

Climate MRV for Africa – Phase 2

MRV of Mitigation Actions

Current MRV Frameworks and Lessons Learnt: CDM and NAMAs



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Project of the European Commission DG Climate Action

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Team Leader and Key Experts

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Agenda

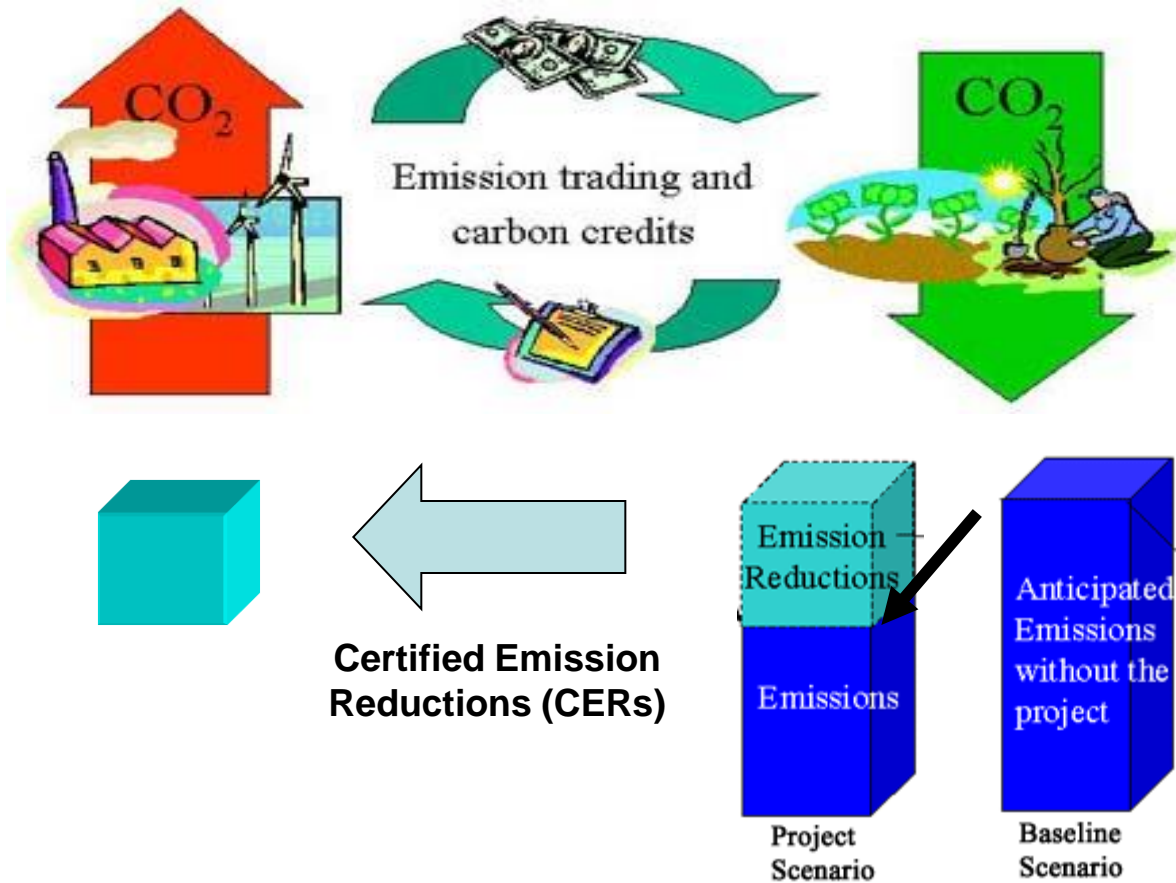
- Overview of CDM
- Overview of NAMAs
- CDM vs. NAMA
- CDM MRV Requirements
- NAMA MRV Requirements
- Lessons Learnt for MRV of NAMAs



