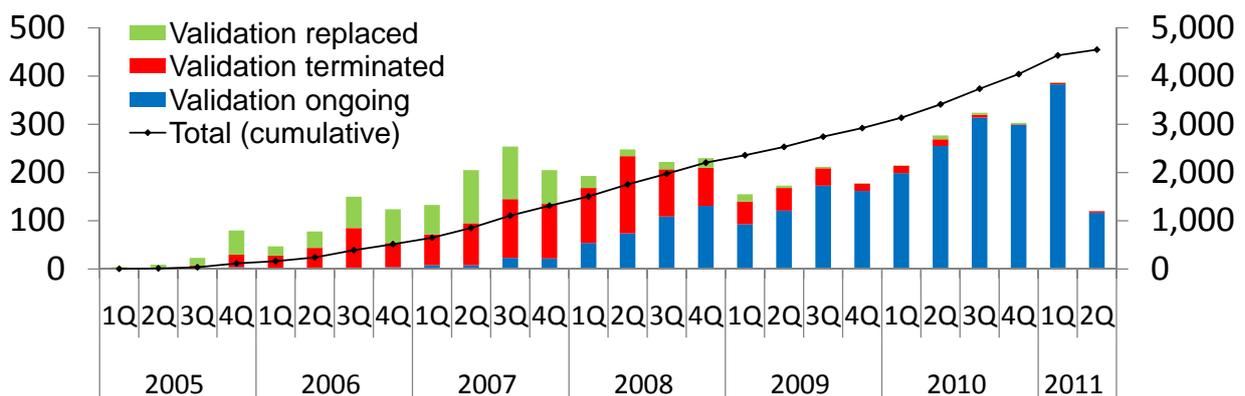
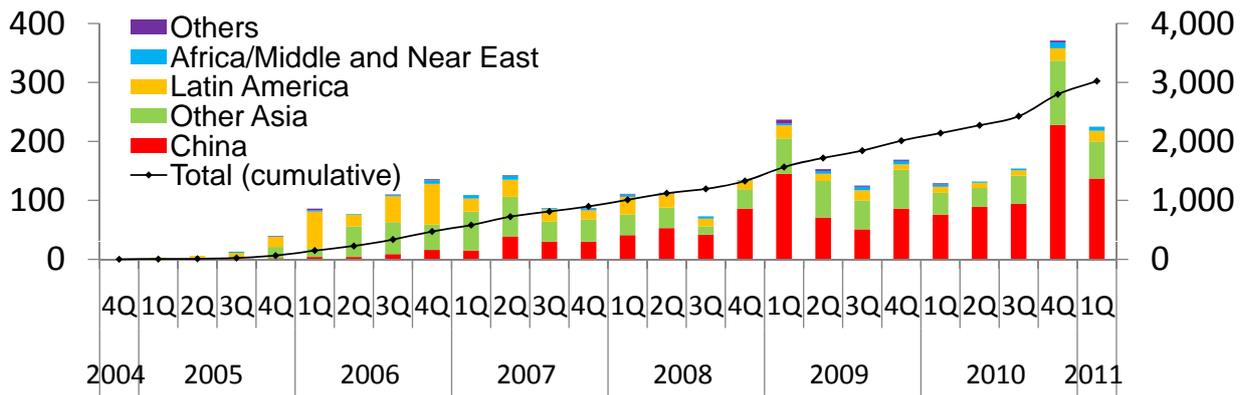


