

Assessing the Implementation of CDM in India

German-Indian Sustainability and Climate Change Dialogue

Freie Universität Berlin

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Berlin

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Introduction

- Interdisciplinary Master's Programme
„Public and Private Environmental Management“
Freie Universität Berlin

- Student Research Project
 - October 2007 - March 2008
 - Group of five students
 - Topic: The CDM in India - Problems and Options for Improvement

Study Trips to India – Interviews with CDM Experts



CDM India
Designated National Authority



Ministry of Environment
& Forests

lead India



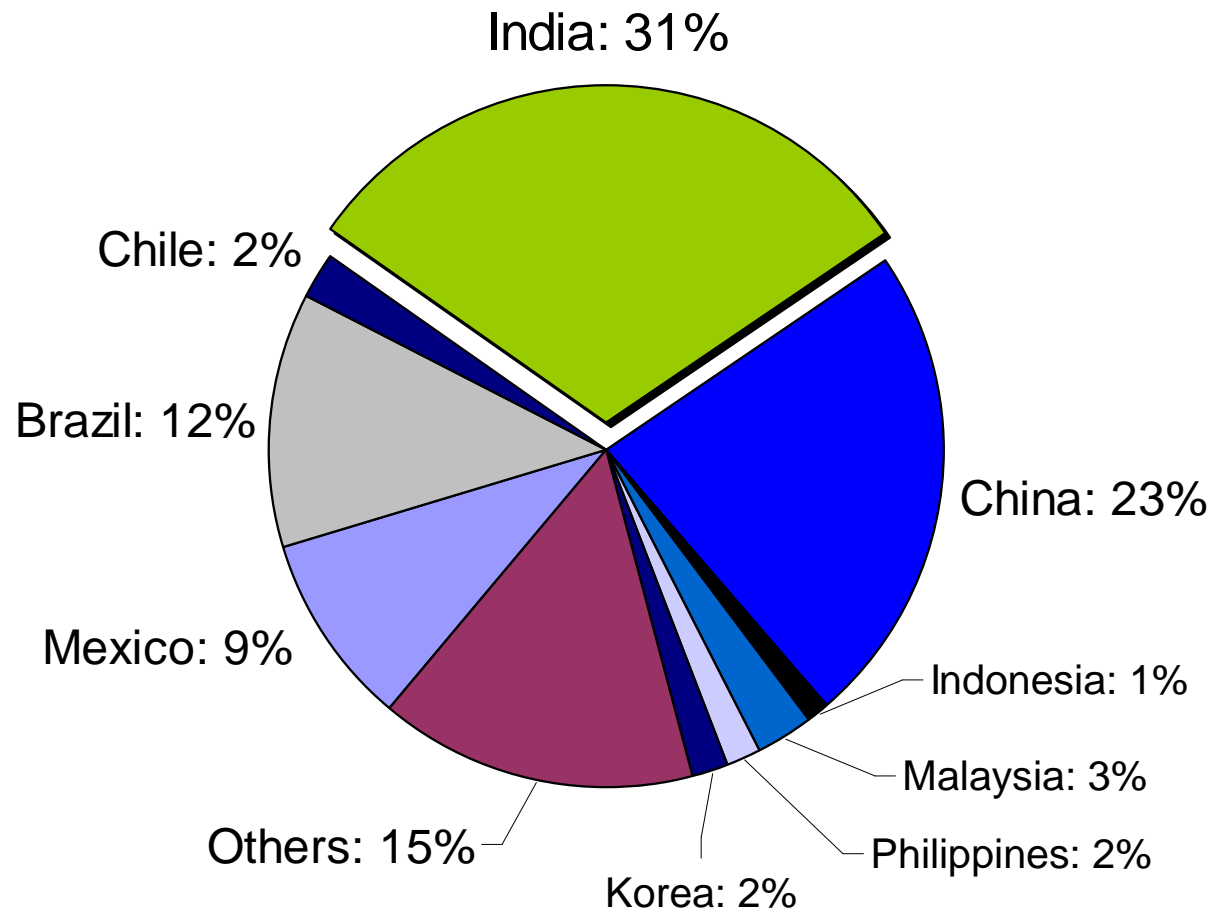
PRICEWATERHOUSECOOPERS 

gtz

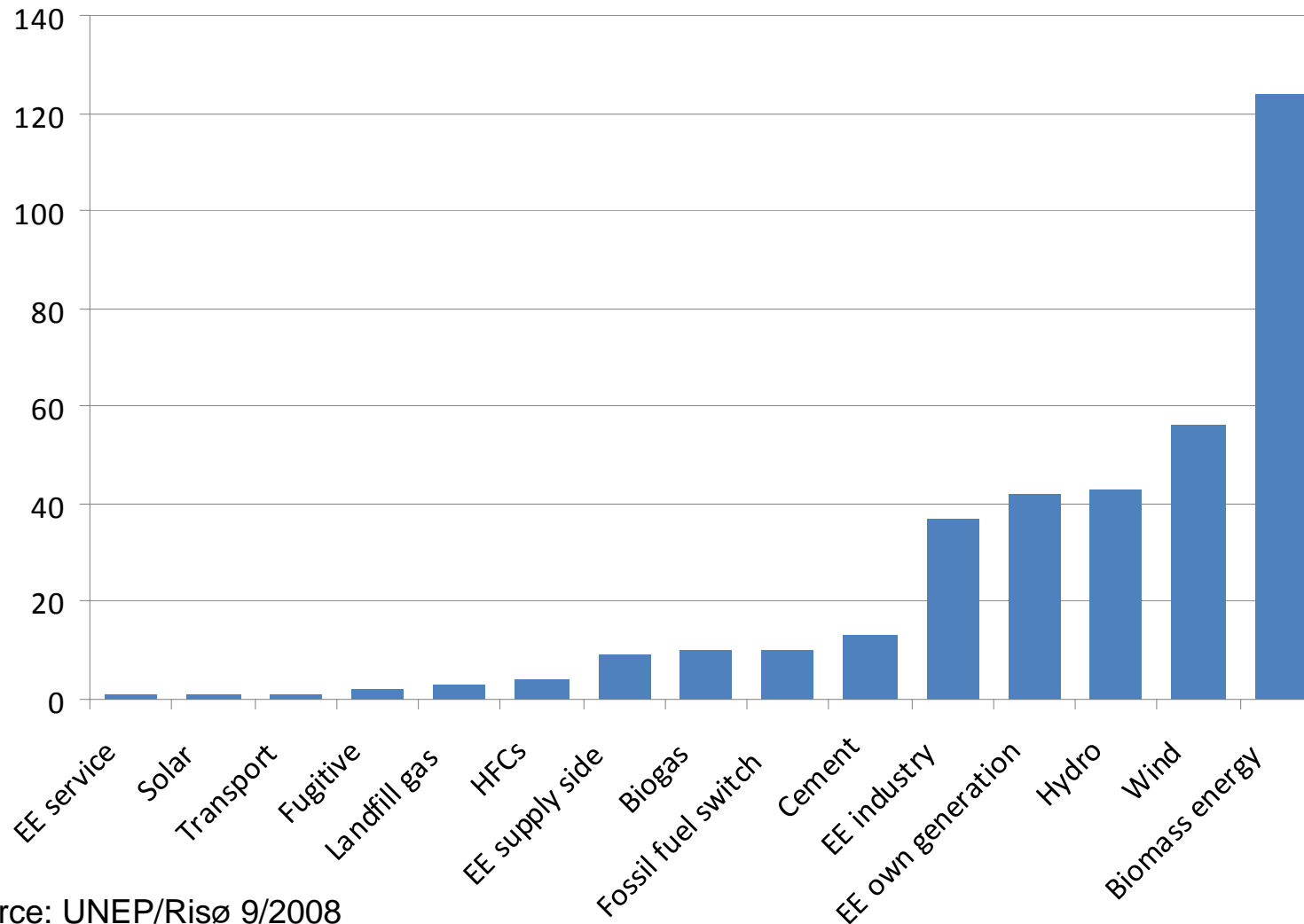
Outline of the Presentation

- Implementation of CDM Projects in India
- Pros and Cons
- Outlook and CDM Potential in India
- CDM Programme of Activities (PoA)
- Conclusions

