

May 23, 2012

## SB36 Side Event Report

Overseas Environmental Cooperation Center, Japan (OECC)  
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This is a report of a side event held at the 36th Session of the Subsidiary Bodies of the UNFCCC from May 14th to 25th 2012, in Bonn, Germany.

- Title : THE ROAD TO DURBAN PLATFORM: NEW FRAMEWORK, NEW MARKET MECHANISMS AND MRV IN ASIA
- Day : 20:00 – 21:30, Wednesday, May 16, 2012
- Organizer : Institute for Global Environmental Strategies (IGES)
- Venue : Metro (MoT)
- Speakers :
  1. Prof. Jusen Asuka, Director of IGES Climate Change Group
  2. Dr. Yasushi Ninomiya, Director of IGES Market Mechanism Group
  3. Dr. Federico Lopez-Casero, Policy Researcher of IGES Forest Conservation Team
  4. Dr. Takeshi Kuramochi, Researcher of IGES Climate Change Group
  5. Mr. Dennis Tirpak, Principal Advisor of World Resources Institute

### ■ Summary

1. J. Azuka: “Emerging new framework after Durban”
  - There are a lot of new emerging alliances. For example, the Cartagena Group that came in last 48 hours of Copenhagen, is a very active group that was key to Cancun success, and where most of the members are emerging countries.
  - In that sense, there is an issue of climate unilateralism that needs to be discussed because it might not be compatible to CBDR. For example, the discussions on EU-ETS extension that is not compatible to CBDR.
  - Border tax measures is also a very contentious topic as well
  - Conclusion: unilateral actions may work if carefully articulated and targeted.
2. Y. Ninomiya: “MRV development and New market mechanisms in Asia”
  - IGES has been conducting MRV development and capacity-building research for New Market Mechanisms (NMM) and NAMAs in Asia since 2011, and it is still an on-going research.

- Focus is on MRV of GHG reduction and emissions under emerging NMM or NAMAs in Asian developing countries.
  - Not very sure on what is MRV, NAMAs, and NMM, but they will remain very uncertain.
  - Regarding MRV, IGES has been developing and applying MRV methodologies in Asian countries, as well as those from J-VER which is a Japan's domestic scheme.
  - MRV methodologies for GHG emissions reduction under new market mechanisms should be simplified, objective, practical and credible.
  - Outcomes and ways forward: In relation to application of MRV methods developed in J-VER: Thailand will launch T-VER scheme in 2013, and "Trial MRV" will be applied in real GHG projects; MRV methods using the concept of standardized baseline in collaboration with the governments of Cambodia, Lao PDR and Mongolia will be developed; GHG-MRV in transport sector NAMAs will be developed together with GHG-MRV for co-benefit type of wastewater treatment plants (WWTPs); etc.
  - As a conclusion: effective implementation of new market mechanisms or NAMAs remains uncertain until a credible GHG-MRV framework is established; the most important question remains as what is a credible GHG-MRV framework given the current practice of data monitoring and limited data availability / uncertainty / traceability?
3. F. Lopez: "Developing quality standards to strengthen governance for REDD+ and forest sector MRV"
- The speaker presented a summary of his research at IGES on REDD+ and safeguards.
  - Why governance matters to REDD? Tackling poor governance is an internationally recognized prerequisite for achieving investment in long term forest management.
  - Governance within the framework of MRV and monitoring for REDD is necessary at strategic level but also at operational level. Noting that there is not any definition of governance at UNFCCC.
  - Conclusions: The process of developing voluntary national governance standards in Nepal through multi-stakeholders in a workshop has been innovative and untested; active participation and engagement of a diverse range of stakeholders demonstrates they see the value of developing such standards.

4. T. Kuramochi: “Future energy and emission scenarios in Japan following Fukushima accident”
- The situation in Japan after Fukushima remains uncertain.
  - All nuclear power plants stopped operations on 5May, as there is a strong opposition against nuclear power.
  - The Renewable Energy Act passed in August 2011, reviewing feed-in-tariff scheme.
  - Climate targets in the post-Fukushima period: CO2 emissions might increase as high as 10% in relation to 1990 values, then it might not comply with national targets.
  - An innovative strategy for energy and the environment is necessary and this will be discussed in next summer.
  - Key questions: Are proposed emission reductions technically and economically feasible without nuclear?
5. D. Tirpak: “Comments on the IGES presentations”
- In relation to the first paper, currently there are lots of different types of alliances with different focus. The challenge is to know how you bring information into UNFCCC process in order to influence decisions. What kind of alliances can have an influence?
  - As for the situation in Japan, there is a lot to be considered but even if strong renewable energy commitment is there, there might be considerable short term emissions.
  - What about life style changes? This kind of events forces to changes but in fact Japan was able to enter in major life style changes. I wonder if there is a way to capture, lifestyles changes that could be retained in the future.
  - On MRV, we need to be open to lots of approaches other than CDM. We need to see if units will be tradable internationally or is it just used to achieve your targets, how acceptable your achievement will be viewed, and who will certify these reductions.

#### Q&A

- Q. [Unidentified]: Regarding the J-VER capacity-building in developing countries. The J-VER type of activities in Korea and Thailand are quite different because they have a cap.
- A. [Ninomiya]: I do not think it is correct. There are no emission caps, rather it works with voluntary participants, etc. therefore I believe it is a very similar scheme, but of course some

necessary adjustments are necessary.

Q. [Korea]: Can developing countries conduct MRV by themselves? Or can a 3<sup>rd</sup> party easily develop it?

A. [Ninomiya]: It is not so easy, because a lot of research needs to be done in developing countries. The thing is that we (at IGES) have already some knowledge that can be applied.

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English:

[http://www.mmechanisms.org/e/relation/details\\_oecc\\_SB36report.html](http://www.mmechanisms.org/e/relation/details_oecc_SB36report.html)