



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



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www.
thai-german-cooperation.info,

www.
ecoefficiency.info

www.gtz.de/climate



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German Technical Cooperation - GTZ





GTZ at a glance (2008)

Ongoing projects	> 2,400
Partner countries	> 130
Employees worldwide	> 12,000

Services in the fields e.g.:

- Environment and infrastructure: energy, transport, water, eco-efficiency, management of natural resources
- Economy and employment
- Governance, democracy and poverty reduction
- Education, health and social security
- Agriculture, fisheries and food





CDM set-up in GTZ

- 1. Climate Protection Programme: supra-regional**
- 2. GTZ projects/programmes assess CDM, options for co-financing**
 - energy sector
 - waste management
 - transport
 - afforestation /reforestation
 - institutional development
- 3. GTZ International Services: Carbon Procurement Unit**



Climate Protection Programme: supra-regional

- Example 1: Implementation of UNFCCC in **Tunisia**, since 2006,
1,5 Mio € (50% Adaptation, 50% CDM)
- Example 2: CDM Capacity Development in **India**,
Component in
Energy Efficiency Programme, since 2005 1,5 Mio €



GTZ CDM Experiences in Tunisia

- DNA (Designated National Authorities) institutional building
 - approval process
 - sustainability criteria
 - organisational issues

- Capacity building in private and public companies
 - Agentur
 - Groupe Chimique Tunisien
 - Consultants and Energy intensive industries



GTZ CDM Experiences in Tunisia

- Focuses on greenhouse gas emissions reduction and adaptation to climate change.
- Integrated multi-level approach: Policy advice, institution-building and technical expert advice are linked at all levels.

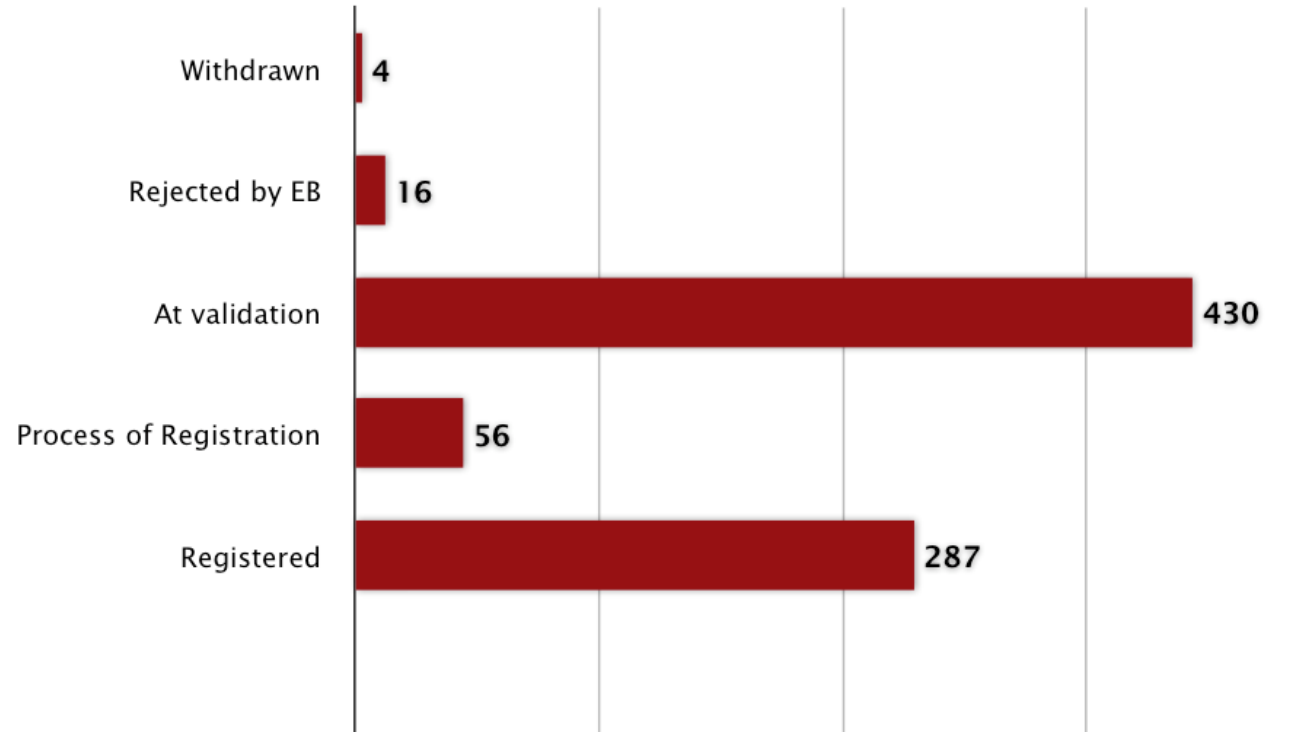
Tunisia's DNA is now up and running. It is now able to assess the contribution which CDM project proposals can make to sustainable development; it has established criteria for project developers and standards to be complied within project documentation; and apply internal procedures for coordination processes and responsibilities. Few projects have been already approved.



