

Carbon Credit for NAMA

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What is NAMA ?

- Nationally Appropriate Mitigation Actions (NAMA) by developing country parties, supported and enabled by technology, financing and capacity-building, in a MRV (Measurable, Reportable, Verifiable) manner
 - Bali Action Plan Decision 1/COP 13, Para. 1.(b).(ii)

If Carbon Credit is awarded to NAMA

- Mitigation can be initiated even without Finance & Technology (e.g. Unilateral CDM)
- Commercial Viability will be improved and Finance & Technology flow will be scaled-up
- Global Mitigation Cost could be reduced
- Annex 1 could take deeper target
- Mitigation will be driven by market dynamism/
Private Sector.

With credit for NAMA

- Global Carbon Market will function as Finance and Technology Transfer Mechanism
- DCs can play a proactive role in mitigation while pursuing low carbon development
- certain share of proceeds can be allocated to Adaptation and Climate Fund, then 4 issues of Bali Roadmap could be positively addressed

What Difference with CDM?

- **Demand Side:** Who will buy NAMA Credits?
 - Annex 1: deeper target
- **Supply Side:** Wholesale approach for CDM, programmatic and sectoral CDM based on efficiency standard → enhance current CDM
 - Can build on existing rules of CDM
 - Total cost of Global Mitigation: reduced

Related Issues

- Additional Deeper Cut, Additional burden?
 - Fund, Bond,
- Carbon Trade: only carbon offsetting?
- How to balance supply and demand?
 - Needs study options (price differentiation etc.)
- How to operationalize Credit for NAMA?
 - Agree on principle by 2009
 - Work out details after 2009 as was CDM