Öko-Institut e.V.
Institut für angewandte Ökologie
Institute for Applied Ecology

CDM supply potential numbers – why do they differ?

ERCST “Informal Forum on Implementation of Article 6 of the Paris Agreement”

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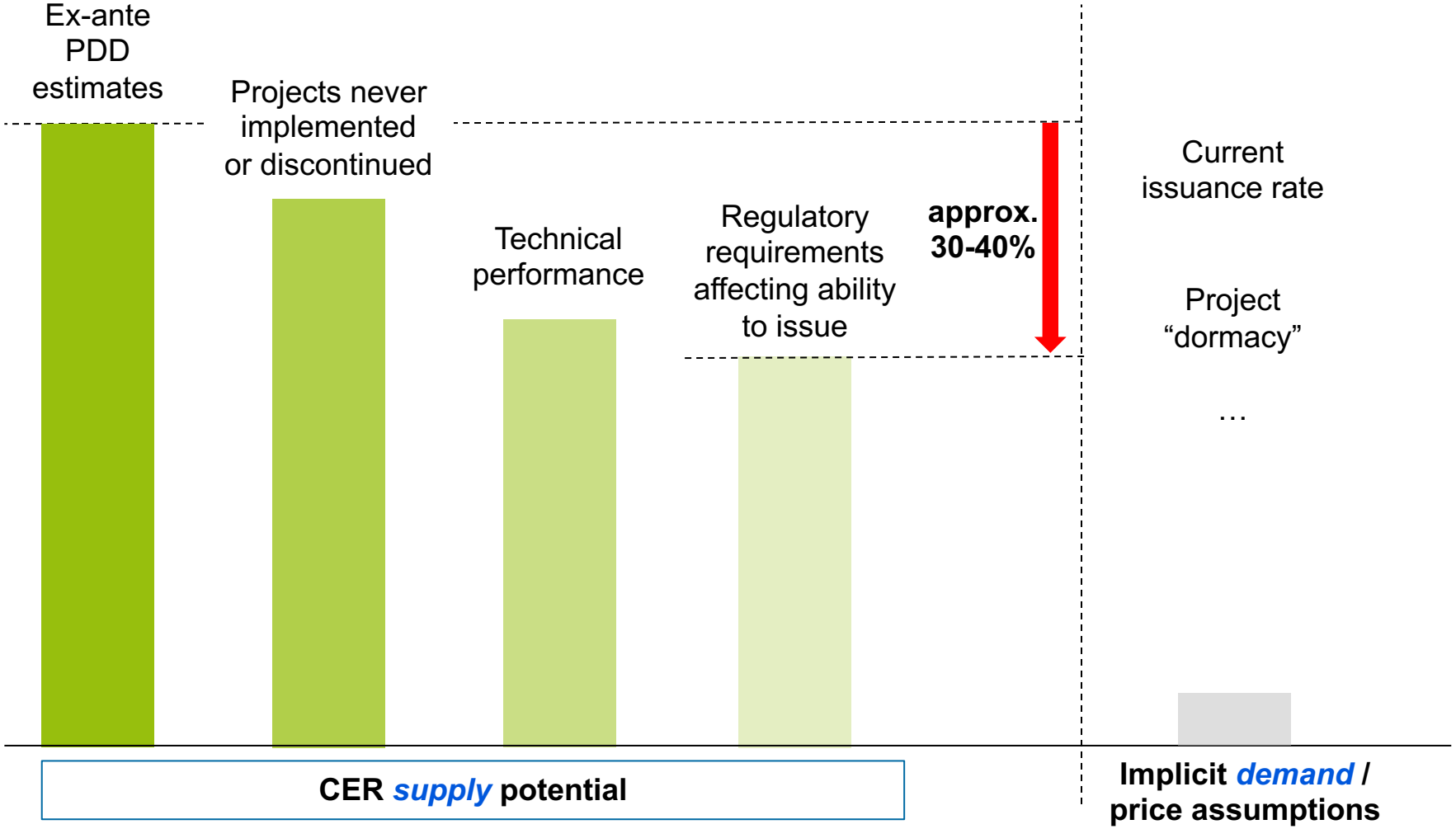
London, 20-21 February 2020

Six reasons why CDM transition numbers differ

Data source	• UNFCCC • UNEP DTU • IGES
Projects	• Registered projects (+ pipeline projects) • Existing CPAs (+ new CPAs)
GHG abatement status	• Never implemented • Running • Discontinued
Technical performance	• Higher or lower emission reductions as expected in PDD
Regulatory requirements	• Newer methodology versions • Requirement for continuous monitoring, etc
Demand / price assumptions	• Continued low demand, etc

