



## Annex 2

### **DRAFT PROCEDURES FOR REGISTRATION OF A PROGRAMME OF ACTIVITIES AS A SINGLE CDM PROJECT ACTIVITY AND ISSUANCE OF CERTIFIED EMISSION REDUCTIONS FOR A PROGRAMME OF ACTIVITIES** (Version 01)

#### **A. Background**

1. In accordance with paragraph 20 of decision 7/CMP.1 and the guidance provided by the CDM Executive Board at its twenty-eighth meeting (Annex 15 of EB 28 Report), project activities under a programme of activities (PoA) can be registered as a single clean development mechanism project activity provided that approved baseline and monitoring methodologies are used that, inter alia, define the appropriate boundary, avoid double counting and account for leakage, and ensure that the emission reductions are real, measurable and verifiable, and additional to any that would occur in the absence of the project activity.

#### **B. Preparation of a Programme of Activities Design Document**

2. A coordinating/managing entity shall develop a Programme of Activities Design Document (CDM-POA-DD) setting a framework for the implementation of the PoA and unambiguously defining a CDM programme activity (CPA) under the PoA. CDM-POA-DD shall include the following information:

- a) Identification of the coordinating/managing entity, Host Party(ies) and PoA participants;
- b) Definition of the boundary for the PoA in terms of a geographical area (e.g., municipality, region within a country, country or several countries) within which all CDM programme activities (CPAs) that form the PoA will be implemented, taking into consideration the requirement that all applicable national and/or sectoral policies and regulations are similar within that chosen boundary;
- c) Description of the policy/measure or a stated goal that the PoA seeks to promote;
- d) Confirmation that the proposed PoA is a voluntary action by the coordinating/managing entity. Demonstration that in the absence of the CDM (i) the proposed voluntary measure would not be implemented, or (ii) the mandatory policy/regulation would not be enforced as envisaged, or (iii) that the PoA will lead to a greater level of enforcement of the existing mandatory policy /regulation. This shall constitute the demonstration of additionality of the PoA as a whole;
- e) Description of a typical CPA that can be included in the PoA covering the technology or measures to be used, justification of the choice of an approved baseline and monitoring methodology, application of an approved baseline and monitoring methodology, and demonstration of additionality and accounting for leakage;
- f) Definition of eligibility criteria for inclusion of a project activity as a CPA under the PoA, which shall include criteria for demonstration of additionality, and the type



and/or extent of information (e.g. criteria, indicators, variables, parameters or measurements) that shall be provided by each CPA in order to ensure its eligibility;

- g) Starting date and length of the PoA not exceeding 28 years;
  - h) Description of the operational and management arrangements established by the coordinating/managing entity for the implementation of the PoA, including a record keeping system for each CPA under the PoA;
  - i) Description of a monitoring plan for a CPA, developed in accordance with the approved monitoring methodology, and identification of the monitoring equipment, provisions and data parameters a CPA has to apply/monitor.
  - j) Description of the proposed statistically sound sampling method/procedure to be used by DOEs for verification of the amount of reductions of anthropogenic emissions by sources or removals by sinks of greenhouse gases achieved by CPAs under the PoA;
  - k) [Environmental analysis as per requirements of the CDM modalities and procedures;]
  - l) In case public funding is used a confirmation that official development assistance is not being diverted to the implementation of the PoA.
3. The coordinating/managing entity shall obtain letters of approval for the implementation of the PoA from each Host Party and Annex I Party involved in the PoA. Letters of approval shall be issued in accordance with the guidance provided by the CDM Executive Board.
4. The coordinating/managing entity shall prepare the PoA specific CDM Programme Activity Design Document (CDM-CPA-DD) form which shall be developed by adjusting the template of a CDM-CPA-DD<sup>12</sup> available on the UNFCCC CDM web site using the provisions of the proposed PoA. The template CDM-CPA-DD provides for the submission of the following information:
- a) Geographic reference or other means of identification<sup>3</sup>, Name/contact details of responsible for CPA
  - b) the Host Party;
  - c) Starting date, type (fixed or renewable) and duration of the crediting period of the CPA taking into account that the duration of the crediting period shall not exceed the end date of the PoA;
  - d) Information stipulated in the PoA for use by each CPA to demonstrate how it meets requirements with respect to :
    - i. Eligibility criteria;
    - ii. The demonstration of additionality;

**A.** \_\_\_\_\_

<sup>1</sup> The latest version of the template form CDM-CPA-DD is available on the UNFCCC CDM web site in the reference/document section.

