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## **PRESS RELEASE**

### **Clean rural electrification gets boost from Kyoto Protocol's Clean Development Mechanism**

(Bonn, 6 March 2012) – Rural households in developing countries will soon be able to swap kerosene lamps and diesel generators for clean renewable energy thanks to the financial incentive provided by the Clean Development Mechanism (CDM) and an emissions baseline and monitoring methodology approved by the CDM Executive Board.

Projects registered under the CDM can earn saleable credits when they reduce greenhouse gas emissions and contribute to sustainable development. Each project must use an approved methodology to determine existing, pre-project emissions and monitor ongoing emissions once the project is up and running.

“This is what the CDM is all about – reducing greenhouse gas emissions and contributing to sustainable development,” said CDM Executive Board Chair Maosheng Duan at the close of the Board’s 66th meeting. “It brings market forces to bear on two of the world’s most pressing challenges, climate change and development.”

The new methodology can be used by projects that install renewable electricity generation technologies, like solar electric panels, in communities with no access to electricity, as long as 75 percent of the consumers are households. It improves on an existing, little-used methodology by including for the first time the concept of “suppressed demand”, which was adopted by the Executive Board at its 62nd meeting in July 2011.

Under suppressed demand, a project developer in a least developed country can assume some level of future development, and thus a certain projected level of emissions, and then can propose a project to reduce those future emissions with the help of clean technology. This concept allows communities to leap-frog dirty technologies and go straight to a low or no-emitting technology in their economic development. The methodology also includes more straight-forward monitoring requirements.

“Almost a quarter of the people in the world lack access to electricity,” said Duan. “This methodology, which will allow people to access both clean and affordable technology, should help address this significant drag on development.”



UN Secretary-General Ban Ki Moon emphasized during the 66th United Nations General Assembly that focus should be given to rural electrification, including off-grid systems that serve the poorest segments of the population.

“The CDM Board is pleased to approve a methodology for CDM projects that so completely supports this aim,” said Duan.

For more information on the methodology “Electrification of rural communities using renewable energy”, see the Annex 53 document listed under the "Methodological standards for small-scale CDM project activities" section of EB Meeting 66 at the following link:

<http://cdm.unfccc.int/EB/index.html>

For more information on CDM methodologies in general, please visit:

<http://cdm.unfccc.int/methodologies/index.html>

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**About the CDM**

The clean development mechanism (CDM) allows emission-reduction projects in developing countries to earn certified emission reductions (CERs), each equivalent to one tonne of CO<sub>2</sub>. CERs can be traded and sold, and used by industrialized countries to meet a part of their emission reduction targets under the Kyoto Protocol.

With almost 4,000 registered projects in 74 developing countries, the CDM has proven to be a powerful mechanism to deliver finance for emission-reduction projects and contribute to sustainable development. To date, some 1440 projects in 46 countries have been issued a total of more than 875 million CERs.

**About the UNFCCC**

With 195 Parties, the United Nations Framework Convention on Climate Change (UNFCCC) has near universal membership and is the parent treaty of the 1997 Kyoto Protocol. The Kyoto Protocol has been ratified by 193 of the UNFCCC Parties. Under the Protocol, 37 States, consisting of highly industrialized countries and countries undergoing the process of transition to a market economy, have legally binding emission limitation and reduction commitments. The ultimate objective of both treaties is to stabilize greenhouse gas concentrations in the atmosphere at a level that will prevent dangerous human interference with the climate system.

See also: [cdm.unfccc.int](http://cdm.unfccc.int)

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