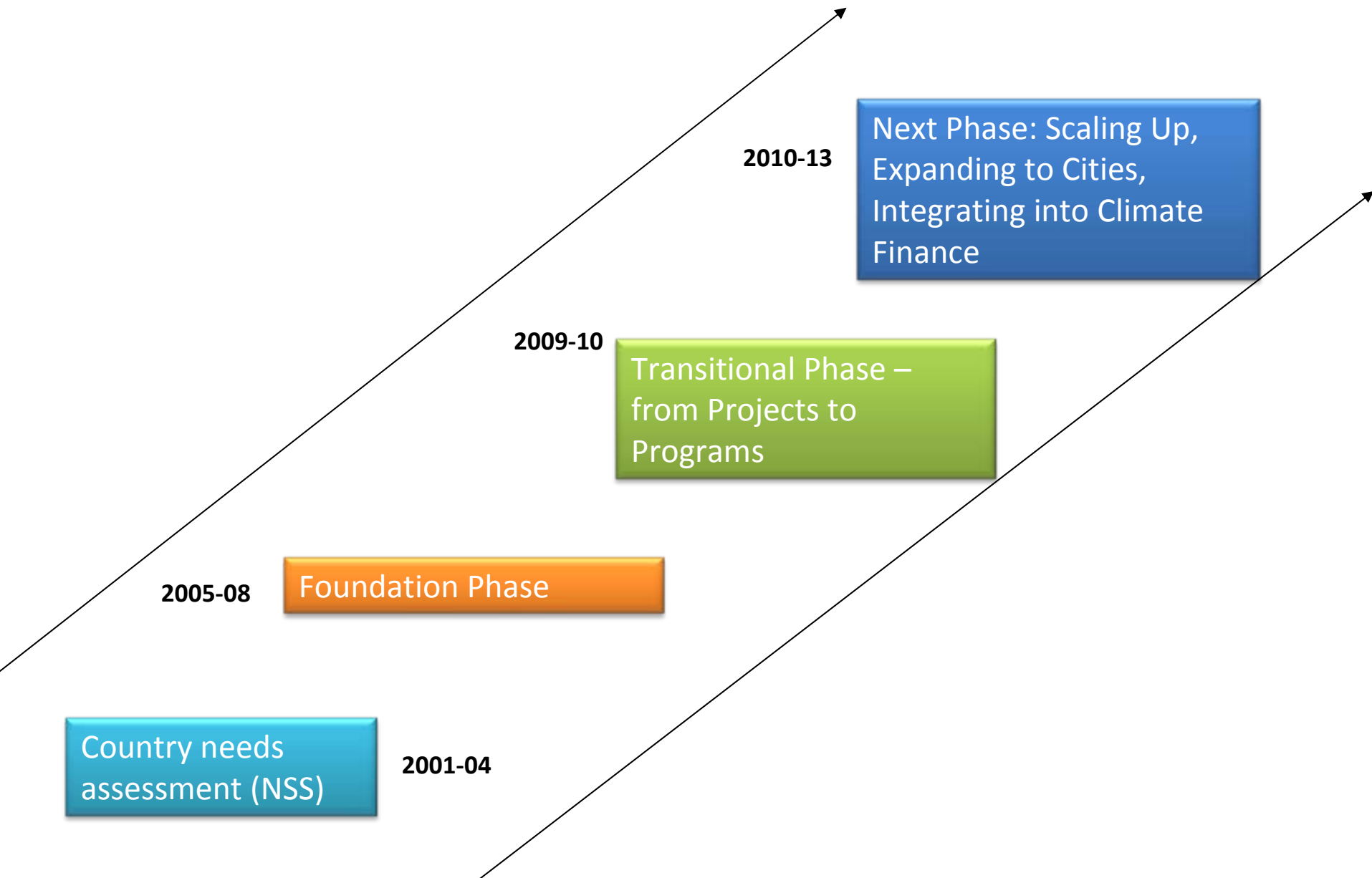
Challenges and implications in terms of capacity development

Emerging capacity building needs:

Enhancing DNAs capacities and more:

- Building technical capacities of different stakeholders eg DOE services in host countries
- Top-down CDM methodology development
- Promoting scaled-up use of CDM through i.a. programmatic approach in key sectors
- Advancing innovative approaches knowledge exchange and sharing on CDM, in particular South-South
- Financial instruments
- Mainstreaming carbon finance into sector development strategies & planes

Evolving Scope for CF-Assist Capacity Building



Foundation Phase 2005-08

- Set up as multi-donor TF in 2005
- Move to WBI
- Implementation initiated in 2006
 - Programs in all regions; around 60 countries
 - Reaching about 10,000 participants
 - About 300 CDM projects identified
 - Support to CDM institutional arrangements at the national level and CDM methodologies development

Transitional Phase 2009-2010: From Projects to Programs

- Response to increased interest in CDM PoA
 - Regional PoA workshops, starting in EAP
- Scale up reach of learning programs
 - CDM/JI Fundamentals LP
- Target cities
 - CFCB Megacities Program
 - City Twinning

Next phase: 3 strategic program lines

1. Scaling up CF through Programmatic Approaches

- Assist in scaling up the use of programmatic approaches to CF;
- Promote CF development and access to int'l carbon market;
- Help understand evolving global regulatory framework and emerging market instruments.

2. Expanding use of Carbon Finance in Urban Areas

- Foster development of CF programs in cities;
- Support preparation of low carbon development strategies for cities;
- Assist establishing institutional frameworks allowing implementation of low carbon strategies.

Next phase: 3 strategic program lines

3. Integrating CF with Climate Finance for Low Carbon Growth

- Build skills to use analytical tools & foster peer-to-peer exchange for strategic low carbon development assessments;
- Enable to identify & design sector-specific mitigation activities
 - E.g. energy, land-use & forestry;
- Identify & implement enabling activities to access emerging sources of additional climate financing.

Nairobi Framework: To catalyze CDM in Africa

- Announced at COP/MOP2 by the UN SG
- Partners: **UNFCCC, UNDP, UNEP, AfDB and WB - New: UNCTAD and UNITAR**
- **Focus of the Framework:**
- Build capacity in developing CDM project activities
- Build and enhance capacity of CDM DNAs to become fully operational
- Promote investment opportunities for projects
- Improve information sharing / outreach / education and training
- Inter-agency coordination
- .Web page http://cdm.unfccc.int/Nairobi_Framework/index.html

- For more information, contact:

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