

CDM Meth Panel UNFCCC Secretariat Martin-Luther-King-Strasse 8 D 53153 Bonn Germany

3rd August 2010

<u>Subject:</u> Call for public inputs on the draft "Consolidated methodology for electricity and heat generation from biomass residues"

Dear Sirs,

Thank you for inviting public stakeholders to provide their input for consideration by the CDM Meth Panel. This submission is **ecosur Afrique** reply to the UNFCCC Call for public inputs on the draft named "Consolidated methodology for electricity and heat generation from biomass residues" under consideration by the Meth Panel for its forty-fifth meeting, based on the approved consolidated methodology ACM0006 "Consolidated methodology for electricity generation from biomass residues".

ecosur Afrique is a leading CDM developer in Africa, with 23 projects under development in 13 African countries to date. Since several projects we are consulting for include power and heat generation from biomass residues and half of them take place in Least Developed Countries, we are paying particular attention to CDM methodological evolutions concerning these countries where the critical lack of infrastructures and business framework drastically complicates CDM projects development given the stringent requirements of UNFCCC procedures.

Our matter of concern regarding the proposed draft deals with the risk of accrued difficulties for CDM projects in Least Developed Countries to satisfy the demonstration of additionality through the barriers. Indeed, ACM0006 included references to plenty of dedicated tools, such as "Combined tool to identify the baseline scenario and demonstrate additionality", enabling Project Participants to seek for tailored guidelines such as EB 50 Annex 13 "GUIDELINES FOR OBJECTIVE DEMONSTRATION AND ASSESSMENT OF BARRIERS" whereby guideline 7 stipulates that:

"For projects in Least Developed Countries it is sufficient to transparently describe the relevant barriers, as less stringency is needed with regards to data availability in the actual demonstration of barrier, as compared to the projects in other countries. Projects in Least Developed Countries are not bound by the provisions in this guideline and may use other approaches that are more adapted to the local circumstances".

The proposed draft, however, conveniently includes all formerly dedicated tools in its body. While this integration effort clearly ease the procedure for assessment of the baseline and demonstration of the additionality with regard to the multitude of steps and scenarios available, we feel that it might prevent Project Participants from referring to extra guidelines such as the Least Developed Countries note, as well as prevent the Designated Operational Entities from validating the use of them too. In consequence, projects in Least Developed Countries might end up even more curbed by this new methodological design than the difficulties they already face to meet UNFCCC standards, resulting in an increased marginalization of these countries vis-à-vis sustainable development and climate change mitigation.

We believe facilitating the implementation of CDM activities in Least Developed Countries is a key concern, as recommended by the CDM Executive Board at EB 50 in Annex 54:

"10. The Board further agreed to recommend that the CMP at its fifth session, consider, without jeopardizing environmental integrity, the following options for countries with fewer than 10 registered projects, <u>especially in LDCs</u>, <u>SIDS</u>, and <u>Africa</u>: [...] (e) To authorize the top-down development of <u>methodologies that are particularly suited for application in those countries</u> and in relevant sectors in accordance with principles and guidelines to be established by the Executive Board".



Earlier last year in Bonn (June 2009), a representative of the Cambodian DNA had already highlighted that only 0.7% of registered CDM projects were located in Least Developed Countries, the ratio falling to 0.1% when considering African LDCs only. Among identified barriers to the implementation of CDM projects in Least Developed Countries were: host countries' limited and unreliable baseline data as well as <u>compromised current CDM rules ("one size fits all countries"</u>) more adapted to advanced <u>economies than LDCs</u>. Proposal for reforms included exemption from the proof of additionality for specific type of projects and simplified guidelines for validation of projects in LDCs. (source : <u>http://www.iges.or.jp/jp/cdm/pdf/activity regional090609/02 sum.pdf</u>)

Consequently, and in line with the United Nations Framework Convention on Climate Change, <u>Article 4, paragraph 9</u> which states that "The Parties shall take full account of the specific needs and special situations of the least developed countries in their actions with regard to funding and transfer of technology", we strongly recommend that due account of Least Developed Countries specificities be taken regarding additionality demonstration requirements, and that related provision be amended to the proposed draft at stake in this call for public input.

We hope that the comments provided above are valuable to the Meth Panel consideration; please feel free to contact us at any time for further ideas and discussion.

With respectful regards,

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