

To the CDM Executive Board  
UNFCCC Secretariat

September 2, 2008

## Comments on Programme of Activities (PoA)

Dear the Chair of the CDM Executive Board,

In response to specific call for public inputs on Programme of Activities (PoA), Climate Experts, Ltd. submits following three comments for the CDM Executive Board's consideration.

### (i) Applying plural methodologies to CPAs of PoA

- Regarding the way to apply methodology to CPAs of a PoA, there is a description in "Guidance on the registration of project activities under a program of activities as a single CDM project (Version 02.1)" as follows.

Paragraph 7:

*All CPAs of a PoA shall apply the same approved baseline and monitoring methodology, involving one type of technology or set of interrelated measures in the same type of facility/installation/land.*

- We recognize or interpret, at this moment, regarding the description above that (the Board has clarified) plural methodologies can not be applied to CPAs of PoA.
- However, this definition is significantly different from that of "Normal CDM projects (not included in PoA)" which can apply plural methodologies for a project.
- In case of CPAs of PoA, same as in "Normal CDM projects", there are also a lot of potential that project participants will employ plural technologies, thus plural methodologies to single CPA. For example, CH<sub>4</sub> recovery and utilization projects at animal manure management system or electric generation or composting projects utilizing waste biomass will be the case.
- Following strictly the definition (or interpretation) above, only one methodology can be allowed to apply to these projects and this will result in significant underestimate, even ignorance of the baseline emission. And this will certainly be large constraint for project participants in realizing these projects as PoAs.
- On the other hand, there may be a solution to meet the definition (or interpretation) above that project participants will combine plural methodologies into one and submit as a new methodology.

However, this will result in some confusion since some combined methodologies can not be categorized into single type but belong to multiple types such as both Type I and III in small scale CDM project, and will make it difficult to define the type or technology of the combined methodology. Moreover, this solution indicates that regardless of same technologies are employed by a “Normal CDM projects” and a PoA, the methodology/ies applied to each of them should be different from each others despite utilizing same technologies. “Normal CDM projects” can use plural methodologies but PoA has to use combined one. This solution seems to be wry. This seems not better solution.

- We also understand that it is difficult for CDM EB, from institutional and operational perspectives, to employ wide applicability of PoA from the beginning, and also hope that this definition is temporary one and will be widen in the very near future.
- From all of these reasons, it will be very appreciated if you kindly consider this matter again and revise the definition to allow multi methodologies application for CPAs of PoA so that providing project participants more chances to develop and realize PoAs.

#### (ii) Geographic reference of CPA

- Regarding the way to identify and describe location of CPA in CPA-DD, there is a description in the CPA-DD Form, “A.4.1.2. Geographic reference of other means of identification allowing the unique identification of the CPA” and Paragraph 9 of “Guidance on the registration of project activities under a program of activities as a single CDM project (Version 02.1)”.

*Geographic reference or other means of identification, Name/contact details of the entity/individual responsible for the CPA, e.g. in case of stationary CPA geographic reference, in case of mobile CPAs means such as registration number, GPS devices.*

- In case of stationary CPA, we would like to have clarification that if “geographic reference” must be longitude and latitude information or not.
- In case of household level PoAs such as solar water heating, PV or biogas micro-digester projects, it takes a lot of time and cost to measure “longitude and latitude coordinates” of thousands of each household.
- Therefore, in case of these PoAs above, we also need clarification of whether information that can provide sufficient information to specify the location of CPAs such as detailed local maps or address of each household can be considered as “geographic reference” or not.

#### (iii) Revision of PoA-DD posed by revision or replacement of the methodology applied

- Regarding the procedure to revise the PoA-DD when the related methodology is revised or

replaced, there is an explanation in “Guidance on the registration of project activities under a program of activities as a single CDM project (Version 02.1)”.

Paragraph 12:

*If the approved methodology is put on hold or withdrawn, not for the purpose of inclusion in a consolidation, no new CPAs shall be added to the PoA in accordance with the timelines indicated in the “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”. If the methodology is subsequently revised or replaced by inclusion in a consolidated methodology, the PoA shall be revised accordingly and changes validated by a DOE and approved by the Board. Once changes have been approved by the Board, each CPA included in the PoA thereafter has to use the new version of the PoA. CPAs included prior to the methodology being put on hold, shall apply the new version of the PoA at the time of the renewal of its crediting period. Provisions in paragraph 11 shall apply.*

- It is supposed that there will be significant number of cases that revision or replacement of the methodology will not require any changes in the baseline emissions or monitoring procedure etc. of CPAs of PoA or will require only slight modifications not affect baseline or other important factors.
- It inevitably increases cost significantly for project participants to undertake validation for every revision or replacement of methodology and this will be a big risk that can not be evaluated in the project development stage.
- In case of “Normal CDM projects”, we understand that once the project is registered, revision or replacement of the methodology shall not affect the registered projects during their crediting period.
- According to these reasons, we would like to propose simplified procedures to reflect revision or replacement of the methodology applied to the CPA. The simplified procedures have 3 options. It will be very appreciated if you consider the simplified procedures as follows.

Option A

Registered PoA shall not be affected by any revision or replacement of the methodology.

Option B

- a) Project participants shall scrutinize new version of the methodology and report the points that will affect PoA-DD and CPA-DD.
- b) DOE shall check the report and if there is no significant impact on PoA-DD and CPA-DD, report these to CDM EB and not necessary to revise PoA-DD or CPA-DD.

Otherwise, project participants have to follow the procedure above (Paragraph 12 of the Guidance).

Option C

- a) Project participants shall scrutinize new version of the methodology and report the points that will affect PoA-DD and CPA-DD.
- b) DOE shall check the report and send it to CDM EB.
- c) CDM EB shall determine whether the revision procedure has to be applied or not.
  - ✧ In case, EB determines that the revision procedure has to be applied  
Project participants have to follow the procedure above (Paragraph 12 of the Guidance).
  - ✧ In case, EB determines that the revision procedure has “NOT” to be applied  
Project participants do not have to revise PoA-DD or CPA-DD.

Climate Experts, Ltd. believes that the comments above will stimulate/encourage further developments of the Programme of Activities as a CDM Project Activity.

Thank you for your consideration.

Sincerely yours,

Naoki Matsuo  
President  
Climate Experts, Ltd.