Explaining differences in numbers



CER supply model

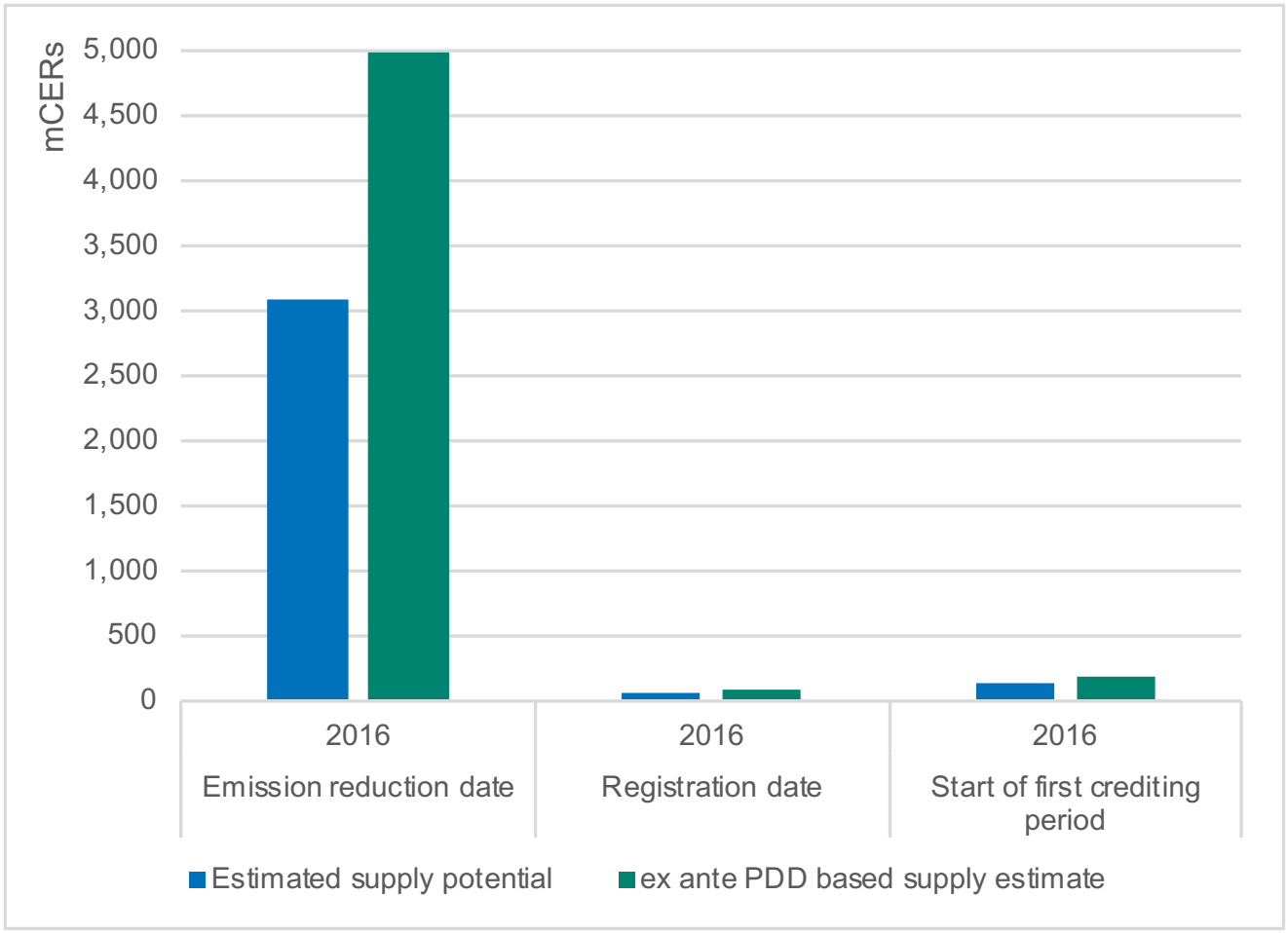
CER supply model developed with NewClimate Institute

- Survey of > 1,000 projects on their implementation status
- Reflection of important regulatory requirements
- Update in March 2020
- Maximum technical supply potential

Key results

- Total 2013 – 2020 CER supply potential: 4.9 billion (updated number)
- About 90% of projects continued GHG abatement => large supply potential at costs below 1 EUR => continued low prices likely
- About 8,000 non-registered projects that are eligible to register

Type of restriction matters



Preliminary numbers from updated model

Thank you for your attention!

Publications of model results with NewClimate Institute:

- Nature Climate Change: Robust eligibility criteria essential for new global scheme to offset aviation emissions
- German Environment Agency: Offset credit supply potential for CORSIA
- German Environment Agency: CDM supply potential up to 2020

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