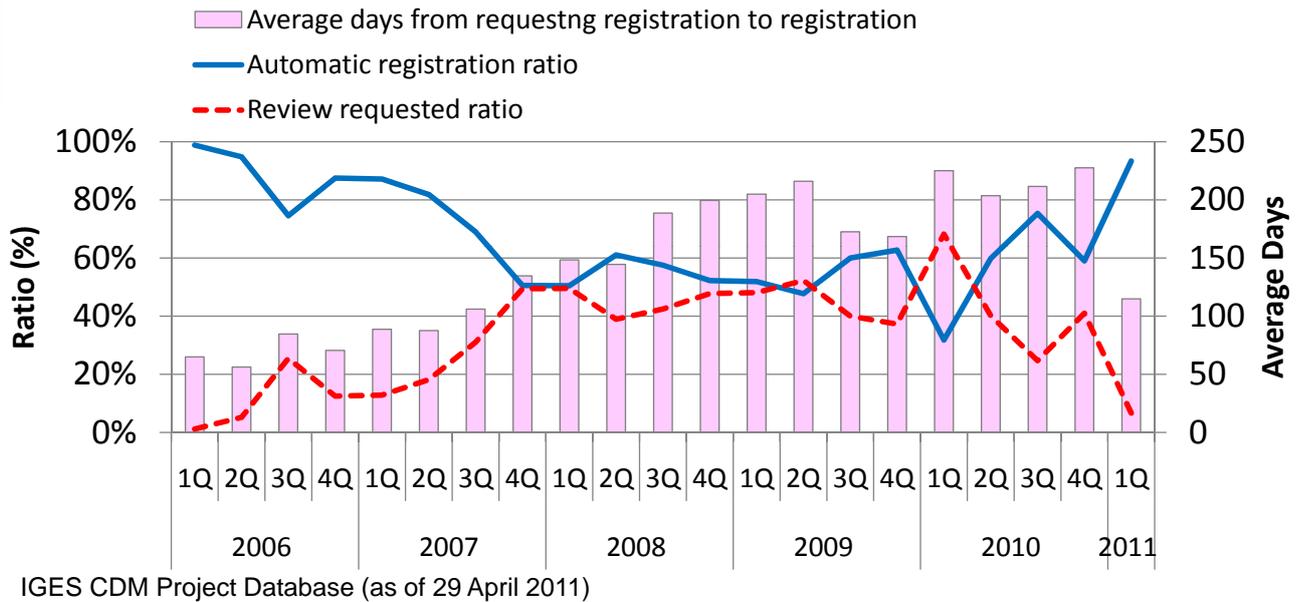
# Future perspective of CER issuance in the prolonged CDM

**Kentaro TAKAHASHI**  
**Market Mechanism Group**  
**Institute for Global Environmental Strategies**

## Registration and Validation status



# Improvement of registration process



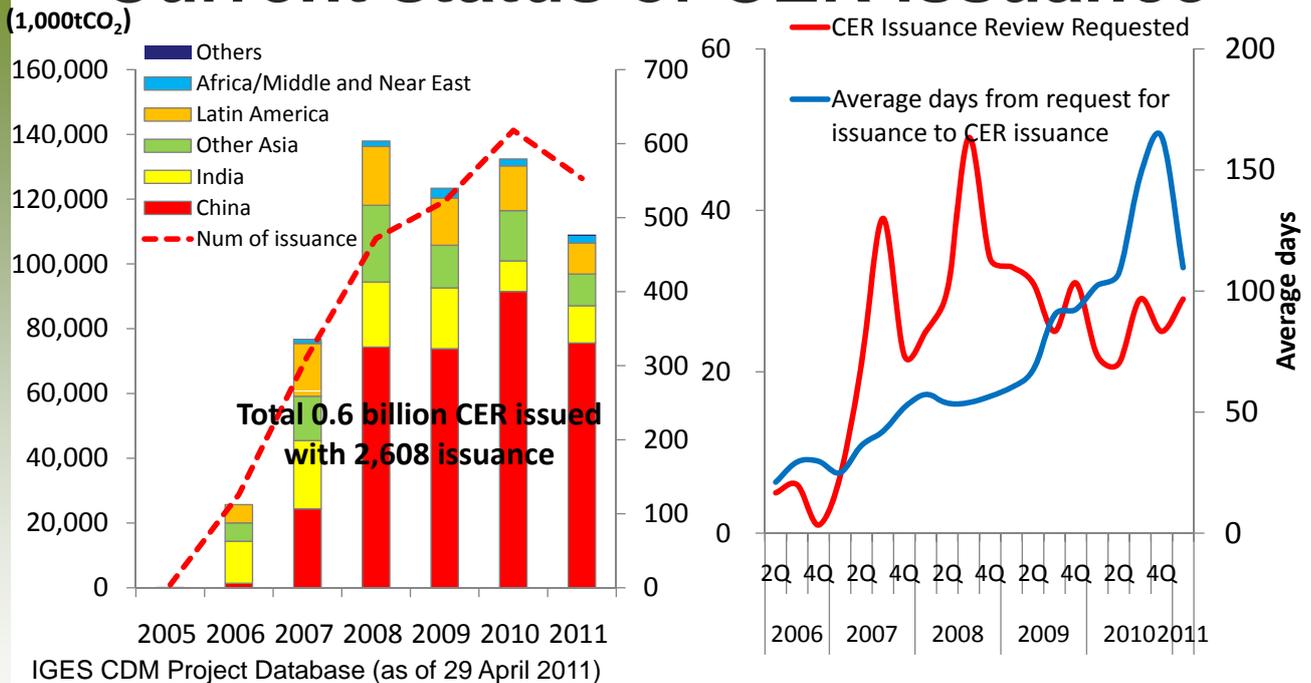
**Ave. 220 days in 2010 → Ave. 115 days in 2011**

