ISSUES

• Background
  – Bolivia
  – Kyoto Protocol
  – Clean Development mechanism

• Institutional framework
  – National Clean Development Office (NCDO)
  – Vision
  – Mission
  – National Framework
  – NCDO Framework

• Approval procedure
• Milestones
• Attractive environment investment
• CDM potential in Bolivia
BOLIVIA

Population 8,274,325 inhabitants (2001)


GDP Growth 2.45% (2003)


GHG emissions per inhabitant 0.008878 ton CO₂-equivalent

Ratification Bolivia ratified the UNFCCC in 1994 with its National Law Nº 1576

UNFCCC

National Communication First National Communication on climate change under the Convention, 2000
<table>
<thead>
<tr>
<th><strong>Policy on Climate Change</strong></th>
<th>National strategy for implementing the UNFCCC, Strategy for Participation in the CDM and other trading schemes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Designated National Authority (DNA)</strong></td>
<td>Viceminister for Natural Resources and the Environment</td>
</tr>
<tr>
<td><strong>Promotional Entity for CDM Projects</strong></td>
<td>National Clean Development Office (NCDO)</td>
</tr>
<tr>
<td><strong>Memorandums of Understanding</strong></td>
<td>Netherlands / Canada/ Austria/Spain</td>
</tr>
<tr>
<td><strong>Registered projects</strong></td>
<td>Landfill Gas Combustion Project, expected registration June 3, 2005</td>
</tr>
</tbody>
</table>
NCDO VI SION
The full implementation and national participation on innovative mechanisms for the mitigation of climate change which, at the same time, support poverty reduction and sustainable development in the country.

NCDO MISSION
Politics and principles sustained by the Clean Development Office are oriented to:

- Foster, guide and support sustainable development activities through the participation in Kyoto market and other trading schemes.
- Promote the generation, development, implementation, and marketing of CDM projects in Bolivia.
- Support and promote the equal participation of all sectors in the carbon market under the KP and other trading schemes.
OBJECTIVES

- PROMOTION AND TECHNICAL SUPPORT FOR CDM PROJECTS AND PARTICIPATION IN OTHER TRADING SCHEMES
- EVALUATION, APPROVAL AND MONITORING CDM PROJECT IN THE SUSTAINABLE COMPONENT
NCDO FRAMEWORK

• The NCDO framework is basically conformed by two areas Promotion and Technical Support (PTS) and Evaluation and Approval (EA), both areas are subdivided in:
  – Energy and Industrial Sector (EIS)
  – Land Use, Land-Use Change and Forestry sector, especially the Afforestation and Forestation activities (LULUCF)
  – Marketing and communication
  – Public Projects (Programatic CDM)

• All these sectors are coordinated by the NCDO Coordinator.
APPROVAL PROCEDURE

• The approval procedure is simple, efficient and transparent
• Specific timeline
• Tracking available on the web
• Guidelines for the presentation of the CDM projects clear and available
APPROVAL PROCEDURE

Entry in the approval system (1)

PIN

Approval of the PIN

Sectoral Letter of Non-Objection

Issuance of Note of Interest (DNA)

Formulates the Project Document Design (PDD)

Revision

PDD reformulation

Approval

Rejection

Issuance of the Approval Letter by the Designated National Authority (DNA)

Entry in the approval system (2)

Sectoral Note of Non-Objection
Bolivia has generated the optimal conditions and capabilities to be competitive in the CDM with high quality projects.

• The National Program on Climate Change (NPCC) was created under the Viceministry for Natural Resources and the Environment. The role of the NPCC is to comply with the Bolivian obligations under the UNFCC. The NCDO operates under the NPCC becoming the logical step forward for established and solid institutional framework to deal with aspects of climate change like mitigation and adaptation.

• **PRODUCTS:**
  - Initial Evaluation of necessities of Technology for the Global Climate Change in Bolivia, 2003.
Bolivia has a great potential in the energy sector due to its large renewable and non-renewable resources. Moreover, Bolivia has the second place in South America in natural gas reserves.

According to the studies done by NPCC (2003) the sectors which contribute with the most of the emission of GHG in Bolivia are: Transport (44%), Energy Industries (23%), Manufacture and construction (12%) and residential (12%). The estimated total emissions in the energy sector were 7.2 millions of tCO2 for 2000 year.

The energy sector has an average emission reduction potential of 1.8 millions of tCO2/year (National Strategy Study, 2001).
WHY BOLIVIA IS A GOOD ALTERNATIVE TO INVEST IN THE CDM PROJECTS?

☑ Bolivia is classified among the eight countries which have the greatest biodiversity due its variety of ecological regions and its outstanding diversity in plants and animals.

☑ According to studies done by NPCC (2003), the Land Use, Land Use Change and Forestry (LULUCF) activities represent the 85% of the total emissions of CO2 of Bolivia.

☑ Afforestation and Forestation activities have an emission reduction potential of 35 millions of tCO2 for the 2001-2012 period (National Strategy Study, 2001).
The potential activities for CDM projects in Bolivia are:

- **Energy**
  - Switching fossil fuels for energy production
  - Energy efficiency
  - Emission reductions by low greenhouse-gas emitting vehicles, using natural gas
  - Rural electrification based on renewable energy
  - Energy production from landfill gas

- **Waste management**
  - Capture of landfill methane emissions
  - Utilization of waste and waste water emissions

- **Forestry**
  - Afforestation and reforestation activities
  - Bolivia expects that in the future could generate CERs from activities such as forests conservation, reduce impact logging, natural regeneration of forests, alternatives to migratory agriculture and enhancement of protected areas.