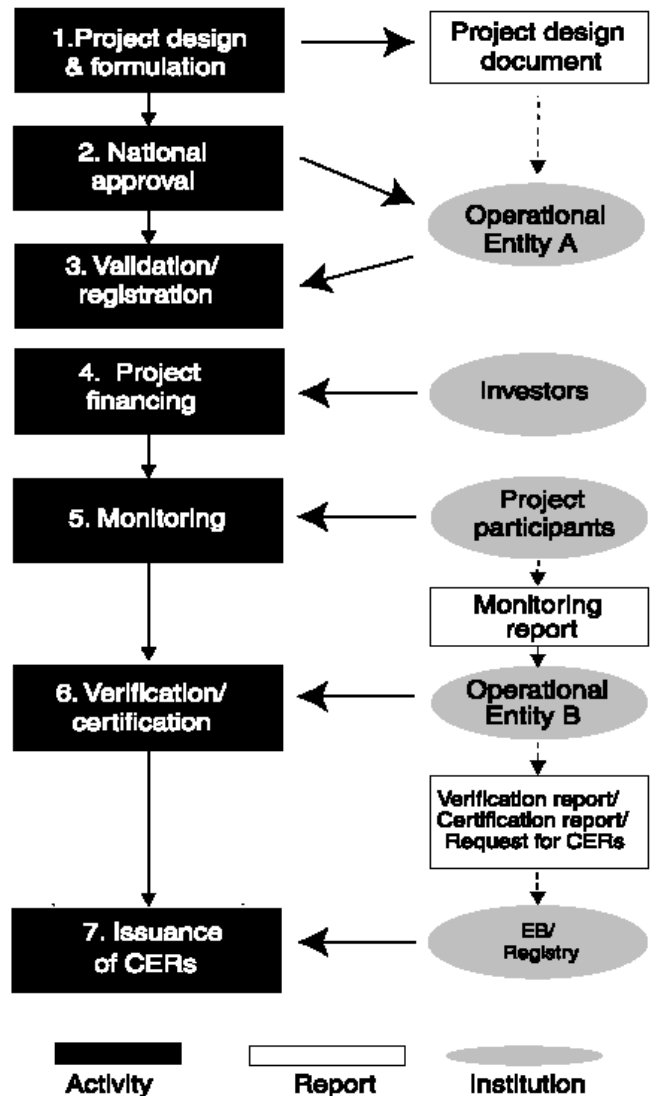
Clean Development Mechanism (CDM)

Annex I Country
(Developed country)

