

Why are There So Few Carbon Offset Projects in Pacific Island Countries?

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ABSTRACT

This article examines why there are so few Clean Development Mechanism (CDM) projects registered in Pacific Island Countries (only 2 of the 1699 projects registered as of July 1st 2009 were located in these countries) and assesses the potential for new project development in the region. Two groupings of CDM projects are analyzed. Firstly, the eight registered (as of July 1st 2009) CDM projects located in Small Island Developing States and Territories around the world are analyzed to identify what features have characterized successfully registered CDM projects in similar circumstances. Secondly, the 122 registered (as of July 1st 2009) agricultural-based CDM projects are analyzed to consider how agricultural and bioenergy projects – which seem the most suitable form of CDM projects for the Pacific Islands region - can be best developed in the region. Analysis reveals that agricultural CDM projects that generate electricity have strong potential for development in the region. A number of policy options that should facilitate the realization of this potential are discussed, including the establishment of a regional CDM body, the possibility of Pacific Island countries engaging in unilateral CDM projects, and the role that ‘regional economic leaders’ such as Australia need to play.