

## RENEWABLE ENERGY

### Clean Development Mechanisms

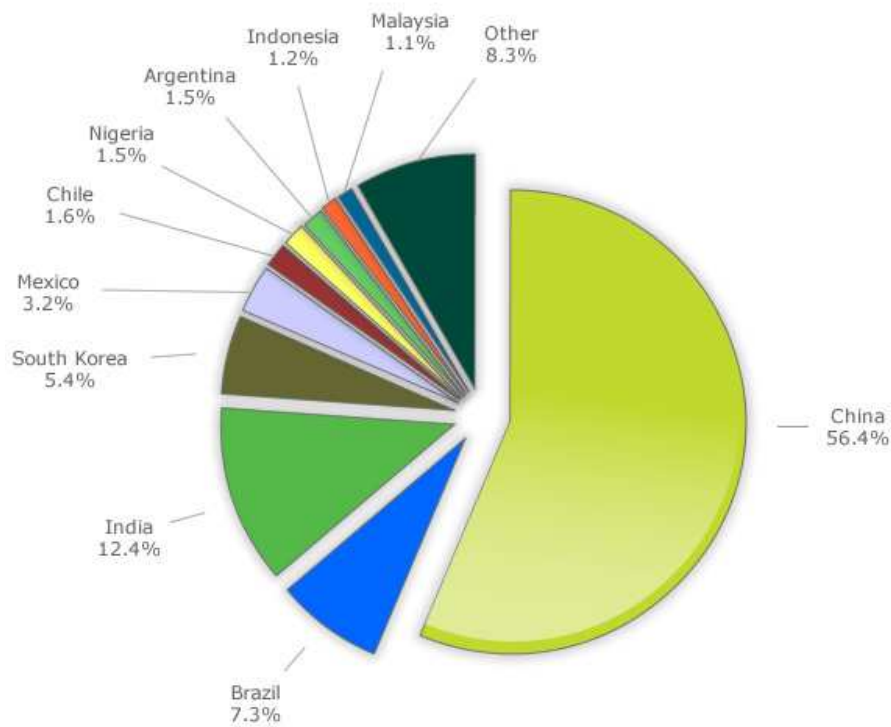
Clean Development Mechanism (CDM), is a mechanism under the Kyoto Protocol for promoting technology transfer and investment from industrialized countries to the developing world for projects focused on mitigating emissions of greenhouse gases. The program provides for industrialized countries to invest in emission-reducing projects in developing countries and to use the resulting Certified Emissions Reductions (CER) credits towards their own compliance with the emission limitation targets set forth by the Kyoto Protocol.

There are two basic types of CDM projects:

- Renewable energy projects which promote a transition from carbon-intensive to less carbon intensive fuels, and
- Projects that enhance the efficiency of energy systems.

In developing countries such as those in the Middle East and Asia, CER's provide an additional source of funding to augment government incentives and provide an attractive investment opportunity for the development of renewable energy projects.

Expected Certified Emissions Reductions (CERs) by Market



\* Source: UNFCCC