Developing country



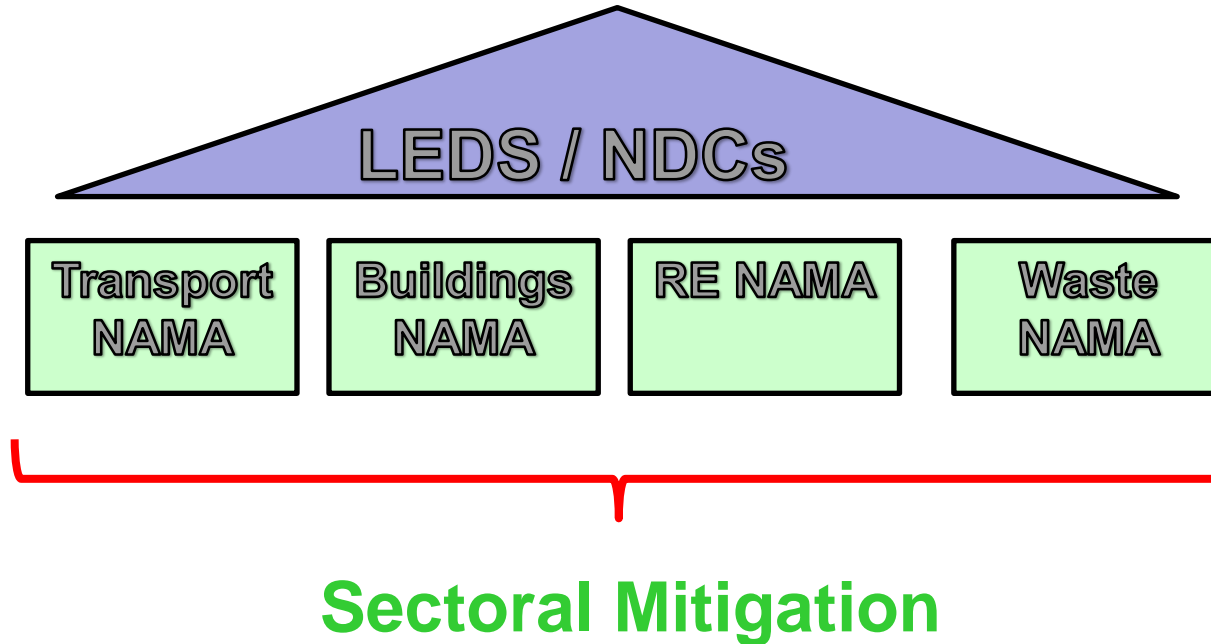
CDM Project Cycle



Nationally Appropriate Mitigation Actions (NAMAs)

- Voluntary measures for mitigating GHGs
- Can be supported by implementing country or by developed countries
- Can include policies, strategies, sectoral programmes, and/or projects
- Address mitigation on a broader scale and goes beyond individual investment projects

Nationally Appropriate Mitigation Actions (NAMAs)



CDM vs. NAMA

Market vs. Country Driven



Scope



Main Goal



Finance



CDM vs. NAMA

Market vs. Country Driven

- In CDM, developed countries invest in specific projects in developing countries, and in turn earn carbon credits which are traded in carbon markets
- NAMAs are not driven by carbon credits. They are rather country driven processes reflecting long-term national strategies. Emission reductions achieved via NAMAs are accounted for by the host country
- Mechanisms for credited NAMAs are still undefined



CDM vs. NAMA

Scope



- In CDM, GHG emissions reductions take place through single project activities
- In CDM, the broadest scope developed was PoAs
- In NAMAs, the scope is mainly sectoral
- NAMAs can be defined in the form of policies, programs, projects, standards, laws and regulations, financial incentives
- NAMAs can even cover projects not covered by CDM (e.g. those that required a higher carbon price to become viable)

CDM vs. NAMA

Goal

- In CDM, the main goal is to help developed countries fulfil their commitments to reduce emissions
- In CDM, the approach is ‘mitigation first’, while sustainable development is regarded as a co-benefit.
- In NAMAs, the main goal is to help national governments achieve national or subnational needs for development
- In NAMAs, the approach is ‘development first’, while emissions reduction is regarded as a co-benefit