**Automatic registration ratio 93% in 2011**

➤ Change of review process at EB54 and revised procedure at EB60 have contributed to reduce the time until registration.

3

# Current status of CER issuance



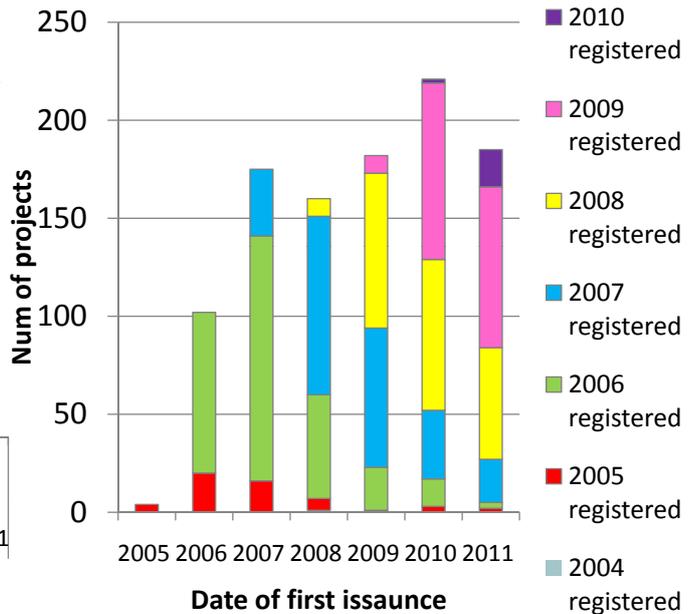
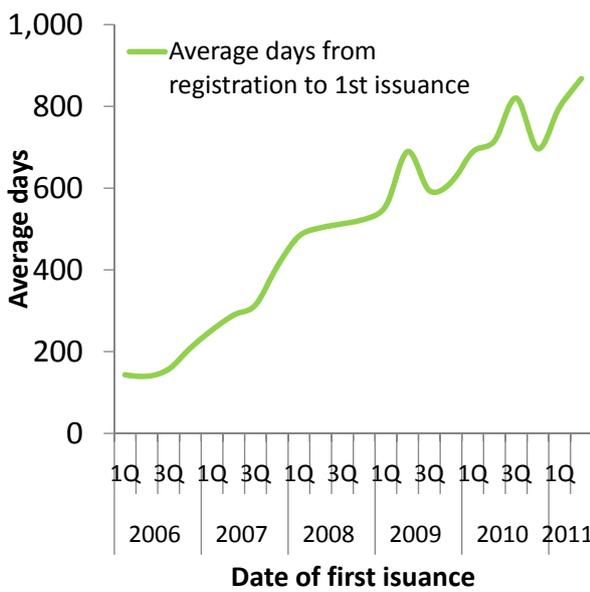
**Ave. 164 days in 4Q of 2010 → Ave. 110 days in 2011**

➤ CER issuance has been increased in 2011.

➤ Num of CER issuance reviews have been decreased.

4

# Long days until the first issuance



IGES CDM Project Database (as of 29 April 2011)

