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# Establishment of MRV System for TVERS and TVETS in Thailand

タイ自主削減クレジット制度(TVERS)及び タイ自主参加型排出量取引制度(TVETS)に おけるMRVシステムの構築に向けて

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Thailand Greenhouse Gas Management Organization (Public Organization) (TGO)



# Overview of Thailand Policy on Climate Change タイの気候変動対策概要

National Policies / Plans on climate change & environment 11<sup>th</sup> National Economic and Social Development Plan 2012-2016

Government Policy of the Prime Minister H.E. Ms.Yingluck Shinawatra

Ministry of Natural Resources and Environment (MoNRE)

National
Strategic Plan on
Climate Change
2008-2012

*Draft* National Master Plan on Climate Change 2011-2050

National
Environmental
Quality Management
Plan 2012-2016

Specific plans

### Ministry of Energy

Energy Conservation Plan 2011- 2030 Alternative Energy Development Plan 2008 - 2022 Ministry of Transport National Transport

**Master Plan** 

2011-2020

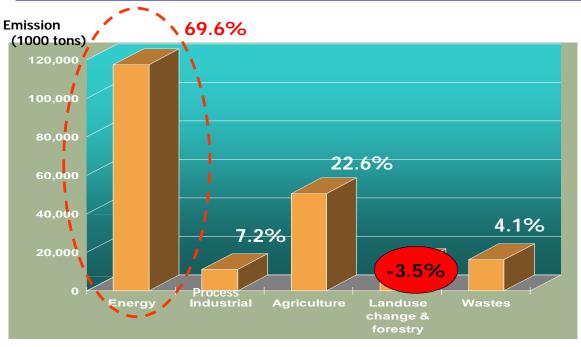
National Industrial Development Master Plan 2010- 2014

Ministry of Industry Ministry of Agriculture and Cooperative

(Draft) Strategic Plan on Climate Change in the Agricultural Sector



### Thailand GHG Emission in 2000 タイの温室効果ガス排出量(2000年) ~ 229.08 MtCO2e



Sources of emission by sector

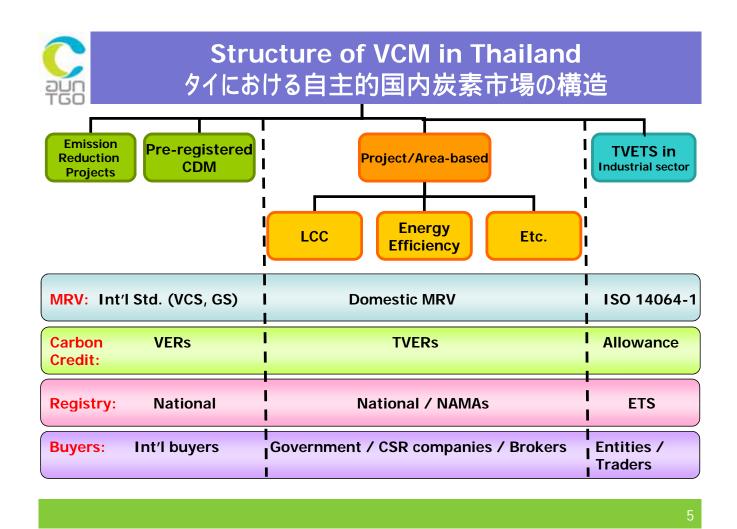
Source: Thailand 2<sup>nd</sup> National Communication (www.tgo.or.th)

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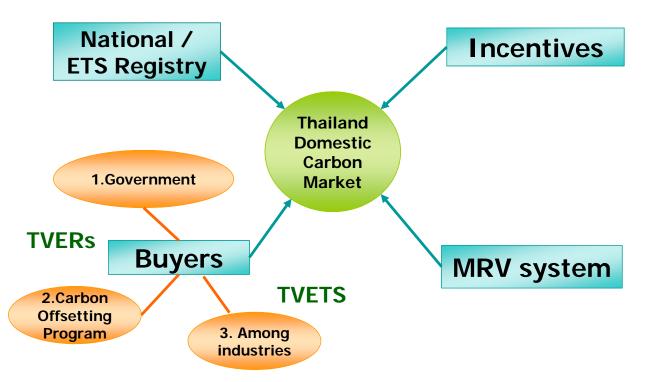
### Objectives of Establishing Voluntary Domestic Carbon Market 自主的な国内炭素市場を構築する目的

- Currently, there is no domestic market established in Thailand, but Clean Development Mechanism (CDM) was achieved in which carbon offsets are sold to external buyers in international compliance markets.
- Objectives of Establishing Voluntary Domestic Carbon Market
  - Support voluntary GHGs reduction activities
  - Achieve cost-effective GHGs reduction
  - Learn how to manage domestic emission trading / carbon offsetting
  - Encourage private companies who attempt to reduce their GHG emissions with their own targets on voluntary basis by giving economic incentive





