



Annex 21

GENERAL PRINCIPLES FOR BUNDLING

A. Introduction

1. At its twenty first meeting the Board agreed on general principles for bundling as contained in this document. These principles shall be incorporated in the guidelines for completing the simplified project design document for small-scale CDM project activities (CDM SSC-PDD).

B. Definitions

2. The following definitions shall apply:

Bundle

3. Bundle is defined as: “Bringing together of several small-scale CDM project activities, to form a single CDM project activity or portfolio without the loss of distinctive characteristics of each project activity. Project activities within a bundle can be arranged in one or more sub-bundles, with each project activities retaining its distinctive characteristics. Such characteristics include its: technology/measure; location; application of simplified baseline methodology. Project activities within a sub-bundle belong to the same type. The sum of the output capacity of project activities within a sub-bundle shall not exceed the maximum output capacity limit for its type.”

Sub-bundle

4. Sub-bundle is defined as: “An aggregation of project activities within a bundle having the characteristics that all project activities within a sub-bundle belong to the same type.”

C. General principles for bundling:

5. The following principles shall apply to all bundles:

(a) Project activities wishing to be bundled shall indicate this when making the request for registration;

(b) Once a project activity becomes part of a bundle for a project cycle stage, it shall not be de-bundled for this stage. The Board may consider debundling in exceptional situations;

(c) The composition of bundles shall not change over time (i.e. the submission of project activities to be used in a bundle shall be made at the same time. A project activity shall not be taken out of a bundle nor shall a project activity be added to the bundle after registration).

(d) All project activities in the bundle shall have the same crediting period (i.e. the same length and same starting date of the crediting period);

(e) A form with information related to the bundle must be included in the submission;

(f) The form should cover issues such as title of the bundle, general description, project participants, locations, types and categories, estimated amount of emission reduction, crediting period and monitoring plans;



(g) It should be demonstrated that the bundle will remain under the limit for the type every year during the crediting period. The total emission reduction estimated for the crediting period must be included in the draft CDM-PDD and further monitored;

(h) If a bundle goes beyond the limits for the selected small-scale CDM project activities type, the emission reduction that can be claimed for this particular year will be capped at the maximum emission reduction level estimated for the bundle by the project participants in the “Bundle” form for that year during the crediting period.

D. Principles applying to bundling of small-scale project activities of the same type, same category and technology/measure:

6. The following principles shall apply to bundling of small-scale project activities of the same type, same category and technology/measure:

(a) Project activities may use the same baseline under some conditions (details on these conditions will be further elaborated);

(b) One DOE can validate this bundle;

(c) A common monitoring plan can be utilized for the bundle with the submission of one monitoring report, under conditions to be specified (e.g. conditions for sampling);

(d) All CDM project activities within the bundle should have same crediting period, i.e. the same length and same starting date of the crediting period;

(e) One verification report is adequate, one issuance will be made at the same time for the same period, and a single serial number will be issued for all the project;

(f) The sum of the size (capacity for type I, energy saving for type II and direct emissions of project activity for type III) of the technology or measure utilized in the bundle should not exceed the limits for small-scale CDM project activities as set in paragraph 6 (c) of the decision 17/CP.7; and

(g) Each small-scale CDM project in the bundle should comply with the simplified modalities and procedures for small-scale CDM project activities and use an approved simplified baseline and monitoring methodology included in Appendix B of the simplified modalities and procedures for small-scale CDM project activities.

E. Principles applying to bundling of small-scale project activities of (a) the same type, same category and different technology/measure; (b) same type, different categories and technologies/measures and; and (c) different types

7. The following principles shall apply to bundling of small-scale project activities of (a) the same type, same category and different technology/measure; (b) same type, different categories and technologies/measures and; and (c) different types:

(a) Project activities may use the same baseline under some conditions (details on these conditions will be further elaborated);

(b) One DOE can validate this bundle;

(c) Different monitoring plans will be required for the bundle and separate monitoring reports must be prepared;



- (d) All small-scale CDM project activities within the bundle should have same crediting period, i.e. the same length and same starting date of the crediting period;
- (e) One verification report will be adequate, one issuance will be made at the same time for the same period, and a single serial number will be issued for all the project;
- (f) The sum of the size (capacity for type I, energy saving for type II and direct emissions of project activity for type III) of the technology or measure utilized in the bundle should not exceed the limits for small-scale CDM project activities as set in paragraph 6 (c) of the decision 17/CP.7; and
- (g) Each small-scale CDM project in the bundle should comply with the simplified modalities and procedures for small-scale CDM project activities and use an approved simplified baseline and monitoring methodology included in Appendix B of the simplified modalities and procedures for small-scale CDM project activities.