**Only 1,029 project issued CER** of all registered projects

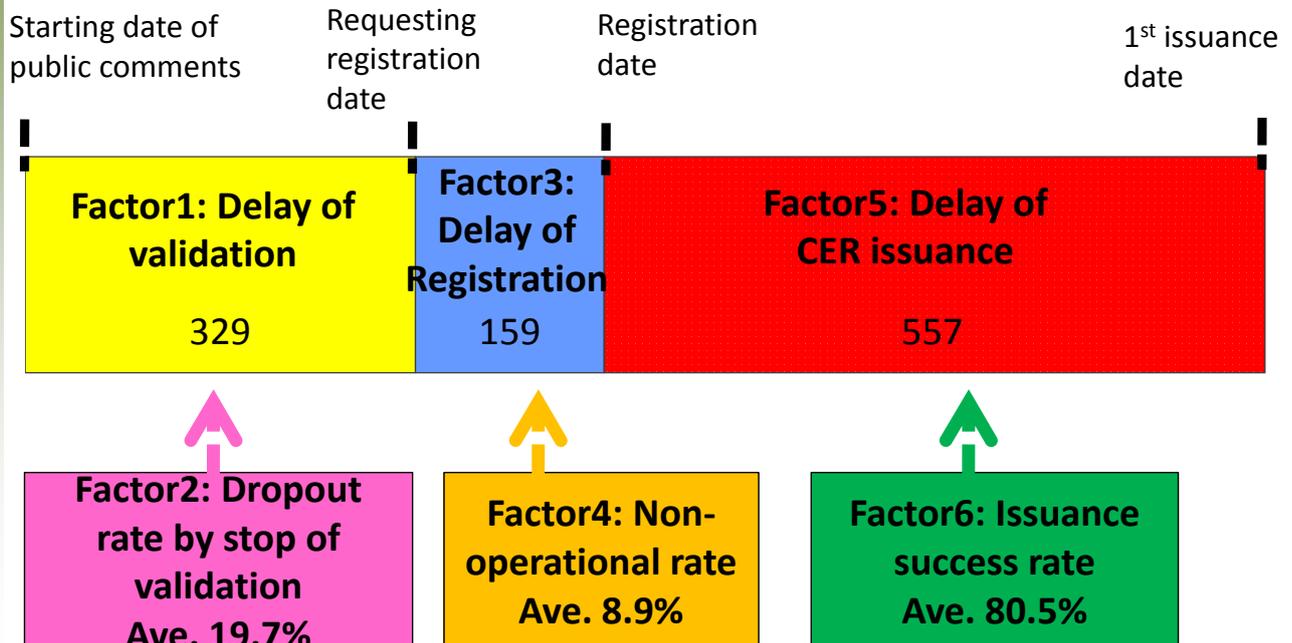
**Ave. days 813 days** until first issuance in 2011

➤ Prolonged process may stop the operation of projects after their registration (**540 projects stopped** by IGES analysis).

