

Use of CDM Methodologies: Benefits and challenges

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Promethium Carbon

Promethium has been providing carbon and climate change advisory services since 2003. Our focus is on assisting companies and governments in Southern Africa, and further abroad, to navigate the transition to the fast-emerging, global low-carbon economy.

Our work covers a wide range of climate change services:

- Mitigation:** Emission reduction projects and carbon credits, carbon footprints (direct and indirect emissions), target setting
- Adaptation:** Risk and vulnerability assessments, scenario planning, climate change policies and strategies
- Reporting:** CDP, climate related financial disclosures
- Regulatory:** Mandatory GHG reporting, carbon tax, climate change impact assessments

South African Carbon Market

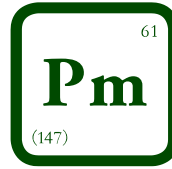
- 37 carbon projects and about 14.7 million tCO₂e listed on the South African Carbon Offset and Administration System (COAS)
- Largely CDM projects, however CERs have decreased since end of the CDM
- 92 projects registered in South Africa (including PoAs and multi-country activities). Majority of the projects are renewable energy or energy efficiency project activities, tending to be small scale in nature
- Benefits: rigorous assessment by meth panel experts. High degree of confidence in the methodologies and tools, as well as the various approaches and principles
- Investment analysis tool, and use of Annex, is the go-to reference

Lessons that can be applied to new carbon programmes

- Barriers related to the CDM methodologies:
 - Complexity of consolidated methodologies; often not reflective of local conditions and context
 - Direct relationship between complexity of methodologies, the auditing scope and also the auditor costs
- Result: barriers in registering good quality carbon project activities
- Important to maintain the CDM-level of rigorous assessment processes regarding approval of methodologies

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