

Bilateral Offset Crediting Mechanism in Bangladesh

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Bangladesh: A south Asian country



Bangladesh: Country context and vulnerability

Recognized as one of the most climate vulnerable countries in the world

- ❑ Unique geographical location
- ❑ Deltaic landscape, 80% floodplain
- ❑ Population density very high (1045/km²)
- ❑ Disaster prone, people are exposed to natural hazards
- ❑ Natural resources based economy

Economic Growth and Stability

- **GDP Growth Rate**- Consistent with around 6.0% over the last decade
- **Annual Export Earnings**- Around 24 billion USD
- **Foreign Currency Reserve**- More than 21 billion USD

BOCM-Low Carbon Growth Partnership

Purposes:

- To facilitate diffusion of leading low carbon technologies, products, systems, services, and infrastructure as well as implementation of mitigation actions, and contributing to sustainable development;
- To appropriately evaluate contributions to GHG emission reductions or removals from developed countries in a quantitative manner, through mitigation actions implemented in developing countries, and use those emission reductions or removals to achieve emission reduction targets of Japan;
- To contribute to the ultimate objective of the UNFCCC by facilitating global actions for emission reductions or removals;

Current Status of BOCM in Bangladesh

- MOU between the Government of Japan and Bangladesh was signed in February 2013
- Joint Committee was established and convened two meetings in 2013 and 2014
- Joint Committee already approved relevant methodologies, procedures, plans, guidelines, etc.
- Joint Committee has started designating Third Party Entities (TPE) for BOCM projects

BOCM Pilot Model Projects

- Brick Production based on Non-Firing Solidification Technology
- High-Efficiency Rice Husk-based Cogeneration
- Solar Power Generation with Long-Life Storage Battery in Non-Electrified Regions

Advantage of BOCM Technology Transfer and Financing Project in Bangladesh

Enabling Policies/Strategies/Legislations around Mitigation

- Bangladesh Climate Change Strategy and Action Plan 2009
- Bangladesh Renewable Energy Policy 2008 and Draft Update
- Interim Action Plan on Improvement of Energy Efficiency and Energy Conservation 2013
- Bangladesh Energy Regulatory Commission Act 2003
- Bangladesh Sustainable and Renewable Energy Development Authority Act 2012
- Draft Energy Efficiency and Conservation Act 2013

Advantage of BOCM Technology Transfer and Financing Project in Bangladesh

- JAPAN the major development partner of Bangladesh
- Public Support in favor of Japanese technology
- Simple and flexible approval procedure compare to CDM
- Investment friendly policy of Bangladesh government

Priority **Sectors** for Mitigation:

- Power generation, transmission and distribution
- Waste to energy
- Transport – road, rail and water
- Energy intensive industries – public and private
- Agricultural sector – solar water pumping for irrigation
- Residential/commercial – natural gas for cooking; buildings
- Cross-sectoral options (boilers; hollow bricks; compressed bricks)
- Renewable Energy (solar PV, biomass and wind)

Issues related to BOCM Technology Transfer and Financing Project in Bangladesh

- Inadequate Capacity of BOCM secretariat
- Tradable vs non-tradable mechanism
- Still negotiation is on going in UNFCCC forum

Thank you