5

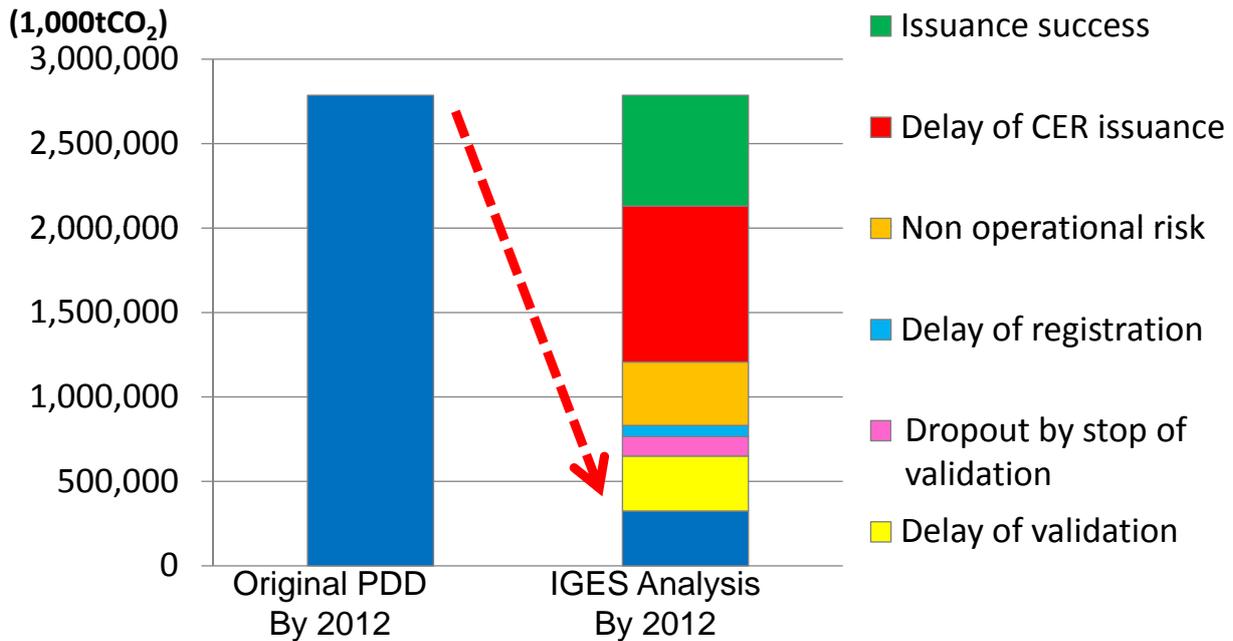
# Factors affecting CER issuance

- Yellow box: Average days from public comments to requesting registration (total registered projects)
- Blue box: Average days from requesting registration to registration (total registered projects)
- Red box: Average days from registration to 1<sup>st</sup> issuance (total registered projects)



6

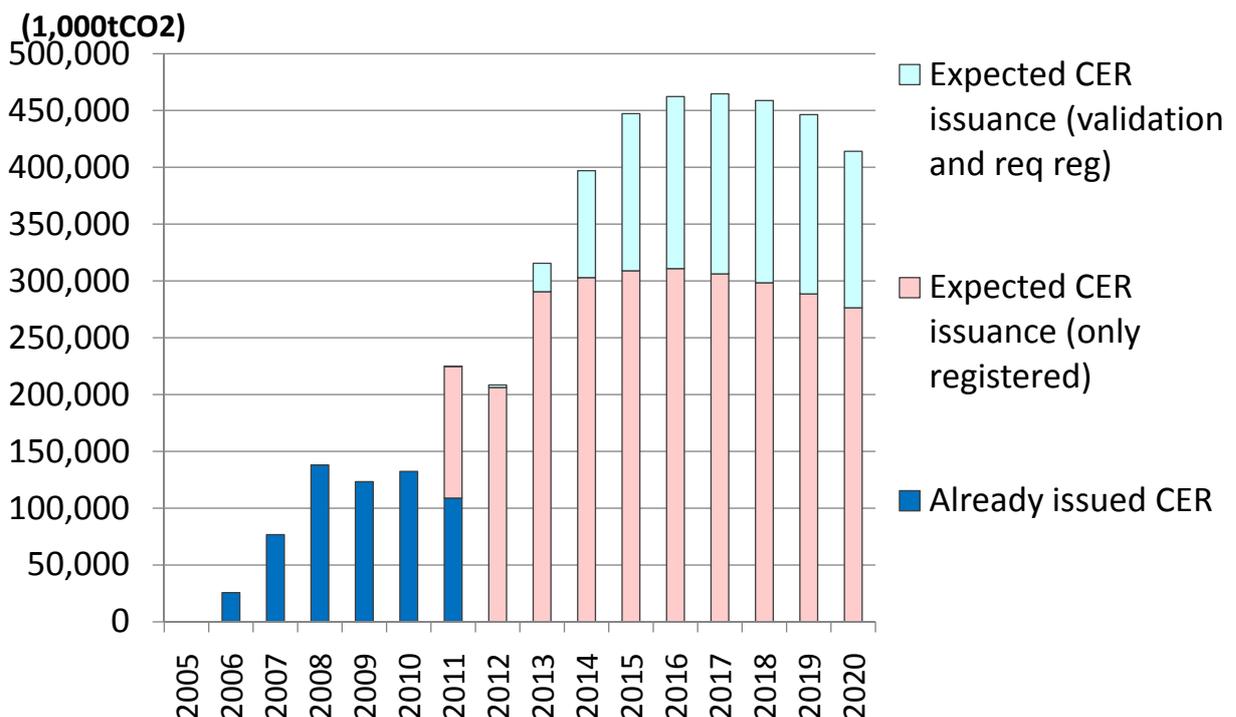
# Loss of CER issuance by each factor



- **2.4 billion CER by 2012** will be loss due to 6 empirical factors.
- **Only 0.3 billion CER** will be issued until the end of 2012 from now (total 0.9 billion CER including already issued CER).

7

# CER issuance will boom after 2013



- **2.4 billion CERs** between 2013 and 2020 will be issued and can be traded.

8

# Summary

- Project participants cannot claim full CERs in the original PDD due to 6 empirical factors in the current CDM.
- More simplified process and procedures should be needed and developed to avoid CER loss in the future CDM.
- It is also needed that financial support and capacity building should be provided to reduce the time and cost in the verification.