CDM vs. NAMA

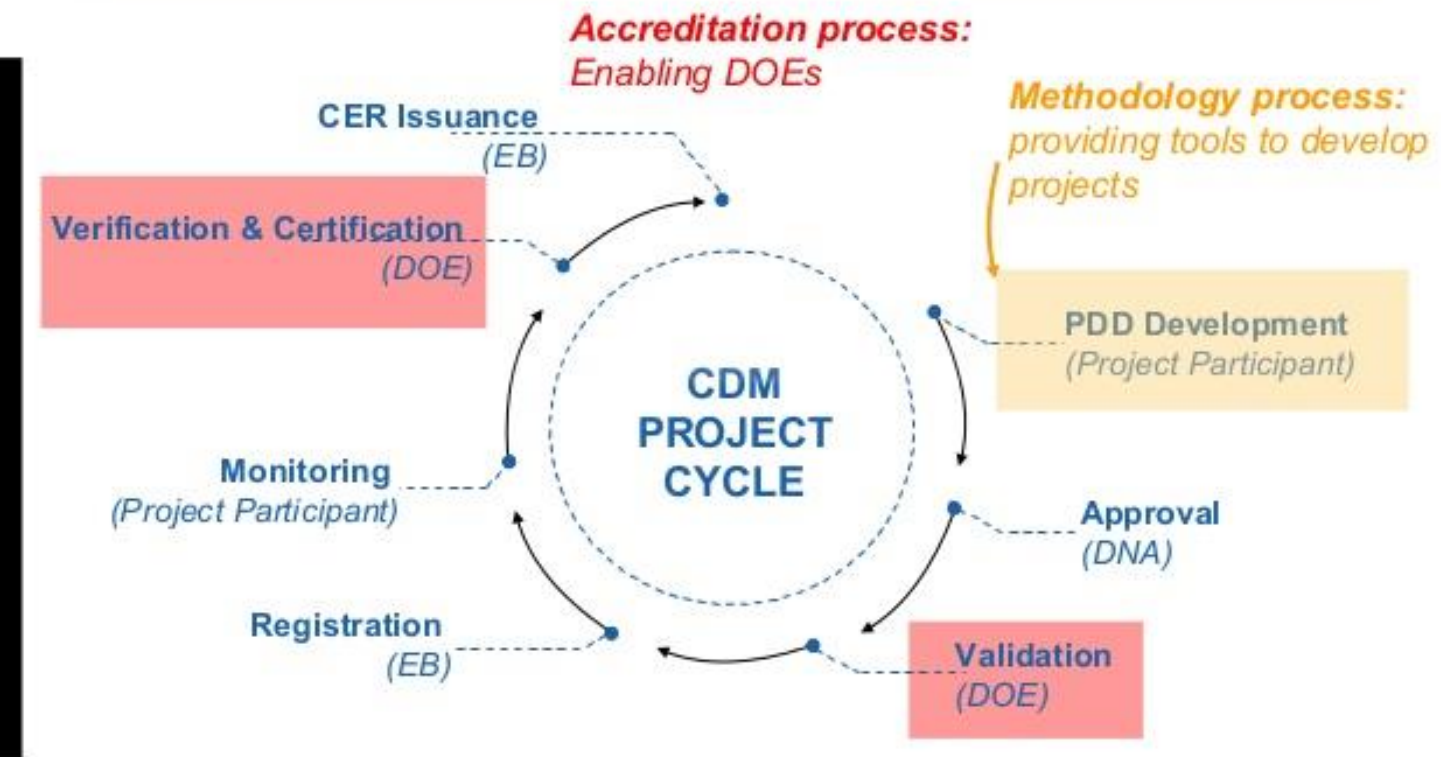
Finance

- In CDM, the investment mainly comes from domestic sources in developing countries (sometimes from international sources), and carbon credits are earned after project execution
- In NAMAs, finance needs to be leveraged ex-ante via domestic or international financial support either from public or private sources



