



**Intervention prepared by Climate Action Network International for the AWG-KP Contact Group on emissions trading and the project based mechanisms**

April 7, 2009

Thank you, Chair. I am speaking on behalf of world-wide more than 450 environmental and development NGOs in Climate Action Network International (CAN).

Distinguished delegates, we'd like to remind you of the most important issues first:

1. Credited actions in developing countries must not replace ambitious **domestic** emission reductions in all industrialized countries nor support for mitigation and adaptation in developing countries.
2. Furthermore, the **current** additionality testing is not appropriate to filter out business-as-usual emission reductions and CAN therefore requests that any post 2012 instrument that credits emission reductions in Non-Annex I countries involve a much more effective means.

As repeatedly stressed by CAN, it is not acceptable to include nuclear power and CCS in the CDM. In the forestry sector, CAN does not support the inclusion of REDD in the CDM and does not recommend any additional LULUCF activities.

We think that there is merit in further careful consideration of sectoral crediting below a previously established no-lose target. It is imperative that these targets are ambitious and set well below business-as-usual projections to avoid creating non-additional credits. Credited reductions have to be complementary to – and not a replacement of – MRV-able support by Annex I parties for emission reductions in developing countries. As currently probably only few sectors in few developing countries would be suitable for this approach, support is also required for capacity building to avoid excluding a majority of developing country parties.

As stated above, credited actions in developing countries must not replace ambitious domestic reductions in Annex I countries or support under the Bali Action Plan. In this context, discounting of CERs could be further investigated to provide a net benefit to the climate, thus “moving the CDM beyond offsetting,” as long requested by CAN.

Distinguished delegates, to conclude, CAN wants to stress again that ambitious **domestic** reductions by all industrialised countries and supported mitigation action in developing countries are required in the future and any flexible mechanisms must ensure that these important elements are not offset against each other.

Thank you, Madame Chair.

*The complete March 2009 CAN submission on this agenda item can be found on the UNFCCC website: <http://unfccc.int/resource/docs/2009/smsn/ngo/119.pdf>*