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## UN official warns of confusion over key Kyoto Protocol mechanism

2 May 2007 – Amid mounting international concern about climate change, the top United Nations official dealing with the issue today warned that a successful mechanism of the Kyoto Protocol that encourages investment in sustainable development should not be confused with a host of private schemes for trading carbon-emission credits.

The Protocol's Clean Development Mechanism (CDM), which allows industrialized countries to generate credits through investment in emission reduction projects in developing countries, has been one of the Protocol's greatest successes but is now [threatened](#) by misunderstanding, Yvo de Boer, Executive Secretary of the UN Framework Convention on Climate Change ([UNFCCC](#)) told the annual Carbon Expo in Cologne, Germany.

“Some confusion is to be expected – after all, the mechanism is breaking new ground and catalyzing further action on climate change – but some analysis of the CDM has dangerously missed the mark, especially in not distinguishing between the certified emission reductions produced under the CDM, and the emission offsets being sold by the growing number of unregulated or self-regulated enterprises,” said Mr. de Boer.

He stressed that it was important to draw a clear distinction between the highly-regulated CDM and ventures offering carbon emission offsets over the Internet and elsewhere.

To be registered and then earn Certified Emission Reduction (CER) credits, CDM projects must pass a rigorous process of approval and independent third-party monitoring designed to ensure that emission reductions claimed by a project are real, verifiable and additional to what would have taken place without the project, according to Mr. de Boer.

The CERs earned by project participants can be sold and retired against national emission reduction commitments under the Kyoto Protocol.

The entire mechanism is overseen by an international Executive Board that meets in Bonn about eight times a year. So far some 645 CDM projects have been registered in 44 countries, covering a wide range of sectors, according to the UNFCCC Secretariat.

Some 1.9 billion CERs, each equivalent to a ton of CO<sub>2</sub>, are expected to be produced by CDM projects to the end of the Kyoto Protocol's first commitment period in 2012, the Secretariat said.

“The Clean Development Mechanism is doing what the countries of the world designed it to do, and it has been very successful. Our task now is to build on that success and tap the considerable potential of the CDM, and other market mechanisms, for stimulating investment and reducing emissions,” Mr. de Boer said.