Project Idea Note (PIN)
01
Projektteilnehmer

Project Design Document (PDD)
02
Projektteilnehmer

CDM Development in India

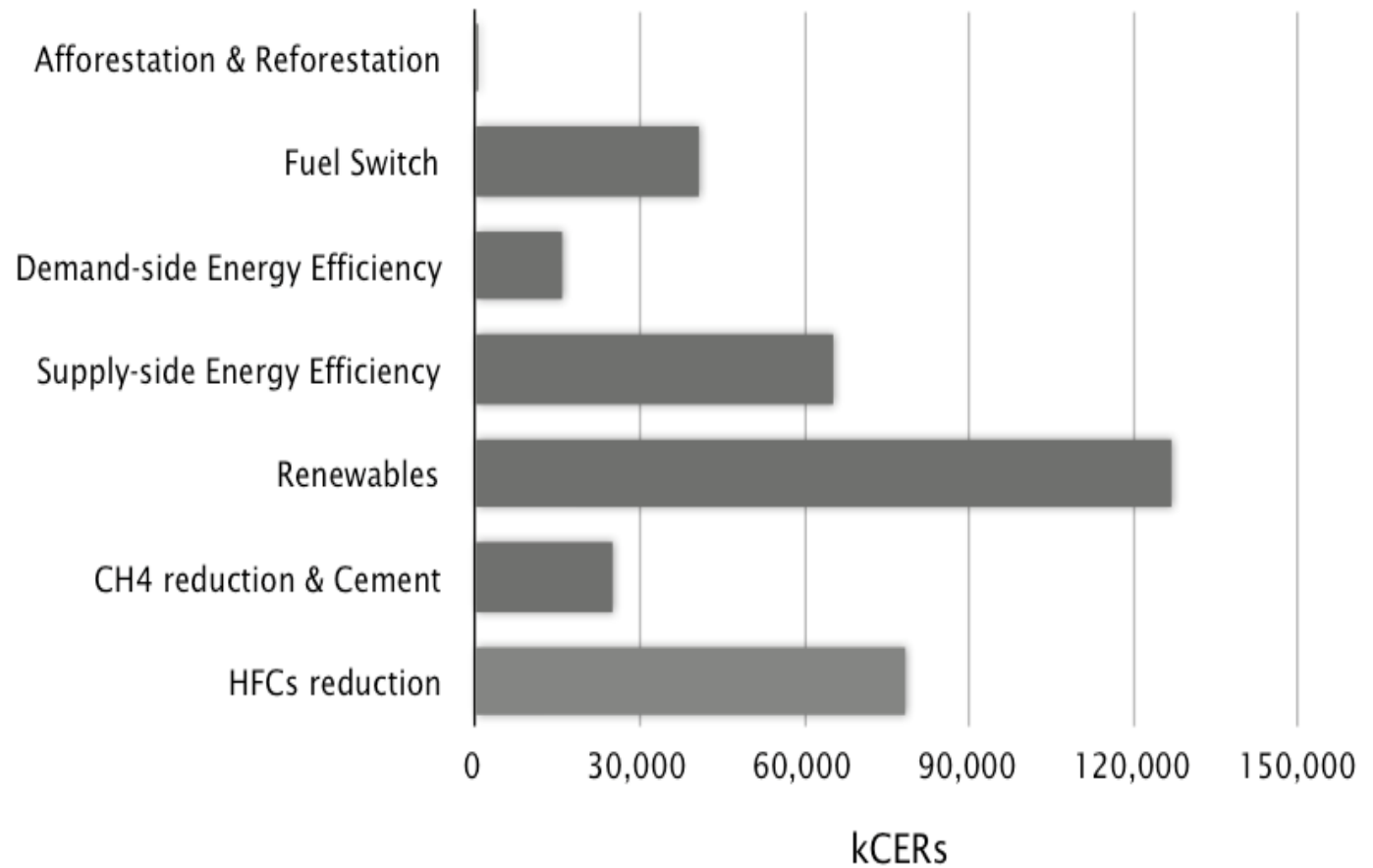


- Advisory to DNA and other public organizations & private sector
- Train 4000 entrepreneurs (PIN, project idea note) and 150 consultants (PDD, project design document)

