

Dutch Climate Policy a GHG Buyer

Maurits Henkemans
Ministry of Economic Affairs
Netherlands
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Following Issues I want to discuss

- Dutch Climate Policy
- JI and CDM approach
- Tender and other results
- Lessons learned
- Conclusions

Dutch Climate Policy

- -6% CO₂ reductions in period 1990 - 2008/2012
- 1997 AIJ programme 50 projects
- JI/CDM Policy from 2000
- 40 Mton a year (-20% BAU)
- 50% national instruments
- 50% flexible instruments (JI/CDM en IET)

Target 100 Mton CO₂ 2008-2012

Target Ministry of Economic Affairs

- Efficient Climate policy
- No regret first
- Then reduce where costs are low
- Get a CO₂ market price
- Targets for everybody
- Level playing field for companies

Dutch JI/CDM Programme 2000

- Budget 340 mln EURO for JI
Min of Economic Affairs
- Budget 380 mln EURO for CDM
Min of Environment
- In accordance with EU/OECD/Kyoto
rules
- Target CO2 price 3-5 EUR
- Target 100 Mton CO2

We follow five tracks

- JI: Buy ERUs by ERUPT (ERU-
Procurement Tender)
- CDM: Buy CER's by CERUPT
- Buy ERU's and CER's by PCF
- Contract with WB/EBRD/IFC and one
commercial Bank
- IET...(Governments as last resort)
and EU Emission Trading between
companies

CDM/JI Program Public Procurement of CO2

- Buy a product : CO2 reductions
- By Dutch Government
- European Public Procurement rules
- **First ERUPT tender in 2000**

Result:

- Almost every company in the world can offer us ERU's and CER's
- Very transparent procedure

The Ministries arranging Preconditions for JI and CDM

- Guidelines for baseline / validation
- MOUs with host countries
(Romania/Bulgaria/Slovakia/Croatia/
Panama/ Costa Rica/ Bolivia)
- Capacity building in host countries
(EU role!)

Sender

- Implementing agency is responsible for JI ERU-PT and CDM CERUPT tenders (big experience!)

Tenders so far

ERUPT 1 & 2 (2000/2001): Eight projects in Poland, Czech and Slovak Republic and Romania. Total 6 Mtonne.

ERUPT 3: Offered 11 JI projects in Estonia, Hungary, Romania, Bulgaria and Russia. Total 17 Mtonne.