CDM MRV Requirements

EB DUTIES OUTSIDE THE PROJECT CYCLE



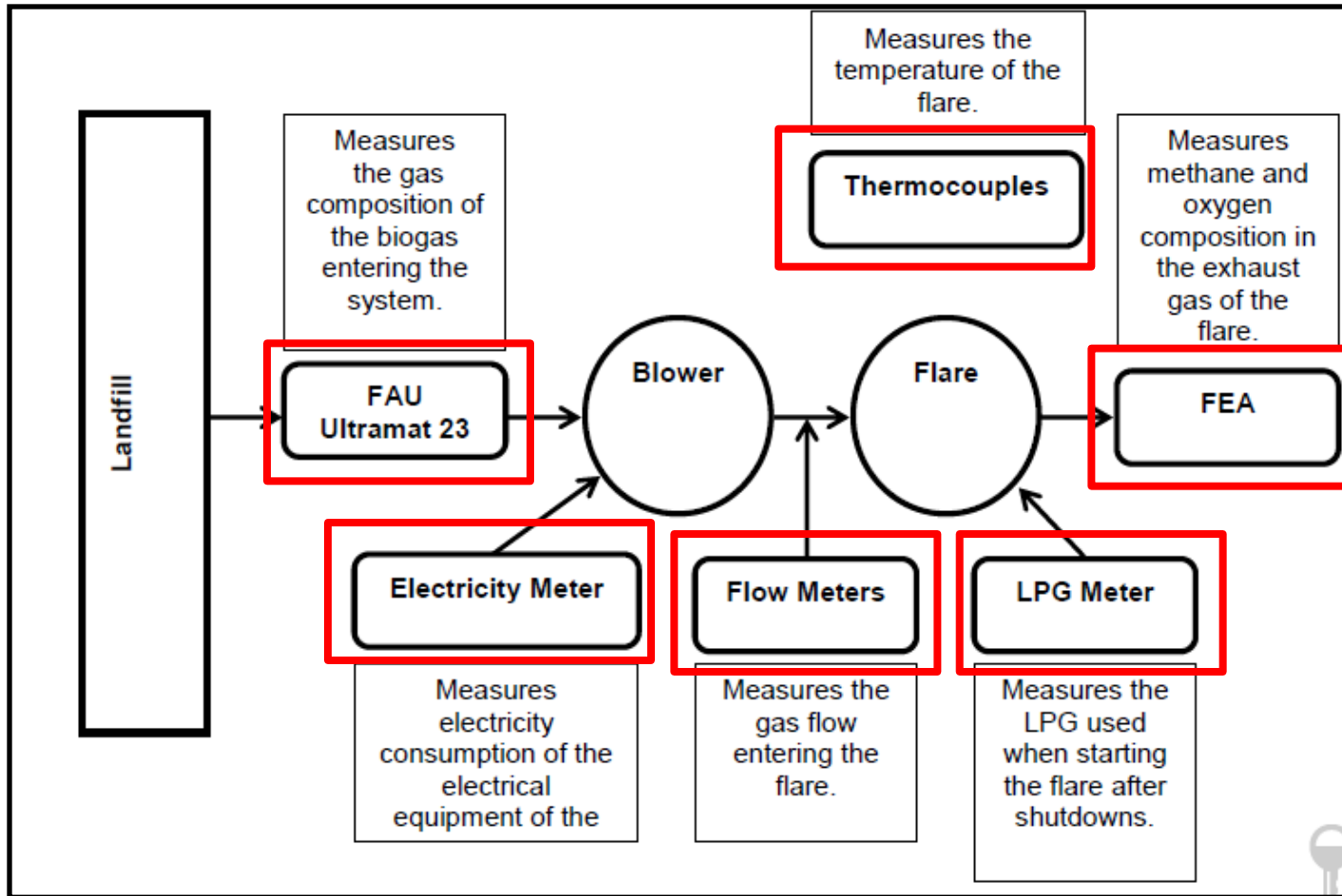
CDM MRV Requirements

- According to a monitoring plan in an approved methodology by the CDM-EB
 - ▣ Determined appropriate by the Designated National Authority during validation
 - ▣ Reflects good monitoring practice for the project type
- Monitoring plan contained in the registered Project Design Document (PDD) shall be implemented → any change has to be approved by DOE
- Regular Monitoring reports have to be prepared
- Verification undertaken by Designated National Authorities



