DELPHI SURVEY RESULTS
ISSUE 5.1:
CLEAN DEVELOPMENT MECHANISM (CDM)

Issue 5: Offset Policies

Offset policies for net-zero emissions refer to strategies and regulations implemented by governments, organizations, or industries to balance their greenhouse gas (GHG) emissions by either cutting emissions elsewhere or removing an equivalent amount of GHGs from the atmosphere. These policies are integral to the larger goal of reaching net-zero emissions, where emissions reductions or removals equal the total GHG emissions produced.

5.1 Clean Development Mechanism (CDM)

5.2 Carbon Border Adjustment Mechanism (CBAM)

5.1 Clean Development Mechanism (CDM)

Clean Development Mechanism (CDM) refers to strategies employed by economies to achieve their greenhouse gas (GHG) reduction objectives by investing in emission-reduction projects located in other economies. These corresponding initiatives generally generate carbon credits, which can be traded domestics or internationally.

The CDM examples, in this survey, are as follows.

i) Trading and Compliance (Emission Trading System (ETS))

ETS often involves a carbon pricing mechanism, such as the auctioning or trading of emission allowances. The projects that generate the verified carbon credits (Certified Emission Reductions or CERs) can enter these markets.

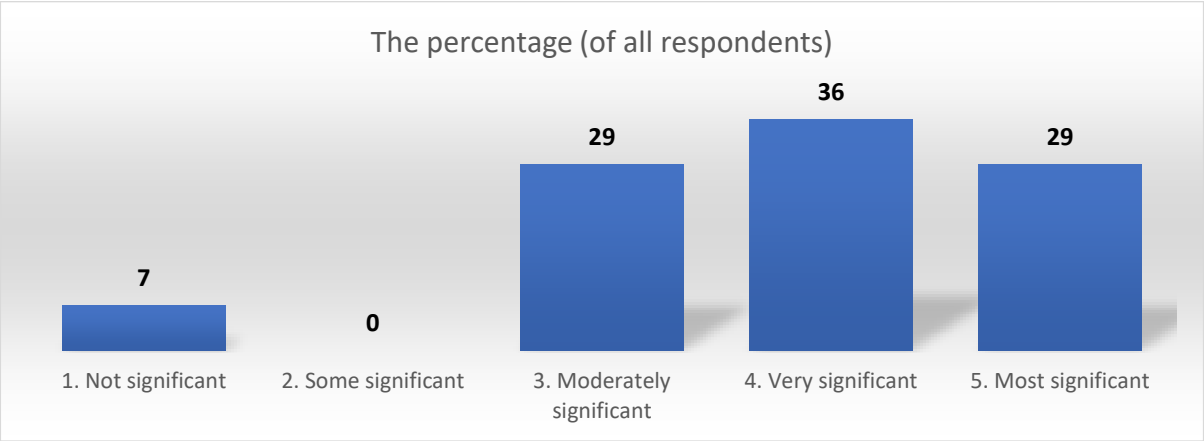
ii) Certification and Verification (Renewable Energy Certificates (RECs))

Certification and verification processes, such as the issuance of RECs, are critical for maintaining the environmental integrity of CDM projects. They help confirm that the renewable energy generated and associated emission reductions are genuine, measurable, and comply with international standards.

In 2023, APERC (Asia Pacific Energy Research Centre) published a series of reports on “Renewable Energy Certificates (RECs) in six APEC Southeast Asian economies”, along with several case studies on RECs across the APEC region.

