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To From cdm-info@unfccc.int info@atmosfair.de

Date

8 March 2011

Subject

Call for public inputs on the "Guidelines for demonstrating additionality of renewable energy projects =<5 MW and

energy efficiency projects with energy savings

<=20 GWh per year"

Honourable Members of the CDM Executive Board, Dear Mr. Hession,

atmosfair welcomes the initiative of simplifying the access of very small projects to the CDM.

We notice however that the existing simplifications are hardly used in practice and will probably not lead to a substantial improvement of access to CDM for VSSC projects. We believe that still substantial improvement is needed, due to the following reasons:

- For VSSC projects, transaction costs related to validation, PDD preparation, monitoring etc. are still prohibitively high. In many cases, e.g. for cookstove projects in LDCs, the difficult part which makes CDM costly is not additionality but rather the need to conduct your own baseline surveys due to data gaps in these countries and missing options to use default values in the methodologies which are the reasons for the high costs.
- DOE's have not reduced validation costs for VSSC projects, despite the substantial simplification of validating a project with "automatic" additionality
- DOEs often do not allocate sufficient resources to VSSC which leads e.g. to extreme delays. Unfortunately, typical project developers of VSSC do not have the means to put pressure on DOEs for a better service since they are not important clients for them.

We therefore suggest to establish a new "micro-scale" category for VSSC projects (5 MW, 20 GWh, 20,000 t CO2), where PDDs are directly submitted to the secretariat and validated at a flat fee of 5,000 USD, either by the secretariat itself or by a DOEs which is hired by the secretariat on a sample basis. Verifications should be offered at a flat fee of 2,500 US\$.

Besides the general findings and comments expressed above, atmosfair supports the detailed inputs provided by the PD Forum as response to the call for input by the EB.

We hope that our suggestions can be useful to further improve the accessibility of CDM to small projects benefiting the poorest:

Kind regards

Florian Zerzawy, Xaver Kitzinger, Robert Müller

Project developers at atmosfair gGmbH