CDM MRV Requirements

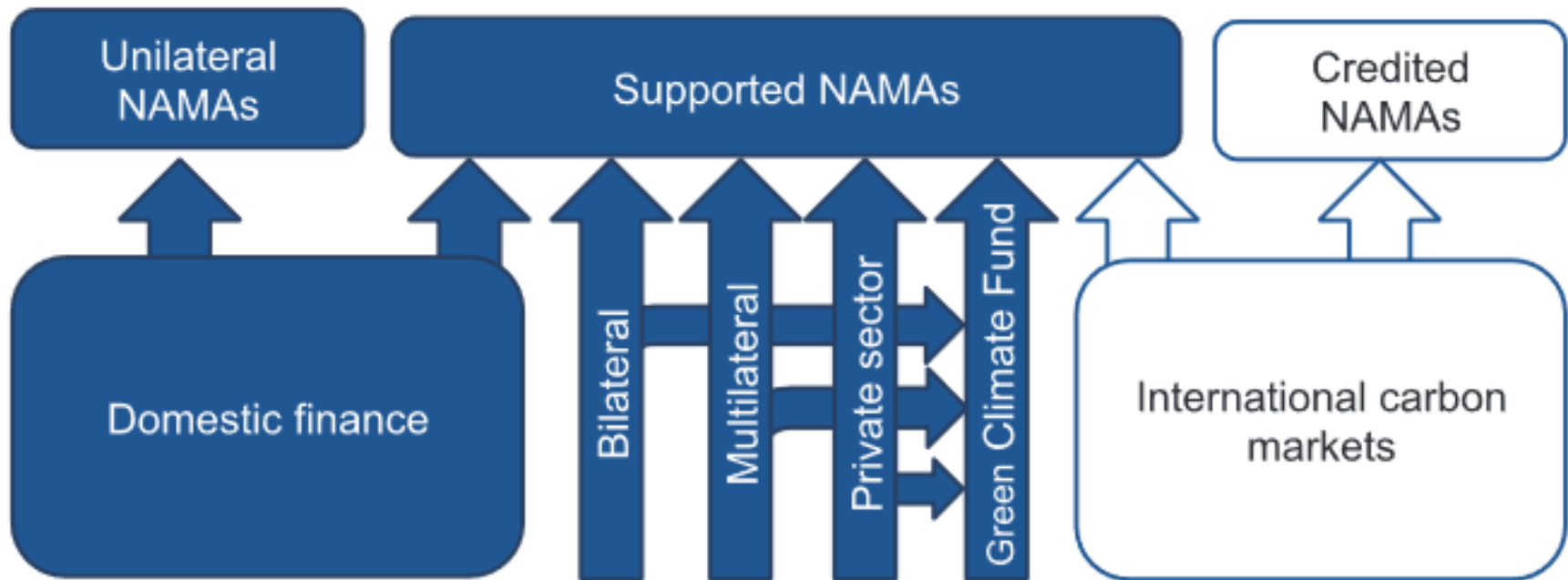
Landfill Gas Flaring CDM Project



Monitoring Equipment Diagram

NAMA MRV Requirements

- Depends on NAMA type



Source: Adapted from 'Developing Financeable NAMAs: A Practitioner's Guide, IISD

NAMA MRV Requirements



- Domestic NAMAs are subject to a domestic MRV system
- COP 19 announced general guidelines for domestic MRV of domestically supported NAMAs indicating the following:
 - ❑ To establish, and/or recognize, where relevant the institutions, and systems involved in the domestic MRV of NAMAs;
 - ❑ To measure domestically supported NAMAs, including the collection of relevant and available information;
 - ❑ To verify domestically supported NAMAs, including the use of domestic experts using domestically developed processes
 - ❑ Developing country Parties are encouraged to utilize existing domestic processes, arrangements or systems

NAMA MRV Requirements

- NAMAs will assist parties achieve their NDCs
- Detailed MRV for NDCs will still be negotiated under the operationalization of Paris Agreement
- For current internationally supported NAMAs, criteria for MRV is agreed between the developing country and the donor entity
- National circumstances and development priorities have to be taken into account

MRV Requirements - NAMAs vs. CDM

- Methodologies for CDM projects are generally considered to be complex, and may be a barrier if used for MRV of NAMAs
- The role of MRV is not to impede the NAMA process but rather facilitate actions of reducing GHG emissions
- MRV must be effective and avoid imposing high transaction costs or other heavy burdens
- Standardization reduces transaction costs
- MRV should always be tailored to be nationally appropriate



MRV Requirements - NAMAs vs. CDM

- For NAMAs, MRV is not a “one size fits all” solution
- In comparison to the CDM, NAMA MRV system can be simpler and more flexible

**MRV of CDM
is like a school uniform**



**One rule for each school
All pupils dress the same**

**MRV of NAMAs
is like business dress code**



**It is very important to look good
but everyone looks a little different**

Example for NAMA MRV

Waste NAMA Possible Approach

- Develop estimations for the emission reduction potential of each mitigation technology
- Monitor the amount of waste processed in each waste processing facility

Technology	Emission Reduction Potential (tCO ₂ e/ton waste)
Incineration with energy recovery (IER)	0.23
Anaerobic Digestion (AD)	0.40
Composting	0.11
Co-firing in Cement Kilns (CFC)	0.40
Recycling	
PET	1.76
Paper	0.72
Glass	0.25
Textiles	3.38

Lessons Learnt for NAMAs

- MRV of CDM is very complex
- Use of standardized approaches is helpful in keeping the MRV system simple and practical
- National customization for the MRV of NAMA is important
- A successful NAMA should build on existing national criteria, data and indicators
- A successful NAMA should include metrics for sustainable development benefits to gain recognition
- Initially, NAMA MRV will not be perfect, but will improve over time



Thank you!

Amr Osama Abdel-Aziz, Assen Gasharov, Mike Bess and Laura Lahti