

# Certified Emission Reductions (CER) - Clean Development Mechanism Projects (UNFCCC-CDM)

The Kyoto Protocol reflects its signatory countries' commitment to reducing emissions. Greenhouse gas-emitting companies are now subject to strict emissions quotas. If they exceed these quotas, companies can offset their emissions through a number of flexible mechanisms.



One of these is the Clean Development Mechanism (CDM), a means of investing in emissions reduction projects in developing countries. The validation and verification of such projects falls to companies with the power to issue tradable certified emission reduction (CER) credits, each of which equates to one tonne less of CO<sub>2</sub> emitted.

## CDM PROJECT OBJECTIVES

On the one hand, the CDM is a tool intended to stimulate sustainable development in the projects' host countries by providing them with specialist knowledge of advanced, environmentally friendly technologies.

On the other, the Clean Development Mechanism helps developed countries to meet their commitment to reducing emissions as they can use their CER credits to offset their greenhouse gas emissions.

In addition, proceeds from the CDM go towards the UNFCCC Adaptation Fund, which was set up to finance climate change adaptation projects and programmes in the most vulnerable countries.

## BENEFITS OF REGISTERING CDM PROJECTS

Registering a CDM project offers a range of benefits to the project developer, including:

- Increasing the project's profitability – in some cases making it possible at all – thanks to the additional funding provided by the CER credits
- Improving the company's image, since this is a voluntary process
- Boosting the company's competitiveness
- Promoting sustainable development around the world
- Meeting the agreed emissions reduction targets
- Launching activities in emerging economies

## HOW CER CREDITS ARE GENERATED

The CDM's credit generation process comprises the following steps:

- Project registration (following validation)
- Verification of emissions reductions (with a view to credit allocation)
- Renewal of the credit-generation period (validation for which is dependent on the project in question and the options chosen)

The CER credits constitute an additional source of funding for the CDM projects themselves as the income generated through the sale of these credits enhances the projects' profitability. The credits are available for purchase by developed countries who choose to invest in CDM projects in order to meet their emissions reduction targets.

Verification can be organised to suit the needs of the client and project in question, taking place over a longer or a shorter timescale. Although it is common practice, annual verification is not a requirement.

## WHY CERTIFY WITH APPLUS+ LABORATORIES?

Applus+ Laboratories boasts a network of highly qualified auditors with in-depth experience of the following accredited fields:

- Biomass for the generation of heat and power
- Changes in the use of fossil fuels
- Solar, wind, hydroelectric and geothermal power (renewables)

- Energy efficiency (improvements in biomass cooking equipment, efficient lighting and climate control solutions for homes and industry, efficient methods of pumping water, etc.)
- Management of solid waste (capture of biogas in landfills for power generation, waste treatment and recycling systems, incineration, gasification)
- Sewage treatment systems
- Management of waste arising from cattle farming and animal husbandry

We are also an Accredited Independent Entity (AIE) for Joint Implementation (JI) projects. These projects run on an annual cycle and generate credits known as ERUs. What sets JI projects apart is that they take place in developed countries that have committed to reducing emissions under the Kyoto Protocol. They and the CDM are the two key pillars underpinning the fight against climate change.

Applus+ Laboratories is a globally renowned, independent and impartial body accredited by the UNFCCC (United Nations Framework Convention on Climate Change). It is a member of the Applus+ Group, a leading testing, inspection and certification company with a presence in 70 countries and more than 20,000 employees.

Applus+ Laboratories team of highly qualified auditors has proven experience in each of the accredited fields. They are based around the world and can therefore provide our clients with a high-quality, efficient, cost-effective and global service.

For **more information and documentation** about CDM validation and verification projects [follow this link](#). Once there select the entity **UNFCCC (United Nations Framework Convention on Climate Change)** and then the procedure you want to review.