

# CARBON MARKET

PROFILE  BURUNDI







## Key assumptions

- Data referring to the CDM (projects and programmes) has been taken from the UNEP DTU CDM project and PoA pipelines as of November 2020. In order to remain conservative, we only include registered activities. We did not assess data quality with regard to whether a project is still active, as UNEP is the commonly recognized database drawing directly on UNFCCC Secretariat data. While there is a high degree of uncertainty with regard to the issuance and upscaling potential of individual activities, these are difficult to assess and will be affected by future political decisions. Only PoAs which have an included component project activity (CPA) in the profiled country have been counted.
- While it is clear that in particular the 2030 potential is subject to political decisions and therefore theoretical, it is included as the numbers are based on current CDM activity documents. Whilst all emission reductions may be highly unlikely to be achieved under the CDM, the emission reductions volume may still be relevant e.g. for own NDC contributions by host countries. Moreover, PoAs may experience significant upscaling if carbon markets demand increases, which would add further mitigation potential, since we only included emission reductions from existing component project activities (CPA).
- Any future mitigation potential is expressed in kilotons of carbon dioxide equivalent ( $\text{ktCO}_2\text{e} = 1000 \text{ tCO}_2\text{e}$ ) in order not to prejudge the type of certification that post-2020 mitigation outcomes may be using.
- Voluntary carbon standard data has been taken from the official databases of the respective standard. Verified Carbon Standard data is as of December 2020. Data on Gold Standard (GS) activities have been obtained from the GS registry and complemented by information provided directly from the GS in December 2020. Plan Vivo data was obtained directly from the standard in October 2020.
- Assumptions on CDM transition are based on the current status of the COP25 draft decision documents. While these may change, the delay of COP26 to November 2021 rules out that a final decision can be taken before. Therefore, we give a brief indication of what the proposed cut-off dates for CDM transition may mean on a country level. A recent short study on CDM transition and its relevance for Africa explains key issues in detail.
- Due to the lack of a definition or common understanding of what an Article 6 pilot is, we also include initiatives that aim at implementing carbon market activities beyond the CDM. This includes readiness activities and others aiming at emission reduction transactions.

## Introduction

# EXECUTIVE SUMMARY

Burundi's Nationally Determined Contribution (NDC) aims at reducing greenhouse gas (GHG) emissions by around 16.86 million tCO<sub>2</sub>e by 2030, or a reduction of emissions by 23% compared to the business as usual (BAU) scenario. Around 1.96 MtCO<sub>2</sub>e will be reduced through domestic measures whereas around 14.89 MtCO<sub>2</sub>e reduction will be conditional on international support (Republic of Burundi 2015).

Full implementation of the NDC requires around 1.5 billion USD (1.4 billion for mitigation, 3.7 million for adaptation measures and 43.75 million for other activities).

In total 826 carbon credits have been issued in Burundi from the Clean Development Mechanism (CDM)

Burundi hosts 3 CDM projects, and 2 Programmes of Activity (PoAs) with Component Project Activities (CPAs) included that are hosted in the country. One CDM activity has issued 826 CERs. The predominant sub-sector is improved cookstoves.

There are no registered voluntary carbon market (VCM) activities, though 1 CPA, included under the CDM, that is currently seeking Gold Standard certification.

## Carbon Market Portfolio

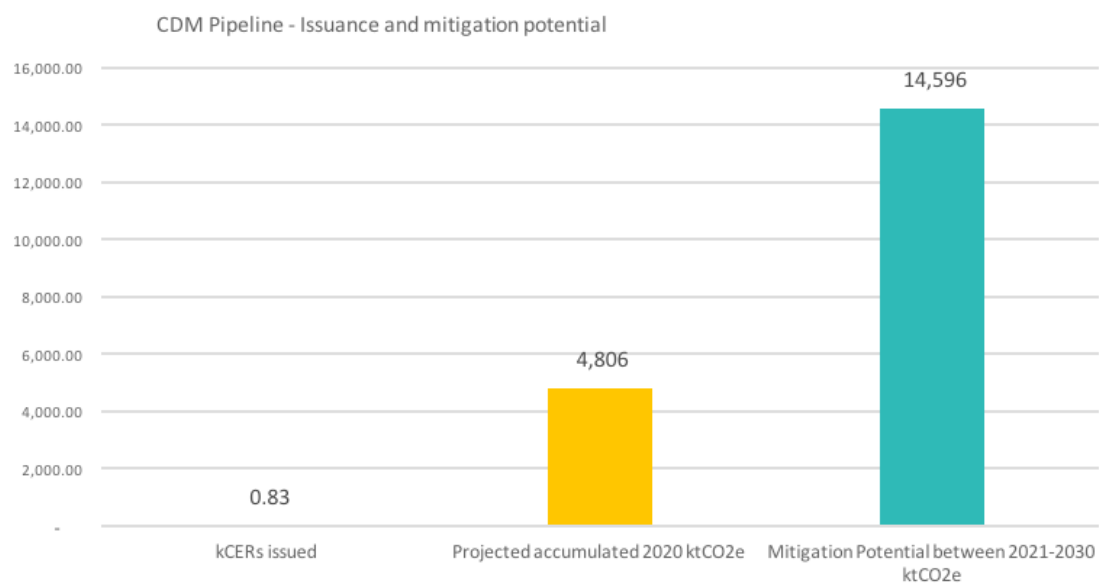
### CDM performance and potential

The registered CDM activities focus on improved cook stoves, with 3 projects for institutional stoves and 2 PoAs for household stoves with a total of 2 CPAs.