Global CDM project distribution

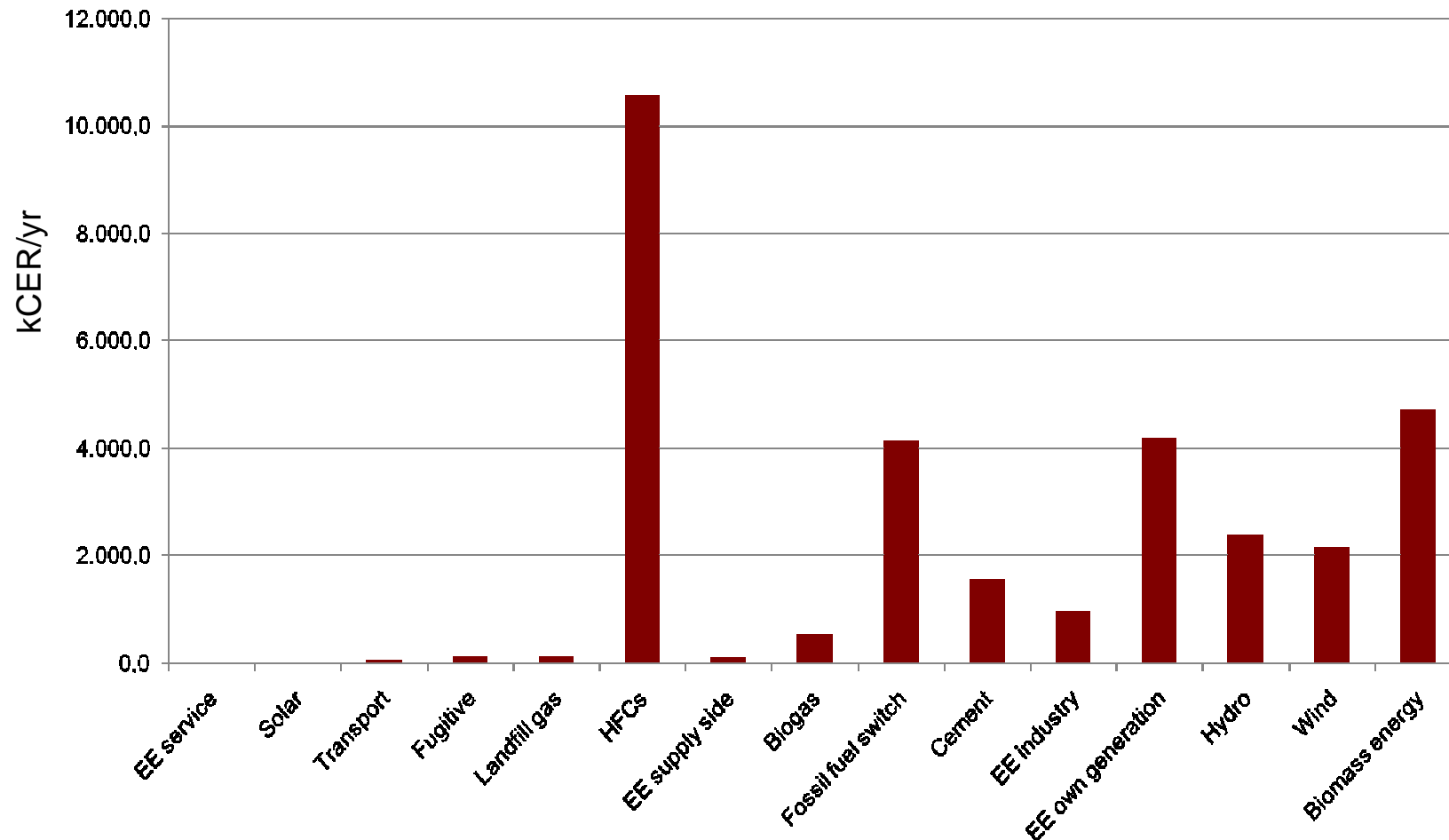


CDM projects by sector in India



Data source: UNEP/Risø 9/2008

CERs per sector



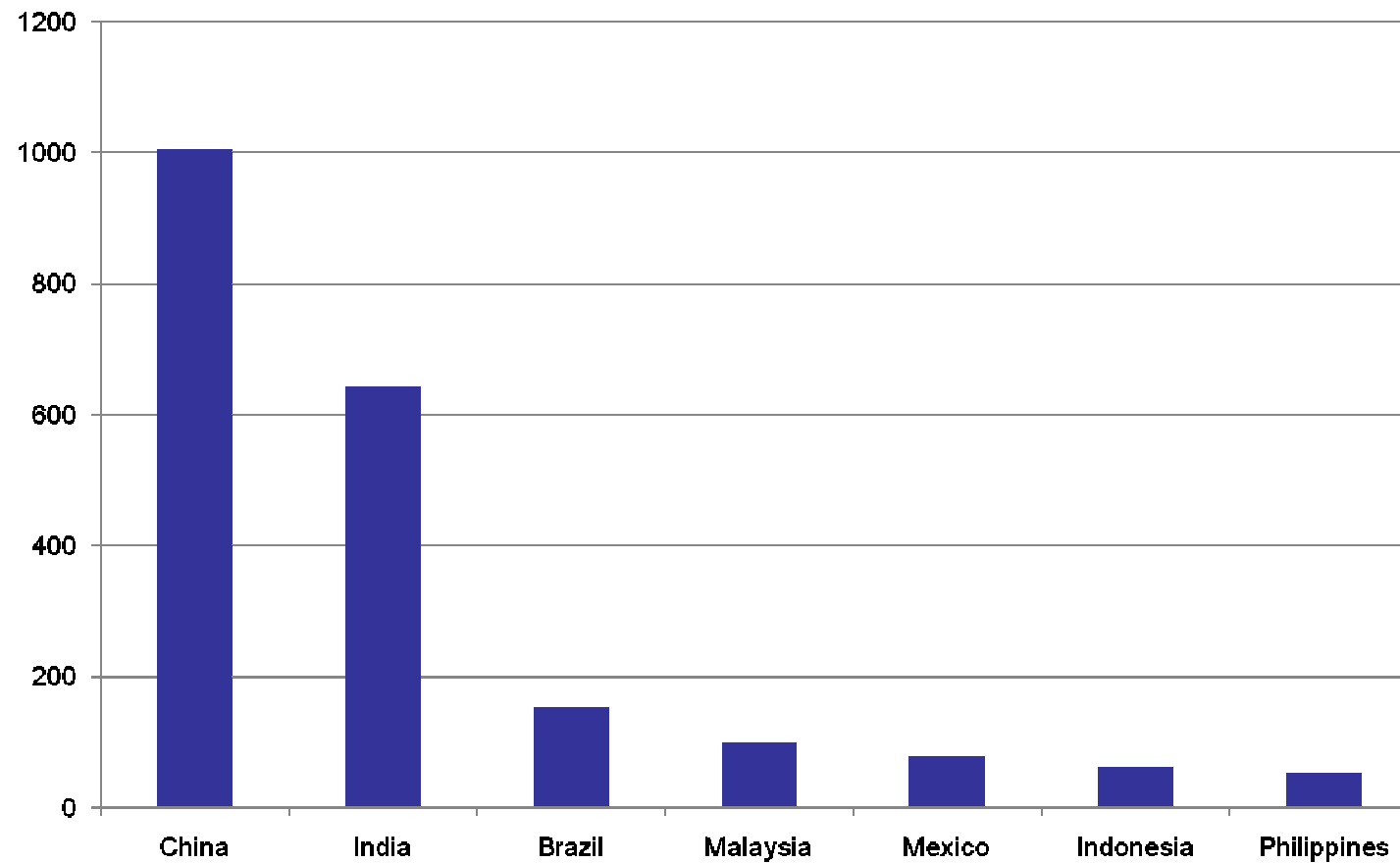
Data source: UNEP/Risø 9/2008

Pros and Cons

- ☹️ Around 10% rejections due to missing additionality
- ☹️ Almost half of all rejected projects are in India
- ☹️ Few HFC projects get the largest share of certificates

