“Proyectos clima”

Emission reduction projects program

Maria Jose Alonso Moya
Spanish Office for Climate Change
Spanish Minstry of Agriculture and Fisheries, Food and Environment
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Content

- Context: FES-CO2 Carbon Fund
- What “Proyectos Clima” are?
- Climate projects objectives
- Steps to become an elected project
- Real examples
FES-CO2: Carbon Fund For a Sustainable Economy


- At national level, FES-CO2 makes possible a new initiative: “Climate Projects”

FES-CO2 will conduct its activities primarily at national level.
FES – CO2. Financial support.

FES-CO2 provides financial support to projects that reduce emissions in Spain by purchasing CO2 emissions reductions.

- Project proponent own resources
- Profitability threshold
- FES-CO2 support
- Additional finance sources or support schemes
What “Proyectos Clima” are?

• GHG emissions reduction projects in the non-ETS sectors in Spain.
• Payment per tone of CO2 equivalent (tCO2e) being reduced and verified

✓ Non ETS sectors:

<table>
<thead>
<tr>
<th>Building</th>
<th>Agriculture</th>
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<tbody>
<tr>
<td>Fluorinated gases</td>
<td>Waste</td>
</tr>
<tr>
<td>Transport</td>
<td>Non ETS Industry</td>
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</table>

✓ Inspired by Kyoto project based mechanisms
“Proyectos Clima” objectives

- Contribution to fulfil our climate change commitments
- Transition to low carbon sustainable economy
- Enhancement of economic activity, growth and employment
• **Payment:** FES-CO2 pays once the ERs are verified. At this moment **9,7 €/tCO2e** (revised annually).

• **Purchase schedule:** Verified emission reductions of each project acquired during the **first four years** of the project.

• **Emission Reductions estimation:** based on approved methodologies by FES-CO2.
Elegibility:

- Projects developed in Spain
- Additionality: not required by other sectoral regulation
- Measurable and verifiable emission reductions
- Facilities not covered by the EU Emissions Trading Scheme (EU ETS)

“Measurable” emissions reductions. Comprehensive monitoring must be provided. Guaranteed by third independent verification. Can be reflected in the national GHG inventory. Methodology approved by FES-CO2.
Climate Projects Cycle

1. Project Ideas (PIN)
2. Preselection
3. Verification
4. Contract
5. Implementation and Monitoring
6. Assessment and Final Selection

**Climate Projects Cycle**

**VERIFICATION**
- Verification reports 1, 2, 3...

**IMPLEMENTATION AND MONITORING**
- Monitoring reports 1, 2, 3...

**ASSESSMENT AND FINAL SELECTION**

**DP - Final Proposals**
- ER estimate
- Monitoring plan
Verifications and payments since 2013.
More than 130 payments from 60 different projects

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Climate projects and energy efficiency

- EE mainly in these sectors:
  - Transport
  - Buildings
  - Non-ETS industries
  - Agriculture

It is an “evolving” list, innovative projects will always be an asset
For the time being:

- For the transport sector
  - Electric vehicles
  - Road transport swift to railway
  - Improving driving efficiency
For the building sector:

- Energy renovation (refurbishment)
- Heat pump projects to reduce fossil fuel consumption for energy in new or existing buildings or a district hub.
- Reducing fossil fuel consumption (district heating)
Climate projects are efficient, therefore their future is guaranteed → New ideas, new projects
Thank you