



Clean Development Mechanism and Climate Change: ...developing capacity.



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- **Climate change approaches & advisory services**
- **Experiences in CDM capacity building**
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- **Lessons learned**
- **Services for the development and implementation of CDM**



Thai-German Technical Cooperation

- Fields of Cooperation
- Track record of more than 30 years
- Capacity development in partnership
- Programme for Enterprise Competitiveness
- Cooperating for sustainable development



Thai-German Partnership Programme for Enterprise Competitiveness

Enhancing the Competitiveness of
Small and Medium-Sized Enterprises
by Improving Business and Financial Services
and Introducing Eco-Efficiency in Industry



Climate Protection Programme: goal & approach

- **The GTZ Climate Protection Programme assists in meeting the commitments under the Framework Convention on Climate Change**
- **Building and expanding institutional and human resource capacities and providing support to a range of individual projects through:**
 - **national and regional climate studies, training measures and workshops**
 - **conceptual and methodological studies on fundamental issues of climate protection in developing countries**
 - **policy studies on long-term climate protection**



Climate changes: advisory services

- **Give input to the international exchange on technological and scientific research findings, contributing practical experience, best-practice projects**
- **Cooperate with the secretariat of the Climate Change Convention, notably on issues of technology transfer, and also contributes its expertise in all sectors to the Global Environment Facility (GEF).**
- **Advise the German Government and Governments of partner countries on the relevant international negotiations.**
- **Support supra-regional activities such as international workshops on the CDM or on adaptation to climate change.**

Main themes:

- **Climate policy advice**
- **Mitigation (incl. Clean Development Mechanism (CDM))**
- **Adaptation to climate change**



Climate changes: mitigation & adaptation

Mitigation

CDM service package helps host countries to build the necessary institutional and human resource capacities for the entire process. This places the countries in a position to harness the CDM as a tool for sustainable development – focusing on energy, waste management and industrial sectors.

- **Institutional development**
- **National CDM strategy development**
- **Project development and consultancy in all phases of CDM project development**

Adaptation

consultancy services relating to the planning and implementation of concrete adaptation measures help to boost the adaptive capacity of developing countries and thus minimise the vulnerability of affected and endangered population groups.

- **Developing national adaptation strategies**
- **Identifying critical sectors for adaptation**
- **Integrating adaptation components into national sustainability programmes and poverty reduction strategies.**



Experiences in CDM capacity building

- **CDM Strategy Studies**
National policy, CDM project portfolio, market potential
- **Institution Building**
Institutional arrangements of DNA (Designated National Authorities); CDM capacity building centre, national approval procedures
- **CDM Capacity Development**
General information, sector specific workshops, legal aspects, further CDM development
- **Facilitation of CDM Project Development**
Availability of data for baseline, methodology development