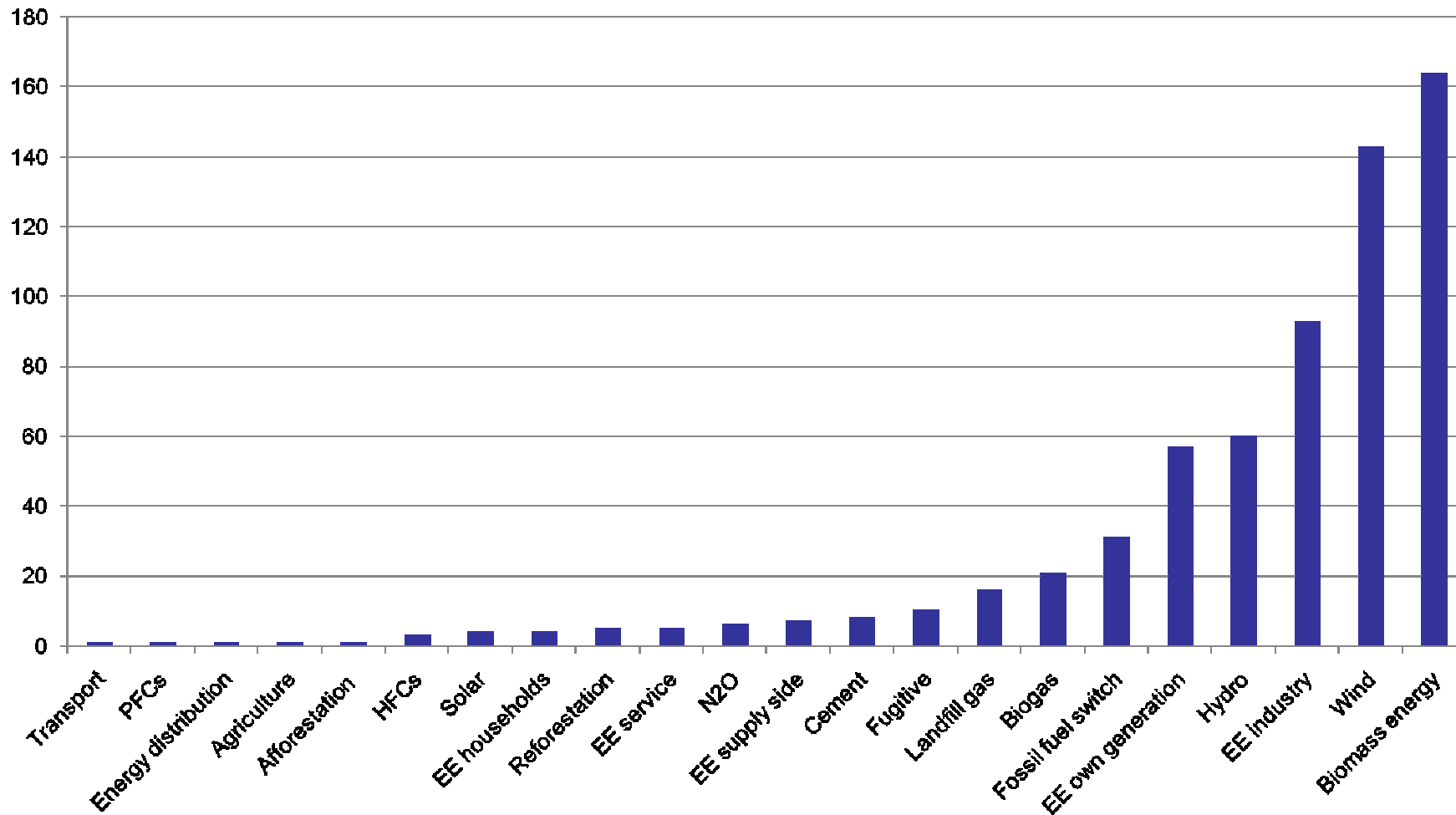
- 😊 Strong usage of the mechanism
- 😊 Many renewable energy / EE projects
- 😊 Rising awareness of climate protection
- 😊 “low hanging fruits” are almost gone

CDM Projects in the Pipeline



Data source: UNEP/Risø 9/2008

Indian CDM Projects in the Pipeline by Sector



Data source: UNEP/Risø 9/2008

CDM Programme of Activities (PoA)

Problem: Some projects – economically not viable
→ high up-front transaction costs, low CER revenues

- PoAs to improve implementation of such projects
- PoA: multiple CDM Programme Activities (CPAs)
- CPAs can be added at any time
- Registration process – only once
- Chance for projects that have so far not benefited from the CDM (e.g. solar, transport)

Conclusions

- India is world leader in CDM projects
- The main CDM sectors are biomass, wind, hydro, EE
- The CDM still faces a lot of criticism
 - Need for reliable, ambitious, sustainable mechanism
- CDM is still a very new mechanism → improvements
- Many projects in pipeline, huge potential
- Development of the CDM gives new chances

Thank you very much!

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Interdisciplinary Master's Programme:

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