

Roundtable “Practical Solutions for Promoting CDM in LDCs” at the Bangkok Climate Change Talk

- **The Roundtable “Practical Solutions for Promoting CDM in LDCs”**
 - October 1, 2009
 - Jointly organized by Government of Uganda and JICA
 - Parallel event of the Bangkok AWGs
- **The key topics:**
 - Launch of “Initiative for Clean Development in LDCs”
 - Proposal of three practical solutions from JICA for promoting CDM in LDCs, namely:
 - (1) Utilization of public funding;
 - (2) Exemption of proof of additionality for CDM projects in LDCs; and
 - (3) Application of default emission factor

Roundtable at the Bangkok Climate Change Talk: Chair's Summary (1/2)

- **Current status of CDM projects in LDCs**
 - Country risk, low profitability, very small scale, prolonged procedure, additionality proof as barriers for CDM in LDCs
 - Sectors with high potential in LDCs are rural electrification and AR
- **Utilization of ODA/Public funding**
 - Pros and cons on ODA utilization for climate change measures
 - Transaction cost of validation by DOEs, Language barrier (English to French), Development of emission factors, Human resources training fund etc.

Roundtable at the Bangkok Climate Change Talk: Chair's Summary (2/2)

- **Reform of CDM: Methodological issues**
 - Exemption of proof of additionality for all CDM projects in LDCs
 - Application of default emission factor for typical CDM in LDCs
 - CDM projects for infrastructure, Non permanence, Non-renewable biomass, Co-benefits etc.
- **Sustainable and effective capacity development**
 - Consolidated capacity building based on the actual projects by learning-by-doing basis

**UNFCCC Bangkok Ad-hoc Working Group (AWG) Parallel Event
“Practical Solutions for Promoting CDM in LDCs”**

Chairs’ Summary (Draft)

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1. The Roundtable entitled “Practical Solutions for Promoting CDM in LDCs” was held in Bangkok, Thailand on October 1, 2009, jointly by the Ministry of Water, Land and Environment, Government of Uganda and the Japan International Cooperation Agency (JICA). This Roundtable was held as a parallel event of the UNFCCC Bangkok Ad-hoc Working Group (AWG), that is, Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) and Ad-Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP) during September 30 and October 9, 2009 there.
2. The Roundtable was attended by about seventy (70) delegates and experts from twenty-eight (28) parties among forty-nine (49) LDCs.
3. The key topics of the Roundtable were as follows;
 - To share the objective of “Initiative for Clean Development in LDCs” is to support LDCs voice out the need to improve operational rules of CDM at the UNFCCC COP/MOP5 in order to facilitate and increase development of CDM activities in LDC
 - To propose three practical solutions for promoting CDM in LDCs from JICA, which are (1) Utilization of public funding for comprehensive support of CDM projects in LDCs, (2)Exemption of proof of additionality for all CDM projects in LDCs and (3) Application of default emission factor for typical CDM in LDCs
 - To get positive response regarding (2) and (3) of JICA’s proposals promoting their understanding and affirm further deliberations towards presenting a proposal by LDCs themselves at the COP15 and COP/MOP5 in Copenhagen
4. [Current status of CDM projects in LDCs] According to JICA’s presentation and statements from LDCs’ delegates, barriers for project development and implementation of CDM projects in LDCs are country risk, low profitability, rather small- scale project, prolonged procedure, additionality proof and baseline setting and

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monitoring. Some of delegates from LDCs mentioned that sectors with high potential would be included rural electrification and afforestation and reforestation.

5. [Utilization of ODA] There are the respective views of positive and negative regarding ODA utilization for climate change measures. In the discussion, some delegates expressed “ODA should be utilized for sustainable development and new and additional funding source should be allocated to climate change measures”. On the other hand, positive views for ODA utilization were also mentioned as follows; “climate change issue should be treated as a part of development issue”, “LDCs themselves have an authority to decide how to allocate ODA funding” and “public funding including ODA could be functioned the catalytic role for facilitating private sector’s participation”.
6. [Reform of CDM] JICA suggested three practical solutions for promoting CDM in LDCs (see para.3). To which delegates from LDCs showed their positive views on (2) and (3). On-going rule making and discussions at the CDM Executive Board and current international negotiations, especially AWG-KP should be paid adequate attention during the process of further considerations about (2) and (3).
7. [Sustainable and effective capacity development] Most of delegates from LDCs emphasized an importance of capacity development. Although many donors provided training on CDM implementation, it is not necessarily useful to scale up of CDM activities in LDCs. JICA’s past and existing capacity development programmes were recognized effective programmes for promoting CDM projects, for example, training course for executing agencies and the Designated National Authority (DNA) based on the tangible projects. In the discussion, some of delegates supported measures of JICA’s cooperation and stressed the importance of learning-by doing manner training utilizing a tangible project as a model. To implement further effective and efficient capacity development, JICA would be expected to utilize on-going and future projects which is developed and implemented under the JICA support scheme in promoting to share information and experiences among LDCs.
8. [Further steps for LDCs’ proposals at the COP/MOP5] LDCs moves forward to make a proposal regarding practical solutions for promoting development and implementation of CDM project in LDCs at the COP/MOP5 which will be held in December 2009 in Copenhagen, Denmark. In order to make concrete proposals for CDM reform under the initiative of LDCs, JICA will make every effort to provide technical inputs.