

Bujagali Hydro Power Clean Development Mechanism (CDM) Project

The project was successfully registered by the UNFCCI under the Clean Development Mechanism on 29th December 2011. The verification established that the monitoring system complied with CDM thereby securing the credibility therefore allowing the issuance of Carbon Emission Reductions. Once issued the CERs are retained in a CDM registry account and are traded via the EU Emissions trading system. The registered participants are Bujagali Energy Ltd and Ministry of Energy and Mineral Development.

The first crediting period for Bujagali CDM project ended on 30th November 2018. Renewal of the crediting period validation of the CDM project was carried out by TUV NORD CERT GmbH in September 2018 and the report sent to UNFCCC for approval. UNFCCC approved the renewal of the seven-year crediting period in June 2019. The approved grid emission factor for the new crediting period is 0.341 effective from 1st December 2018 for a period of seven years. Based on the new grid emission factor BEL is generating approximately 42,000 CERs per month at the current average plant factor.

BEL has now completed five verification processes for certified emission reductions (CERs). The first verification accounted for CERs generated from initial synchronization to October 2013 and the second verification process accounted for CERs generated between November 2013 and the end of October 2015. The third verification covered CERs generated between 1st November 2015 and 30th September 2017 totalling 1,997,696 CERs. Verification audit for the 4th and 5th verification covering the period 1st October 2017 to 30th November 2018 and 1st December 2018 to 30th September 2019 respectively was carried out in February 2020 with Climate Focus as BEL consultants and AENOR of Spain as the appointed verification auditors. A total of 1,254,973 CERs covering the period 1st October 2017 to 30th November 2018 was successfully issued by UNFCCC on 21st May 2020 for the 4th verification. A total of 432,264 CERs for the 5th verification covering the period 1st December 2018 to 30th September 2019 was successfully issued on 29th July 2020. The fifth verification falls under the second seven-year crediting period with a different grid emission factor of 0.341. The process of the sixth verification covering CERs generated between 1st October 2019 and 31st December 2020 is in progress.

Following COP26 outcomes, the project will be transition to Article 6.4 during the course of 2022. BEL is currently in discussions with Government of Uganda on the transition process.