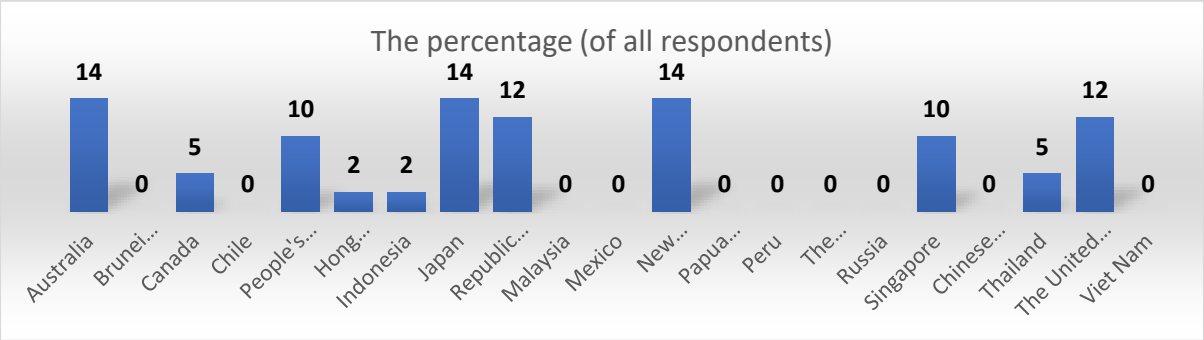
Concerns have been raised about the pros and cons of RECs. Such concerns likely stem from the desire to ensure that the economic and environmental benefits of renewable energy production remain within economies where the energy is generated. When unbundled RECs are traded across borders, it can result in economic value associated with renewable energy generation flowing out of producing economies.

1. On a scale of 1 to 5, please rate the level of significance of the CDM implementation in progressing towards achieving net-zero emissions.



Vote	Comment
5. Most significant	the transition is to be well managed for sustainability
1. Not Significant	Exchange CDM credit only produce zero emission INCREASE, Which does not produce any real reduction in emissions. Unless CDM only can transfer 80%-90% of the credits generated.

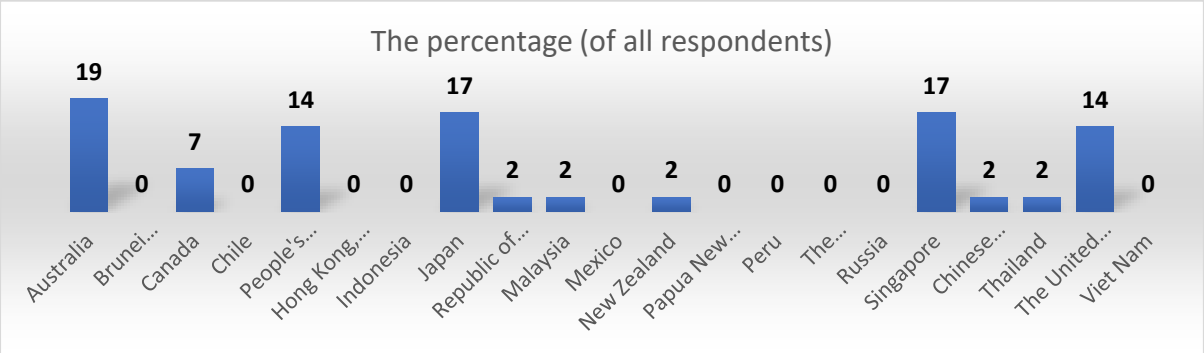
2. Based on your justification, please select three APEC economies that their emission trading scheme (ETS) are implemented effectively.



Vote	Comment
Indonesia	• long term experience in adaptation • long term experience in adaptation, we don't have data on all the countries, but choose this example
New Zealand	• great lessons learned • great lessons learned and good policy making experience • New Zealand implemented an ETS, which includes various sectors such as forestry, energy, and industry. The country has been refining its ETS to improve effectiveness and achieve emission reduction goals.
Thailand	cultural quality cultural quality as a good long term governance experience to look at
People's Republic of China	While not a member of APEC, China is a significant player in the Asia-Pacific region. China has been gradually expanding its pilot