The country has issued CDM letters of approval for 3 PoAs in total.

The mitigation potential for registered activities by 2020 reaches 4.8 million tCO<sub>2</sub>e and an additional 14.5 million tCO<sub>2</sub>e between 2021- 2030.

## Issued CERs and 2020&2030 mitigation potential



## Volume of CER issuance and potential of currently registered CDM activities by sector

Activity Type	Subsector	No. of PA	No. of PoA	No. of CPA	kCERs issued	Projected accumulated 2020 ktCO <sub>2</sub> e	Mitigation Potential between 2021-2030 ktCO <sub>2</sub> e
<b>Overall</b>		3	2	2	0.83	4,806	14,596
<b>EE Service</b>	Stoves	3		0		1,619	2,459
<b>EE Households</b>	<b>Stoves</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>0.83</b>	<b>3,187</b>	<b>12,137</b>

Source: UNEP DTU 2020 (November)

## Showcase Activity

### Showcase 1 Activity

The Improved Cooking Stoves Programme in Burundi supported by Republic of Korea (Ref no. 10474) is one of the latest registered PoAs, with 1 CPA. ECOEYE is the Coordinating and Managing Entity (CME). The PoA aims at switching from unsustainable wood fuel for cooking to a sustainable energy supply by using renewable biomass. The PoA has an estimated mitigation potential of around 1.8 million CERs by 2020 and an additional 12 million CERs between 2021–2030 from the existing CPA. This could be significantly upscaled if new CPAs are added. The PoA issued over 800 CERs in a five-day monitoring period in September 2019.

## CDM transition

### What is at stake?

Burundi's registered CDM activities have relatively large mitigation potential despite their limited number. Most of Burundi's CDM activities may become eligible for transition to Article 6, provided UNFCCC rules remain as in current draft documents. The mitigation potential could be increased if registered PoAs can transition to Article 6 and new CPAs are added, including with further technologies. However, the actual potential for scaling up and inclusion of new CPAs should be investigated further considering the limited number of registered PoAs in the country.

The recently issued credits under the registered CDM PoA with South Korean engagement indicates a clear ambition to generate carbon credits beyond 2020, and is therefore likely to seek transition to Article 6 once UNFCCC rules and criteria will be agreed.

3 projects have been registered in 2014. Of the 2 registered PoAs, 1 was registered in 2013 and 1 was registered in 2019. The latest CPA inclusion occurred in 2019.

2 projects have a crediting period lasting until 2021 (renewable) while the crediting period of the remaining project runs until 2023 (renewable). As all crediting periods are renewable, they may become eligible for transition to Article 6.

The 2 included CPAs have a renewable crediting period of 7 years.

## New market mechanisms and Article 6

No Article. 6 pilot activities have been identified yet (UNEP DTU, 2020b). However, South Korean engagement in the most recent CDM PoA indicates a clear post-2020 interest, and may therefore lead to Article 6 activity.

The high mitigation targets of the conditional NDC targets indicate further potential for Article 6 activities.

### Role of CORSIA

Burundi has 1 CPA (household cookstoves) which is eligible under CORSIA.

Burundi has not yet officially communicated if it is willing to join CORSIA's voluntary phase.

## References

Gold Standard (2020) Impact Registry, all projects, <https://www.goldstandard.org/resources/impact-registry> (Accessed December 2020)

Republic of Burundi (2015) Intended Nationally Determined Contribution, <https://www4.unfccc.int/sites/NDCStaging/Pages/Party.aspx?party=BDI> (Accessed July 2020)

UNEP DTU (2020a) CDM pipeline overview, downloaded from <http://www.cdmpipeline.org/> (Accessed November 2020)

UNEP DTU (2020b) Paris Agreement Article 6 Pilot activities, <http://cdmpipeline.org/publications/Article6Pipeline.xlsx> (Accessed June 2020)

UNFCCC (2020) Data base for PAs and PoAs, <https://cdm.unfccc.int/Projects/projsearch.html> (Accessed December 2020)

VERRA (2020) Projects and credit summary, downloaded from <https://registry.terra.org/app/search/VCS> (Accessed December 2020)



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Promoting Climate Action in Eastern and Southern Africa



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