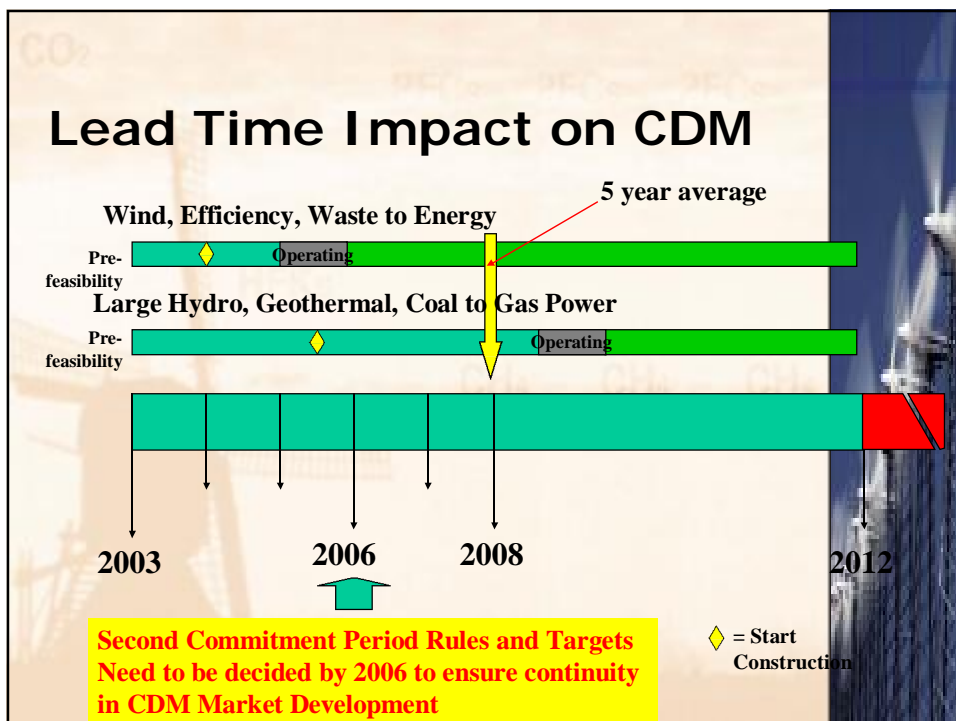
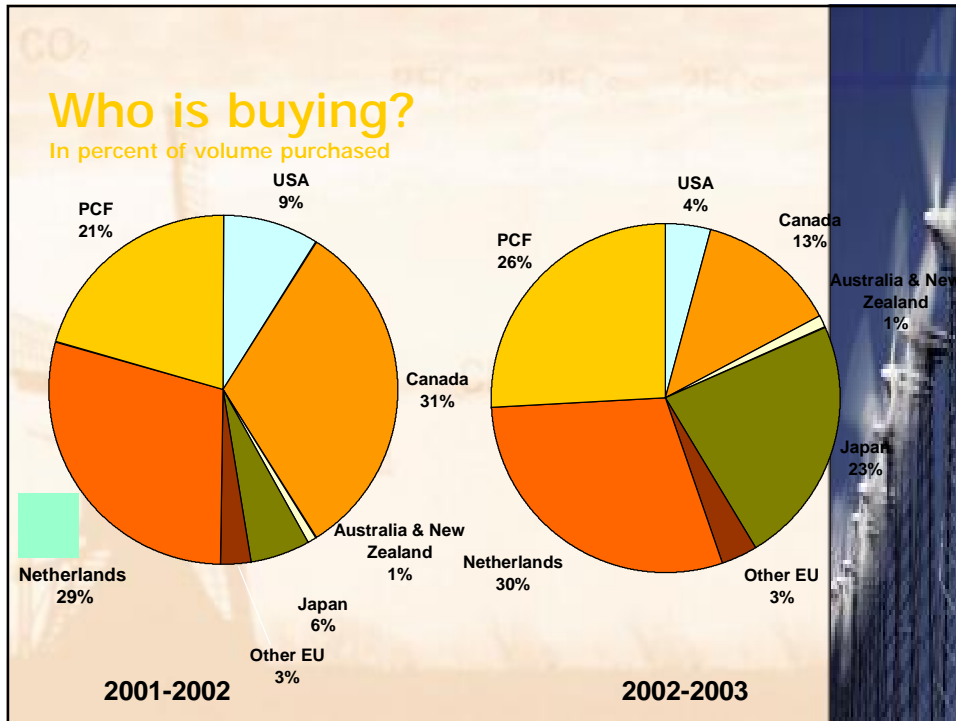
Result 2 M ton

CERUPT 1: 18 CDM projects in India, China, Indonesia, Costa Rica, Panama, Brazil, Bolivia. Total 16,5 Mtonne

Result ca 8 Mton

Intended realisation for the Netherlands

Instrument	Contracted	Planned
• Erupt1/3	8	
• Cerupt	8	
Fin Institutions		
CAF (CDM)	10	
WB (PCF/IFC) CDM	31	
EBRD (JI)	6	
Rabo CDM	10	
Part PCF CDCF	4	
Sub Total	77	
ERUPT 4/5 JI (WB) CDM option		23
Total		100



Lessons learned

- Project selection takes long
- A lot of projects fall off
- Big risks: companies not active
- EB baseline risks for CDM/JI
- Kyoto risk (But Positive outcome Linking!)
- Institutional Problems Host countries

Conclusions

- Netherlands is taking a lot of Kyoto risks
- Market partly driven by our initiatives
- Costs are lower than national policies
- If you want to do JI and CDM you are almost to late!
- Start thinking of Buying AAU's (greening option?)

More info about Dutch JI and
CDM and ET policy

www.ez.nl

and

www.carboncredits.nl

I.j.m.blansonhenkemans@minez.nl