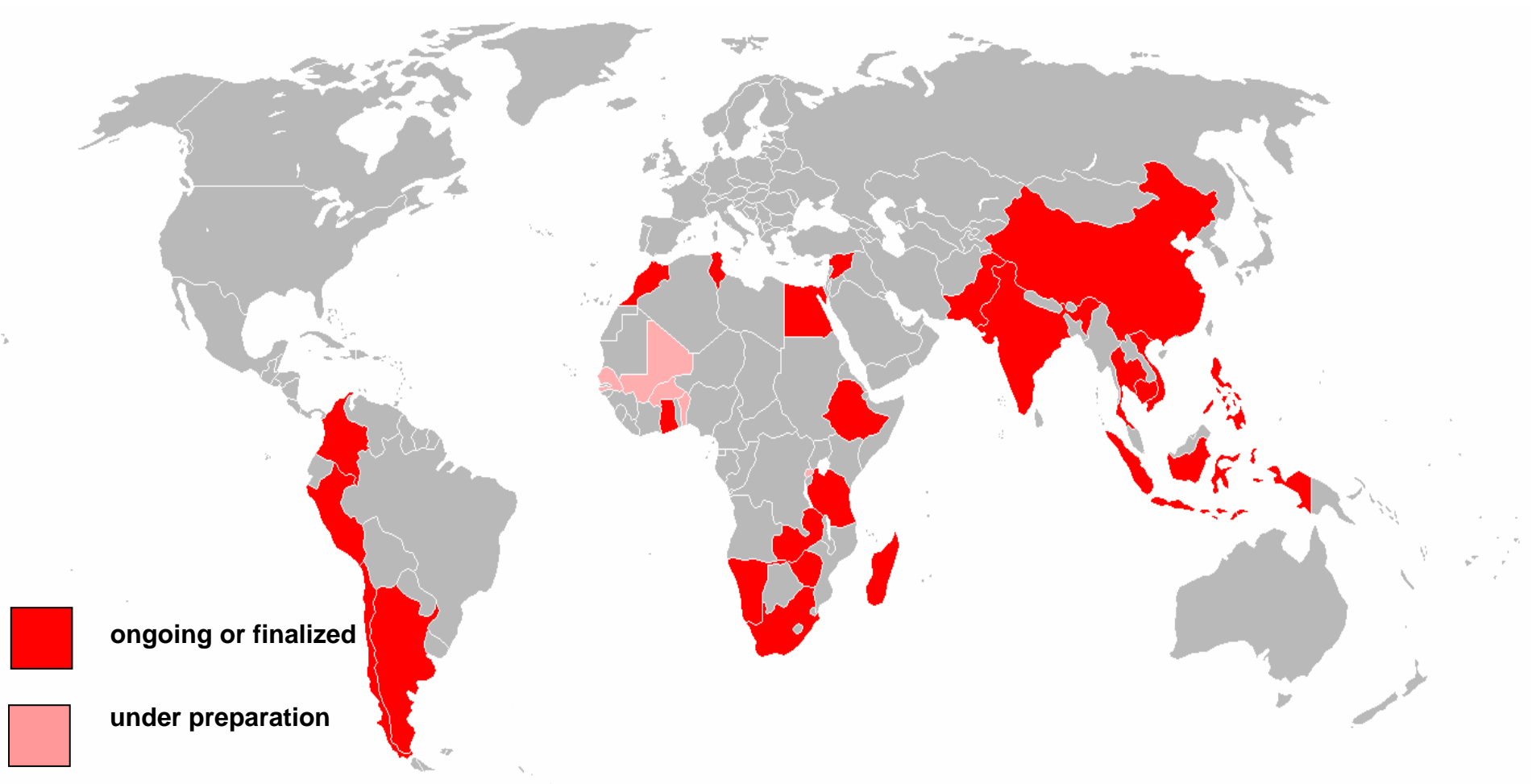


CDM set-up in GTZ

- Climate Protection Programme: supra-regional
- Example 1: Implementation of UNFCCC in Tunisia
- Example 2: CDM Capacity Development in India
- GTZ projects/programmes assess CDM options for co-financing
 - energy sector
 - waste management
 - transport
 - afforestation /reforestation
 - institutional development
- GTZ International Services: Carbon Procurement Unit



CDM set-up in GTZ





Lessons learned (1): How to get the process started

- **Identify a motivated institution with experiences in climate change and in organising the process**
- **Hold a series of workshops with all relevant stakeholders**
- **Ensure a common understanding of the CDM and the role of the DNA**



Lessons learned (2): ...towards a good institutional set-up

- **Divide the tasks:**
 - **Operational unit (secretariat): administrative tasks, technical project evaluation**
 - **Inter-ministerial DNA committee: decides or recommends on project approval**

- **Watch committee's size: less than ten members seems enough**

- **Ensure members' ranking for technical understanding, but also for the decision-making power**



Lessons learned (3): Design of project approval procedures

- **Common procedure adopted in many countries:**
 - Submission of a PDD and country-specific documents
 - Evaluation by the operational unit against the sustainability criteria
 - Recommendation to the committee, who takes the final decision

- **Allow for**
 - voluntary submission of a Project Idea Note (PIN)
 - oral presentations by project proponent
 - appeals against the DNA's decision
 - validation by the DOE (Designated Operational Entities) to be carried out in parallel



Lessons learned (4): Definition of sustainability criteria

- **Start from an already accepted definition of sustainability**
 - Environmental criteria: e.g. pollution, biodiversity, natural resources, health impacts
 - Economic criteria: e.g. employment, income, technology transfer
 - Social criteria: e.g. poverty alleviation, social equity, etc.
- **Define indicators for all criteria to enable an objective assessment**
- **Test the criteria**



Lessons learned (5): CDM promotion Preparation and first steps

- **Develop a promotion strategy**
- **Identify promising sectors and focus capacity building activities**
- **Target-group oriented information about CDM**



Lessons learned (6): CDM promotion Awareness building, development support

- **Publish submitted PDDs (project design documents) as examples**
- **Assist project proponents in practical PDD development**
- **Train in-country consulting firms in CDM project development**
- **Provide baseline data for promising sectors (e.g. electricity)**



Services for the development and implementation of CDM

- **Identification of projects**
- **Support for project owner and buyer**
- **Capacity building for a national programme, or for special institutions and units**



...towards efficiency

- **Review, monitoring and assessment of the CDM procedure**
- **Climate change policy advisory**
- **Implementing resource- and energy-efficiency**



Further information

- www.gtz.de/climate in particular „Projects“ and „Further Information“
- Monthly Newsletter „CDM Highlights“ can be subscribed per Email to climate@gtz.de
- Carbon Procurement Unit, GTZ IS: www.gtzis-cpu.com
- Public-Private-Partnership www.gtz.de/ppp
- Thai-German Programme for Enterprise Competitiveness: www.thai-german-cooperation.info, www.ecoefficiency.info