

Head and Members of the CDM Executive Board  
Mr. Martin Hession  
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UNFCCC Secretariat  
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atmosfair gGmbH

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Subject Call for inputs on sampling standard

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

Amtsgericht Bonn  
HRB 13789

atmosfair welcomes the opportunity to comment on the Draft Standard for sampling and surveys for CDM Project Activities and Programme of Activities.

Executive Director:  
Dr. Dietrich Brockhagen

Specifically, the secretariat is seeking input on (1) Section IV, *Sampling Requirements for PoAs*, (2) Section V, *Sampling Requirements for DOEs* as well as input on (3) any other issues related to the draft document deemed relevant and (4) Issues related to survey and data analysis which will be covered in a best practice document at later stage.

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#### (1) Sampling Requirements for PoAs

##### i) *Comment on the requirements in paragraph 20-23 versus their alternative*

atmosfair supports the alternative paragraph for par. 20-23 as suggested in the draft document.

#### Justification:

Small-scale PoAs which apply methodologies that allow sampling to determine parameter values and which hence would be allowed to use a common sampling plan are more or less consisting of CPAs with a high degree of standardization with regard to parameters that influence emission reductions. Hence it may not be necessary to introduce the concept of a "homogenous" PoA which could leave room for different interpretations between PPs, DOEs and the regulator with subsequent necessity to specify and clarify the concept by new rules.

Furthermore, atmosfair suggests to revise the following section in the proposed alternative for par. 20-23:

- o ~~[95/10] [95/5]~~ 90/10 confidence/precision is used for sample size selection for parameters determined at validation and for monitoring parameters if annual sampling is undertaken during monitoring. 95/5 confidence/precision is used in cases where biennial sampling is used during monitoring. In cases where survey results indicate that 90/10 precision or 95/5 precision is not achieved, the lower bound of a 90% or 95% confidence interval of the parameter value may be chosen as an alternative to repeating the survey efforts to achieve the 90/10 or 95/5 precision.

Justification: The draft sampling standard also refers in footnote 12 to the approved methodologies AMS I.E. and II.G. as examples but conclusions are different. AMS II.G. and AMS I.E. so far specify

that 90/10 should be achieved if annual inspection checks are undertaken while 95/5 should be achieved if a biennial interval is used. But the methodologies also state that “In cases where survey results indicate that 90/10 precision or 95/5 precision is not achieved, the lower bound of a 90% or 95% confidence interval of the parameter value may be chosen as an alternative to repeating the survey efforts to achieve the 90/10 or 95/5 precision.”

In order to be consistent with the approaches in the methodologies for which this PoA sampling approach is most relevant, this should also be mentioned in the sampling standard.

*ii) Are there other approaches that are more appropriate?*

An alternative approach would be to determine sample size requirement depending on size of the CPAs included in the PoA:

As long as the CPAs included in the PoA that apply a common sampling plan will not exceed the small-scale limit of the applied methodology, 90/10 precision is applicable (for example, if each CPA is applying micro-scale limits). If CPAs included in the PoA that apply a common sampling plan exceed the small-scale limit of the applied methodology, 95/5 precision is applicable.

Justification:

There are a number of small PoAs that were not developed as standard small-scale CDM projects due to e.g. more flexibility in crediting period. These PoAs may never exceed the size of a standard small-scale project. For these PoAs, the higher transaction costs related to a more scrutinized sampling and verification approach may be prohibitive, and in that regard contradictory to the original goal of the PoA concept to bring down transaction costs. Once more, the field of CDM would be only left for the large scale projects and programmes.

## (2) Sampling Requirements for DOEs

*i) Comment on the requirements of par.23 -28*

atmosfair welcomes the limitation of DOE sample size to a maximum of 50 as per par. 26 and only to proceed to costly and time-consuming 90/10 reliability criteria in case where the assessment is not deemed sufficient by the DOEs (par. 27).

Also it is clarified in footnote 14 that an independent sample from the one selected by the PP may only be chosen by the DOE in exceptional cases with due justification. However, we still have concerns that DOEs may always opt for the most conservative option (as it can already be observed today), i.e. consider assessments based on a sample size of 50 as not sufficient and choose an independent sample, given that is not defined what “deemed sufficient” and “exceptional circumstances” mean. In this case, DOEs would repeat the survey efforts made by the PPs- why after all should then the PP still be required to do an own survey?

*i) Are there other approaches that are more appropriate?*

Par. 28 addresses special requirements for PoAs, saying that for PoAs DOEs should follow requirements of par. 27, i.e. select a sample size based on 90/10 reliability.

While we understand that large PoAs may require more scrutiny than normal small-scale projects given the quantity of emission reductions that may be generated, we would again suggest an alternative (i.e. step-wise) approach, depending on size of the CPAs included in the PoA which will be verified.

As long as the CPAs included in the PoA due for verification will not exceed the small-scale limit of the applied methodology, par. 26 is applicable. Once CPAs included in the PoA due for verification exceed the small-scale limit of the applied methodology, par. 27 is applicable.

Justification:

There are a number of small PoAs that were not developed as standard small-scale CDM projects due to e.g. more flexibility in crediting period. These PoAs may never exceed the size of a standard small-scale project. For these PoAs, the higher transaction costs related to a more scrutinized sampling and verification approach may be prohibitive, and in that regard contradictory to the original

goal of the PoA concept to bring down transaction costs. Once more, the field of CDM would be only left for the large scale projects and programmes.

(3) Any other issues related to the draft document deemed relevant

atmosfair strongly supports a proposed eight months grace period from the date the standard becomes effective to enable the projects currently under validation to finish validation without the requirement to repeat surveys that may have already been conducted (such as baseline surveys) since these projects were considering the existing guidelines on sampling and the methodology requirements (which can be different from the proposed new standard).

(4) Issues related to survey and data analysis which will be covered in a best practice document

atmosfair will be glad to comment on the best practice standards once they are published.

We hope this input will be useful for drafting the final sampling standard. atmosfair would also be available for a teleconference organized by the secretariat to collect feedback from stakeholders.

Kind regards,

Florian Zerzawy, Robert Müller, Barbara Wagner  
Project developers at atmosfair gGmbH