<sup>2</sup> At the time of requesting validation/registration, the coordinating managing entity is required to submit a completed CDM-POA-DD, the PoA specific CDM-CPA-DD, as well as one of such CDM-CPA-DD completed (using typical sample case /real case).

<sup>3</sup> E.g. in case of stationary CPA geographic reference, in case of mobile CPAs means such as registration number, GPS devices.



- iii. Calculations of baseline emissions and estimated emission reductions by sources or removal by sinks of greenhouse gases;
- e) Environmental analysis as per requirements of the CDM modalities and procedures[, as per requirements defined in PoA];
- f) Information on how comments by local stakeholders were invited, a summary of the comments received and how due account was taken of any comments received, as applicable;
- g) Confirmation that the CPA is neither registered as a CDM project activity nor included in another registered PoA.

### **C. Request for registration of a programme of activities**

5. The coordinating/managing entity shall submit to a DOE the following documentation:
  - a) A completed CDM-POA-DD
  - b) A PoA specific CDM-CPA-DD with generic information relevant to all CPAs
  - c) A completed CDM-CPA-DD which is to be based on the application of the PoA to one real case [or a hypothetical sample application].
6. A designated operational entity (DOE) shall submit a request for registration of a proposed PoA using the “Programme of Activities registration request form” (F-CDM-POA-REG) along with a validation report and supporting documentation.
7. In addition to the validation requirements arising out of the modalities and procedures for a clean development mechanism, the validation by the DOE shall address the following issues:
  - a) Additionality of the PoA (see 2 d above);
  - b) Eligibility criteria for inclusion of a proposed CPA in the registered PoA, including criteria to be used for demonstration of additionality of a CPA;
  - c) Operational and management arrangements established by the coordinating/managing entity for the implementation of the PoA;
  - d) Consistency between CDM-POA-DD and the PoA specific CDM-CPA-DD to be used for inclusion of a CPA in the registered PoA.
8. The procedures for registration of a CDM project activity as referred to in paragraph 40 of Decision 3/CMP.1 and the procedures for review as contained in Annex III to Decision 4/CMP.1 shall apply to a PoA.
9. A request for registration of a PoA will be processed by the secretariat upon the receipt of the registration fee.

### **D. Inclusion of a CDM programme activity under a registered programme of activities**

10. To include a CPA, the coordinating/managing entity shall forward, after having ensured that the CPA and the documentation meets all the requirements determined in the PoA and its specific



CDM-CPA-DD, the completed CDM-CPA-DD forms to a DOE for consistency checking and submission to the EB at a frequency it deems appropriate.

11. A DOE shall check the information in the CDM-CPA-DD against the PoA and documentation requirements and, if consistency is confirmed, include the proposed CPA(s) in the registered PoA by submitting the CDM-CPA-DD to the CDM Executive Board via a dedicated interface on the UNFCCC CDM website which automatically displays this information on the view page of the respective PoA and automatically notifies the DOE, the coordinating/managing entity and the Designated National Authority of this change in the status of the PoA. The starting date of a crediting period of the CPA shall be the date of its inclusion in the registered PoA or any date thereafter if so stipulated in the CDM-CPA-DD.

12. If, at any point in time after inclusion, any error is found by the DOE undertaking verification or three Board members with regard to PoA and documentation requirements, which disqualifies the CPA from inclusion in the PoA, the secretariat will, in consultation with the Chair of the EB, exclude the CPA with immediate effect from the PoA [without the possibility of this action being reversed by any decision]. Such a CPA shall not be re-included again in that or any other PoA, or qualify as a CDM project activity. The DOE shall acquire and transfer, within 30 days of the exclusion of the CPA, an amount of reduced tonnes of carbon dioxide equivalent to the amount of CERs issued to the PoA due to the existence of the CPA prior to its exclusion, to a cancellation account maintained in the CDM registry by the Executive Board.