# Development of Infrastructure for VCM 自主的国内炭素市場のためのインフラ整備





# International Cooperation on Development of VCM in Thailand タイにおける自主的炭素市場の構築に向けた国際協力

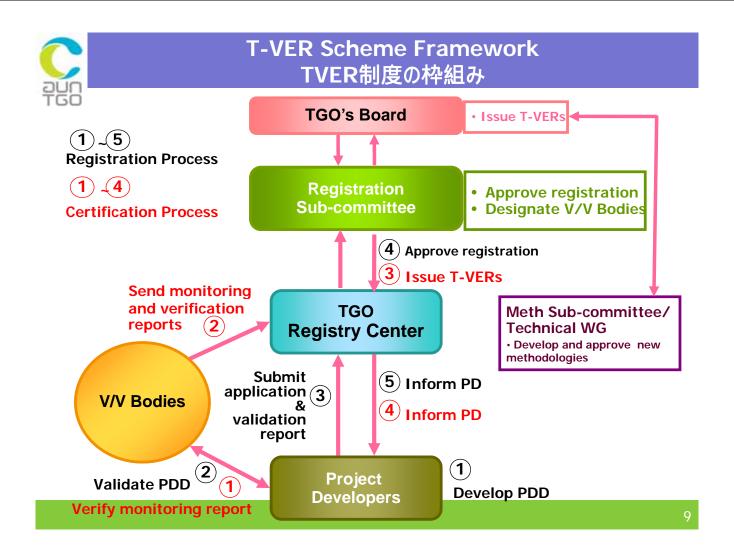
- Capacity Building and Consultation on Establishment of Thailand Voluntary Emission Reduction (T-VER) Program and Thailand Voluntary Emission Trading Scheme (TVETS) – Implemented by IGES and supported by MoEJ (2011-2012)
- The Project for Dissemination of Korea Voluntary Emission Reduction Program (KVER) to Thailand (Phase I-II) – Implemented by Korea Energy Management Corporation (KEMCO) and supported by Global Green Growth Institute (GGGI) (2011-2012)

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# Development of Thailand Voluntary Emission Reduction (TVER) Scheme タイ自主削減クレジット制度(TVER)の開発

- Domestic Voluntary Carbon Offset
  - Baseline-and-credit system
- Eligible project types
  - energy efficiency, fuel switching, landfill, reforestation
- Use of TVERs
  - By domestic companies, public institutions and other entities for Corporate Social Responsibility (CSR) purposes and for offsetting emissions.
- Methodologies
  - under development





# Pilot Project to Establish MRV System for TVERS TVERにおけるMRVシステム構築のためのパイロット事業

- Sector chosen for trial MRV: building
- "A Pilot Project for Increasing Energy Efficiency and Reducing GHG in Building Sector"
  - supported by TGO in collaboration with Department of Alternative Energy Development and Efficiency (DEDE) and KBank PLC and implemented by KMUTT
- Trial MRV to be conducted with 10 participating buildings and shorter monitoring period (1/2 yr)
- Comparison of various PDD format (J-VER, CDM, etc) to be done to select the most appropriate one for TVER
- develop MRV guidelines that can be integrated or in line with the Monitoring and Measuring (M&V) guideline in energy audit in buildings.

### **Long-term Schedule for TVER Scheme Development** TVER制度開発のための長期スケジュール

Target for

starting T-VER: Oct 2013-FY2011 FY2012 Jan.-Mar. 2013 Jul.-Sept. Oct.-Dec. Apr.-Jun. (2012)Preparation of administration, IT system Decisions on issues for full operation **PDD TGO** format Establish Modification of rules ment of Developing guidelines & meths & guidelines based on the **Kmutt** the results of trial MRV scheme Univ. Researches and decisions on issues for full operation Providing instructions to participants Review of guidelines & **IGES** meths **TGO** Recruitment of Implementation of trial MRV participants **KMUTT** Trial Univ. MRV Consultation for implementation of trial MRV and related issues



### **Development of TVETS** タイ自主参加型排出量取引制度(TVETS)の開発

- Consultation meetings with industry
- Research Studies

**IGES** 

- "A Pilot Project on Voluntary Carbon Market Development in Industrial Estates" - TGO, IEAT and Faculty of Natural Resources and Environment, Mahidol University
- "Development of Voluntary Emissions Trading Scheme in Thailand for Industries, Phase II" - TGO and Faculty of Economics, Thammasart University
- "Development of Voluntary Emissions Trading Scheme in Thailand for Industries, Phase III" - TGO and Faculty of Economics, Thammasart University
- Consultation meetings with IGES experts



# Results from Research Studies & Discussions (1) 研究調査及び議論の結果(1)

#### Calculation of GHG Emissions from Industries

- GHG emissions of each industry are categorized into direct emissions (Scope 1) and indirect energy emissions (Scope 2)
- comparing GHG emission sources of the 11 manufacturer groups from 2000 to 2005
- 5 biggest emitters are the manufacturers of non-metallic products, manufacturers of food and beverages, the chemical industry, other manufacturing industries, and manufacture of metal products.

