VOLUNTARY CANCELLATION OF CERs FOR DOMESTIC OFFSET SCHEMES

PMR, 18 February 2015
Background

- Voluntary cancelation in the Kyoto registry system
- Use of voluntary cancelation for domestic compliance purposes:
  - Use of regular VC process
  - Centralized control over VC through a Party holding account/s
  - VC with reissuance of units in a domestic registry
- CDM registry services - opportunities and limitations
- AIP registries services - opportunities and limitations
- CDM registry online VC tool
CDM registry is only open to non-AIP and their authorized PPs. Parties and PPs can have HA. They can hold only units from projects they participate in.

CDM Registry only: (1) forwards units from the PA to HA of PPs in the CDM Registry or in NR AIP; or (2) cancels units in the VCA.

FPs request cancelation from the PA; HA representatives request cancelation from HAs.

Legend

| PP – Project Participant | FP – Focal Point |
| PA – Pending Account     | HA – Holding Accounts |
| VCA – Voluntary          | Voluntary            |
| Cancelation Account      | Cancellation Account |
| ITL – International      | Transactional Log    |
| NR – National Registry   | AIP – Annex I Party  |

CDM Registry publishes information on voluntary cancelation

https://cdm.unfccc.int/Registry/index.html

NR AIP do not publish information on voluntary cancelation. Units that have left the CDM Registry can only be canceled in NR.AIP
# The CDM registry and AIP registries

<table>
<thead>
<tr>
<th>CDM registry</th>
<th>AIP registries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Only NAIPs and PPs can hold CERs</td>
<td>Open to overseas clients</td>
</tr>
<tr>
<td>Transactions limited to forwarding and cancelation</td>
<td>Support emissions trading (but ETS limitations)</td>
</tr>
<tr>
<td>CP1 CERs can subsist and move within the CDM registry after the true up</td>
<td>Carry-over applies</td>
</tr>
<tr>
<td>Limited user interface</td>
<td>Online user interface</td>
</tr>
<tr>
<td>Publicly available attestations of VC</td>
<td>No public information on VC</td>
</tr>
<tr>
<td>No charges apply</td>
<td>Fees apply</td>
</tr>
<tr>
<td></td>
<td>Operations subject to Kyoto eligibility</td>
</tr>
</tbody>
</table>
Domestic scheme design considerations

- A NAIP have to establish/consider:
  - Eligibility rules for CERs and entities
    - Types of CERs – commitment period, sectors, host Party
    - Entities – only PPs or any entity with compliance obligations can use CERs
  - Whether it would issue domestic units
  - Risks for the environmental integrity of their scheme
VC in the CDM registry
In accordance with the provisions to provide voluntary cancellation services in the CDM Registry, this attestation hereby certifies completion of the following voluntary cancellation transaction:

- **Transaction reference:** CDM XXXX
- **CDM project activity reference number:** XXXX
- **CDM project activity name:** XXXXXXXXXXXXXXXXXXXXXXXXXXX
- **Number and type of cancelled units:** XXXX CERs [tCERs / ICERs]
- **Start serial number:** XXXX
- **End serial number:** XXXX
- **Purpose / beneficiary of the cancellation:** XXXXXXXXXXXXXXXXXXXXXXXXXXX
  XXXXXXXXXXXXXXXXXXXXXXXXXXX

**Date of cancellation transaction:** XX.XX.XX / XX.XX.XX

Information concerning the above voluntary cancellation is available on the CDM website at the following link: [http://cdm.unfccc.int/Registry/vc_attest](http://cdm.unfccc.int/Registry/vc_attest)

**CDM Registry Administrator**

**UNFCCC**
CERs cancelled to date in the CDM Registry

This page provides a list of all CERs that have been cancelled to date in the CDM Registry for voluntary purposes. View list of CERs cancelled in national registries.

Total CERs/CERs voluntarily cancelled to date: 1,908,875

For more information on the voluntary cancellation of CERs click [here](https://cdm.unfccc.int/Registry/vc_attest/index.html).

<table>
<thead>
<tr>
<th>Project/POA number</th>
<th>Project name</th>
<th>Project type</th>
<th>Host country</th>
<th>Quantity of units cancelled</th>
<th>Unit type</th>
<th>Purpose/Beneficiary</th>
<th>Date of completion</th>
<th>Link to the attestation</th>
</tr>
</thead>
<tbody>
<tr>
<td>847</td>
<td>Up-gradation of Gas Turbine 1 (GT 1) and Gas Turbine 2 (GT 2) of co-</td>
<td>Manufacturing industries</td>
<td>India</td>
<td>6,626</td>
<td>CER</td>
<td>ONGC’s initiative to offset the carbon footprint for the period 1st April 2013 to 31st March 2014 for their five numbers of research &amp; development centres (IDT, IEDOT, IIPSHEM, KOMIPE, CAMPAS). (R&amp;D), one gas processing complex located in Uttar Pradesh, India along with carbon footprint of ONGC’s employee business related air travel for the period 1st April 2013 to 31st March 2014</td>
<td>06/02/2015</td>
<td>Attestation letter</td>
</tr>
<tr>
<td>814</td>
<td>Waste heat recovery from Process Gas Compressors (PGC5), Mumbai high</td>
<td>Manufacturing industries</td>
<td>India</td>
<td>10,568</td>
<td>CER</td>
<td>ONGC’s initiative to offset the carbon footprint for the period 1st April 2013 to 31st March 2014 for their five numbers of research &amp; development centres (IDT, IEDOT, IIPSHEM, KOMIPE, CAMPAS). (R&amp;D), one gas processing complex located in Uttar Pradesh, India along with carbon footprint of ONGC’s employee business related air travel for the period 1st April 2013 to 31st March 2014</td>
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VC in the CDM registry and reissuance of domestic units
VC in AIP registries

AIP NR do not publish information on voluntary cancelation. Units that have left the CDM Registry can only be canceled in AIP NR.