• 287 registered out of 827 worldwide, with 430 at validation



CDM Development in India



Source: UNEP Risoe Centre 01-11-2007



CDM Matchmaking in the Region

GTZ IS Carbon Procurement Unit (CPU), India, facilitates

From PIN, PDD - CER/VER

Financing & Investments

Know-How Transfer of CT

Reliable & Timely Trading



Projektteilnehmer



Designated
Operational Entity II



Executive Board



Experiences in CDM capacity building

- **CDM Strategy Studies**
National policy, CDM project portfolio, market potential
(Columbia, Chile, Indonesia, China, Morocco)
- **Institution Building**
Institutional arrangements of DNA (Designated National Authorities); CDM capacity building centre, national approval procedures
(Indonesia, South Africa, Ghana, Tunisia, Morocco)
- **CDM Capacity Development**
General information, sector specific workshops, legal aspects, further CDM development
(Ghana, South Africa, Vietnam, India, Indonesia, ASEAN)
- **Facilitation of CDM Project Development**
Availability of data for baseline, methodology development
 - Chile: Guidelines for CDM project development in energy sector
 - India: support of energy data availability for baseline to the public methodology for improvement of energy efficiency of supercritical power plants



GTZ CDM Core Competencies

	Services	Focus
A	General CDM-Information	
B	Capacity-Building for Participation in the International Climate Policy	
C	Eimission Trade Policy	
D	CDM-Capacity-Building DNA, General Know-how-Transfer	
E	Support of Development of National CDM Strategies	
F	CDM-Preparation in LDC Sector Potential Study, Feasibility Study for CDM, PIN	
G	CDM-Methodology Enhancement Methodology Development, PoA, Sector specific glasshouse gas reduction	
H	Sourcing und Matching	
I	Brokerage and Procurement	
J	PDD-Development (especially for LDC)	
K	Support in Registration, Monitoring and Verification	



Lessons learned



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)**



Thai-German Partnership



Thai-German Technical Cooperation

- Almost in every field of technical 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



Contribution to CDM in Thailand by GTZ and other German Stakeholders

- The Thai-German Programme for Enterprise Competitiveness has supported the energy/biomass/CDM related palm oil sector.
- GTZ has introduced CDM-process to a palm oil company.
- German experts in the energy sector have been involved to support the process of setting up the national CDM structures
- An integrated CIM expert to support TGO from 2009.
- The “Environment and Energy” working group organized by the German Embassy consists of Thai-German companies and experts from the environment and energy sector.
- Several CDM local consulting companies accompanied by German experts.
- The German development bank KfW offers their “carbon credit fund” to finance large CDM projects.
- GTZ and other German companies conduct studies and exchange with Thai partners about the potential and implementation of CDM,
- GTZ IS CPU, India, act as a broker between large-scale German buyers and sellers in Asia.



Contribution to CDM in Thailand by Thai-German Stakeholders (1)

Services	Thai-German Stakeholders
Climate Change and CDM Policy Advisory Services	GTZ, CIM (Expert at TGO)
CDM Implementation and Process Consulting & Facilitation	Local German or Thai-German Companies, GTZ IS CPU (regional)
Financing & Investment	KfW
Emission Trade, Matchmaking with German Buyers	Local German or Thai-German Companies, GTZ IS CPU (regional)



Contribution to CDM in Thailand by Thai-German Stakeholders (2)

Services	Thai-German Stakeholders
Eco-Efficiency Tools for SMEs	Local Consultants Services (partly from the Thai-German Partnership Programme by GTZ)
Studies, Exchange Platforms	German “Environment Working Group” by German Embassy, Studies and Technical Colloquiums by Thai partner institutions and GTZ
Training and Capacity Building	GTZ, Local German or Thai-German Companies, InWent



Services in the field of Climate Change Policy and CDM



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





Climate Protection Programme: Goal & Approach

- Climate Protection Programme: supra-regional, since 1995, 17 Mio €
- Implementation of UNFCCC in Tunisia, since 2006, 1,5 Mio € (50% Adaptation, 50% CDM)
- CDM Capacity Development in India. Component in Energy Efficiency Program, since 2005, 1,5 Mio €
- Various GTZ projects with CDM options in
 - Energy sector
 - Waste management
 - Transport
 - Afforestation/Reforestation



Climate Protection Programme: Goal & Approach

The supra-regional Climate Protection Programme:
Implementing the Convention on Climate Change,
conducted by GTZ since 1995, 17 Mio €

- Capacity Building and support to 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 and best-practices
- 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
- Focus on climate policy advice, mitigation (incl. CDM) and adaptation



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

Provide 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.**