



PolicySolutions

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CDM Executive Board /
UNFCCC Secretariat
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Call for Public Inputs

Focus areas for future practitioner workshops for CDM stakeholders

Ladies and Gentlemen

Having provided input into the first practitioner workshop and participated in the second, we wish to suggest the following technical areas for discussions and consultations with the secretariat, members of relevant Panels and/or Working Groups in the context of future practitioner workshops:

- Guidance on methodological requirements for large-scale vs. simplified SSC methodologies to increase consistency, in particular, what are the simplifications allowed for SSC methodologies. An important topic for discussion is whether viable large-scale methodologies are even feasible for certain sectoral scopes (and/or sectors within them), such as residential energy efficiency, and, if not, whether the CDM EB might consider allowing such project types to apply SSC methodologies to any scale of activity. We have seen this with refrigerators, stoves, lighting, buildings...where proposed methodologies were either rejected by the Meth Panel (NM0100 motors, NM120 buildings) or were approved in a form that have proven to be not viable in the marketplace (AM0046 lighting, AM0070 refrigerators).
- Priorities for top-down methodology development, in particular, for project types which:
 - Are needed to implement priority programs planned by LDCs, SIDS, rural areas in all countries, and countries with fewer than 10 CDM project activities. A survey of DNAs and project developers would provide useful context.
 - Have potential for large emissions reductions across countries, but which have not proven viable under the current modalities using existing methodologies (e.g., buildings, industrial electric motor systems, utility DSM programs, implementation of

integrated energy efficiency programs by governments or enterprises).

Given the limited resources available for top-down methodology development, there is a need to focus on key areas. LED lighting, for example, which the SSC WG is working on, should perhaps not be a top priority.

- Building sector CDM challenges, including (top-down) development of viable methodologies and addressing how to make rapid progress, despite the lack of expertise in Panels, Working Groups and DOEs.
- Related to the previous point, but also to other types of project activities, specific discussion on simulation modeling and benchmarking approaches.
- Clarity on treatment of suppressed demand and government policies and programs in the baseline. Current guidance is that suppressed demand may be taken into account in the baseline and that government policies and programs implemented after a certain date may be excluded, but the practice by CDM bodies and DOEs has been inconsistent.
- Improving the Request for Revision process for SSC methodologies, not the least defining the criteria to be used by the SSC WG to decide whether to accept or reject such requests.
- Options to reduce fixed CDM transaction costs of SSC projects, ranging from changes in the CDM Modalities & Procedures (which would require a decision by the COP) to changes in the MVV manual to further guidance from the EB. At present, dispersed, small-scale CDM activities face far higher fixed CDM transaction costs per CER than other project activities, which is a major barrier.
- Experience with validation of SSC project activities, problems encountered and suggestions for improvements. For example, there should be a hotline for PPs to consult/notify the secretariat or ombudsman, if they are having problems with a DOE during validation (analogous to public transportation companies that provide a hotline on the back of busses, so citizens may report incidences of reckless driving). If there is no means to document such issues, they cannot be addressed to improve the system going forward.

Useful and welcome as these practitioner workshops have been, they have a number of limitations (e.g., only 5 hours of discussion, invitation only, no funding available to cover participant travel expenses, lack of clear outcomes), and there is therefore a need to:

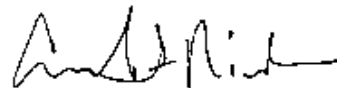
- Make the expected outcomes of the workshops as specific and operational as possible (which, in turn, should guide the development

of the agenda). Also, workshop summaries and outcomes (follow-up activities) should be prepared by the secretariat and posted after the workshops.

- Invite all interested parties to submit written inputs, if they are not invited or cannot attend, and make these contributions available on the UNFCCC website. These invitations could be done via the existing “Call for Public Input” process.
- When initiating top-down methodology work, create a listserv or web interface for experts to contribute to the work of the secretariat. This might include informal discussion on particular issues (e.g., via webinars), posting references on best practices or, in the case that external experts are engaged, a chance to solicit expressions of interest. This would be more inclusive. We have had very good experiences ourselves consulting with other practitioners in developing the CFL lighting methodology AMS II.J. Current procedures are too cumbersome and do not allow for transparent interaction among experts.
- Provide additional opportunities for discussions between practitioners and the secretariat and CDM bodies on technical issues (both “bilaterally” and together with other stakeholders, depending on the topic). We hope that the availability of electronic communication tools could be used to facilitate this process. There are so many issues that regularly scheduled consultations should be considered.

Once again, the move towards more direct interaction between practitioners and the secretariat and CDM bodies is most appreciated.

Sincerely



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