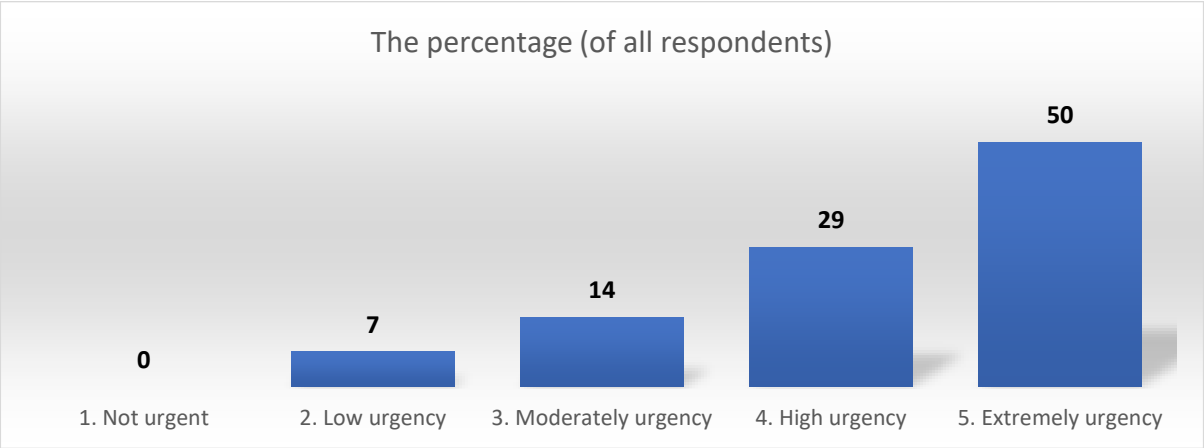
Vote	Comment
	emissions trading programs, with plans for a nationwide ETS covering multiple sectors.
Republic of Korea	South Korea has implemented an ETS covering various industries, including power generation, manufacturing, and buildings. The country has been actively working on strengthening and expanding its ETS to achieve its emission reduction targets.

3. Based on your justification, please select three APEC economies that their Renewable Energy Certificates (RECs) are implemented effectively.



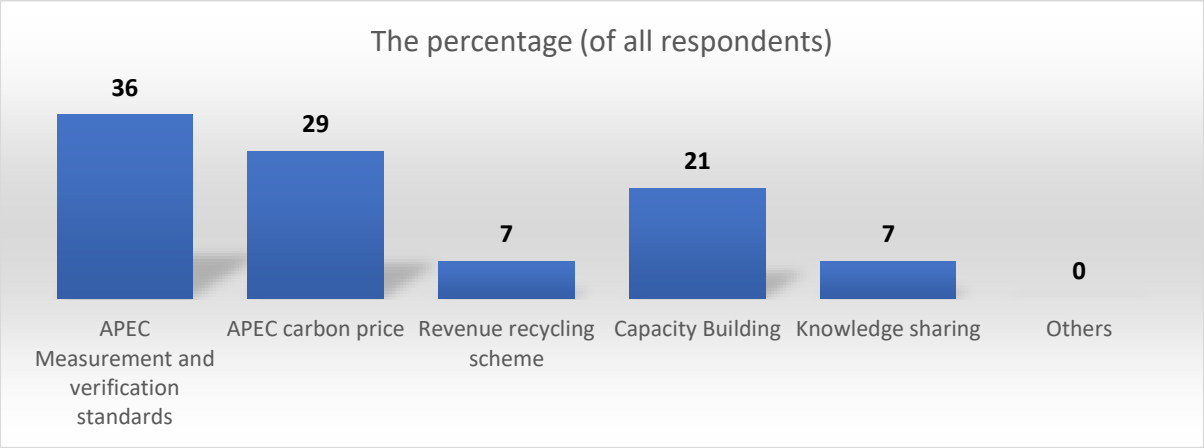
Vote	Comment
Canada	feasible processes
Japan	success in procedures
Singapore	governance models
Australia	Australia has a well-established REC program known as the Renewable Energy Target (RET), which includes the creation and trading of RECs. The scheme aims to encourage the generation of renewable energy and has been an integral part of Australia's efforts to transition to a cleaner energy mix.
Japan	Japan has been working on promoting renewable energy, and it has introduced a system for trading renewable energy certificates. The country is making efforts to increase the share of renewable energy in its overall energy mix.
Chinese Taipei	Taiwan has implemented a Renewable Energy Certificate system to incentivize the development and use of renewable energy. The system allows for the creation, trading, and retirement of certificates to demonstrate the use of renewable energy in electricity generation.

4. On a scale of 1 to 5, please indicate the level of urgency for the establishment of APEC standards, particularly ETS and REC to achieve net-zero emissions.



Vote	Comment
5. Extremely urgency	because our planet is now not so much Atlantic but Pacific centered

5. To what extent do you believe the collaboration amongst APEC economies needed regarding CDM are driving progress towards net-zero emissions?



Vote	Comment
APEC Measurement and verification standards	standards allow steady steps
APEC carbon price	In my opinion, the money return (carbon price) is the most critical factor to encourage and drive the progress of the net-zero scheme. If the carbon price is low, it is less likely that net-zero projects will be active. Other issues are already available, achievable, or manageable.