13. A CPA can be included in the registered PoA at any time during the duration of the PoA.

**E. Request for issuance of certified emission reductions for a programme of activities**

14. The procedures for verification, certification and request for issuance of certified emission reductions (CERs) as referred to in paragraphs 62, 63 and 64 of Decision 3/CMP.1 and the procedures for review of requests for issuance of CERs as contained in Annex IV to Decision 4/CMP.1 and subsequent related decision of the Executive Board shall apply.

15. The coordinating/managing entity shall:

- a) Maintain all monitoring reports of all CPAs in accordance with the record keeping system identified in the CDM-POA-DD.
- b) Make available all monitoring reports requested by a DOE for verification purposes;

16. The DOE shall:

- a) Identify those CPAs that it will consider for verification in accordance with the sampling method/procedure to be used for verification of the amount of reductions of anthropogenic emissions by sources or removals by sinks of greenhouse gases achieved by CPAs under the PoA
- b) Make all monitoring reports received from the coordinating/managing entity immediately publicly available on the UNFCCC CDM website.
- c) Systematically verify and certify the correct implementation and operation of the record keeping system.



17. The DOE conducting the verification shall include in its verification report a description of how it applied the sampling methods/procedures for the purpose of verification stipulated in the registered PoA. The DOE shall include in its verification report a description/justification of the site visits undertaken.
18. A DOE shall request issuance of CERs for a PoA by submitting the “CDM form to submit verification and certification reports and to request issuance for a PoA”(F-CDM-POA-REQCERS) via a dedicated interface on the UNFCCC CDM website.
19. A request for issuance shall relate to the certified emission reductions for the entire PoA for the specified monitoring period. It shall not be possible to request issuance separately for individual, or subsets of, CPAs.
20. The coordinating/managing entity shall submit a request for forwarding of CERs issued in accordance with the modalities of communication as agreed between project participants.

**F. Renewal of a crediting period of CDM programme activities under a programme of activities**

*PoA*

21. In accordance with the latest guidance for PoAs, the latest version of the “Procedures for Renewal of a Crediting Period of a Registered CDM project activity” shall be applied, mutatis mutandis, to a PoA every seven years.
22. The coordinating/managing entity shall submit to the DOE in a timely manner either a request for (i) revision of the sections relating to the baseline of the CDM-PoA-DD and the corresponding PoA specific CDM-CPA-DD or (ii) to maintain the same CDM-PoA-DD and specific CDM-CPA-DD. This request shall be assessed following the same procedural steps as a request for the renewal of a crediting period of a registered CDM project activity. The result of this process defines the latest version of the PoA specific CDM-CPA-DD.

*CPA*

23. To renew the crediting period of a CPA, the coordinating/managing entity shall forward, after having ensured that the CPA and the documentation meets all the requirements, the completed latest version of the CDM-CPA-DD to a DOE for consistency checking and uploading to the UNFCCC CDM website.
24. The DOE shall check the information in the CDM-CPA-DD against the latest PoA and documentation requirements and, after confirming that the CPA meets these requirements, include the CPA with the renewed crediting period in the registered PoA by submitting the new CDM-CPA-DD via a dedicated interface on the UNFCCC CDM website which automatically displays this information on the view page of the respective *PoA* and automatically notifies the DOE, the coordinating/managing entity and the Designated National Authority of this change in the status of the *PoA*. The starting date of a renewed crediting period of the CPA shall be the date of the end of its previous crediting period.



25. If, at any point in time after inclusion, any error is found with regard to PoA and documentation requirements, by the DOE undertaking verification or three Board members, which disqualifies the CPA from a renewal of the crediting period, the secretariat will, in consultation with the Chair of the EB, exclude the CPA with immediate effect from the PoA [without the possibility of this action be reversed by any decision]. Such a CPA shall not be re-included again in the PoA, any other PoA or qualify as CDM project activity. The DOE shall acquire and transfer, within 30 days of the exclusion of the CPA, an amount of reduced tonnes of carbon dioxide equivalent to the amount of CERs issued to the PoA due to the existence of the CPA prior to its exclusion, to a cancellation account maintained in the CDM registry by the Executive Board.

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