#### GHG Emission Reduction Potentials of Thai Industries

- Bottom-Up approach, are lower than 10%
- Benchmarking approach, are in the range of 20%-70%
- Selection of Target Industries (3 approaches)
  - select sectors with high GHG emissions
  - select a subsector(s) from each production sector
  - allow the firms to enter the carbon market voluntarily without identifying target industries.

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# Results from Research Studies & Discussions (2) 研究調査及び議論の結果(2)

#### Determination of Emission Baselines

- 5 approaches: grandfathering, benchmarking, self-determination, negotiation and auction/sale of allowances.
- benchmark is very difficult to set and although grandfathering approach is simple, the issue of how to treat early action remains.
- grandfathering for trial phase and further consider this issue later on.
- include both Scope 1 and Scope 2, but it is necessary to discuss with participants on how to avoid double counting.

#### Determination of Reduction Targets

- absolute reduction target, site-based will be set for the trial phase.
- allowances will be allocated free for the participating industries

#### Gas coverage

- GHG emissions from agricultural sector account for 22% of the total emissions. Industry can also significantly reduce GHG emissions by improving waste water treatment. On the other hand, there is high uncertainty in measuring CH<sub>4</sub> and it is difficult to guarantee a consistency between CO<sub>2</sub> and CH<sub>4</sub> emissions in terms of the quality of data.
- Based on discussions between IGES and TGO experts and responses from the industry, it was decided to include only energy related CO<sub>2</sub>.

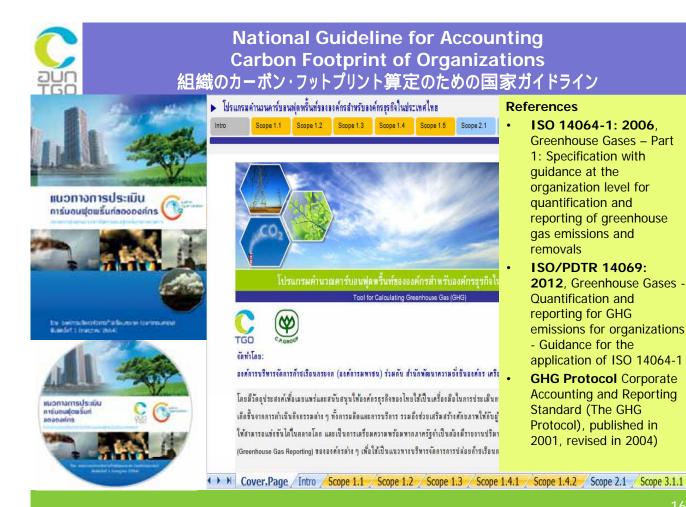


### **MRV for TVETS TVETS**のためのMRV

### **Monitoring** and reporting guidelines

- Equivalent to JVETS Monitoring and Reporting Guidelines (?)
- Suggest appropriate CO<sub>2</sub> emissions monitoring and reporting by participants
- **Emission** verification guidelines
- Encourage appropriate emissions verification for the third-party verifiers

- Ensure consistency with International standards such as ISO 14064 series and ISO 14065
- Secure high accuracy in emissions calculation and verification
- Achieve costeffective verification which contributes to total cost cut of emissions reduction for participants









**Bangkok Aviation Fuel Services Public Company Limited** 







องค์กร rganization











2011 => 4 pilot municipalities 2012-13 => 23 municipalities

#### **Long-term Schedule for TVETS Development** TVETS開発のための長期的スケジュール

**Finalization of** guidelinies

Long-term goal:
• 2013: trial trading
• 2014 (to be decided): start TVETS

FY2012 FY2011 Jan.-Mar. (2012) Apr.-Jun. Jul.-Sept. Oct.-Dec. 2013 Amendment of implementation rules Preparation of administration, IT system Decisions on TGO Developing M&R issues for full Developing verification guideline guidelines operation Establish Considering ment of Modifying how to Investigation on practice of monitoring supplement the rules & the current guidelines scheme monitoring Instructing Review of **IGES** Review of participants guidelines guideline Thamma Researches and decisions on issues for full operation sart Univ. Consultation with stakeholders TGO Recruitment of Implementation participants, instruction Trial of trial MRV MRV Consultation for implementation **IGES** of trial MRV



## Thank you ありがとうございました





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