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To cdm-info@unfccc.int
From Gareth.Phillips@pd-forum.net
Date 17th September 2011
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Subject **Letter relating to Annex 7 (Sampling) to the annotated agenda of the 63rd meeting of the CDM Executive Board**

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

Following the *Integrated Workshop on Project Standard, Validation and Verification Standard, Project Cycle Procedure and Programme of Activities Standards* in August 2011, we would like to use the opportunity to comment on the *Draft standard for sampling and surveys for CDM project activities and programme of activities* that will be considered during EB 63.

We generally appreciate the new standard that will provide clarity on the procedures for sampling of baseline and monitoring parameters, as well as inter-CPA sampling by the DOEs during validation and verification. Nevertheless, we do think that there is still the potential to improve the new standard to avoid negative implications when it is put into practice later.

The following explanations describe the paragraphs where we see possible pitfalls of the standard and provide suggestions to avoid them.

Paragraph 8

The original SSC guidelines (as per paragraph 13 of version 01) applied also for sampling continuous processes, such as methane content in biogas for methane avoidance technologies. The new standard seems to refer only to sampling of finite populations, and none of the examples, equations or approaches is relevant for sampling of continuous processes. We would like to request the EB to clarify this in the final version of the standard and clearly allow a sampling approach for continuous processes.

Paragraphs 18 & 23

Although it is important to define the requirement for the sampling clearly in advance, we strongly oppose the requirement of including the sampling plan as per paragraph 23 in the PDD as required by paragraph 18. The level of detail required in this plan will impose several impractical complications for the project implementation as well leading to numerous post-validation changes of sampling plans.

Paragraph 23 (a)

If the sampling frame (the group of units from which the sampling is drawn) is included in the PDD (or CPA-DD), this will lead to an impractical size of the documentation. A list of more than 500,000 households for CFL distribution projects including ID number, name and address will result in PDDs of 5,000 pages (assuming 100 households per page). Especially with national requirements of providing several hardcopies (e.g. P.R. China: 20 Chinese copies, 5 English copies), this will result in tens of even hundreds of thousands of

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pages to be provided as hard copies for the host country approval application of a single CDM project or CPA.

Paragraph 23 (c)

If the identity, experience and qualifications of those who implement the sampling will be included in the PDD, the implementation of the project will depend on specific entities (companies, institutions, etc.) or – even more impractical – on single persons. In this case, the PDD has to be re-validated in case the implementing partner changes or certain persons leave the involved entities.

Paragraph 26 (h)

Additionally, to the implications of including specific persons, experiences and qualifications into the sampling plan (and thereby the PDD) as described above, the advice to the DOEs, how those sections shall be validated will imply further implications. It will be difficult to prove ex-ante that everyone involved in the sampling and surveying received or will have received training. In some cases, training might take place when monitoring surveys are conducted. In such cases, these facts cannot be monitored and will lead uncertainties on the side of the DOEs and thereby further delay of the validation processes.

Paragraph 21

This paragraph refers to situations where the sampling effort fails to achieve the required confidence/precisions. However, there is no guidelines how this success/failure should be determined, which leaves too much room for interpretation. We suggest clearly stating that the precision range for the required level of confidence of the sampling should be calculated ex-post with the data collected during the survey, and the result must be shown to be smaller than the minimum precision range defined for the project.

Paragraph 26 (e)

The questions assume that a random sampling approach will be used. The questions should be generalised to cover systematic sampling approaches.

The sub-questions in the bullets do not fully cover the main question regarding representativeness. Therefore, the following revised text is suggested for Paragraph 26 (e):

Is the sample representative?

- *Is it clear how the sample is to be selected? For example, is it to be selected randomly or systematically?*
- *Does the Plan describe how the selection from the population will be made (for example, in the case of random selection by giving each member of the population a unique identifying number and selecting those members of the population whose identifiers are contained in a list of random numbers with a range identical to that of the unique identifying numbers.)?*
- *Does the method described for selecting the sample minimise the potential for bias in the selection?*

Paragraph 50

We have concerns that the standard for sampling and surveying will trigger unnecessary doubling of work if DOEs apply sampling approaches during their validation and verification work as proposed in the standard under par 50 (ii), which may lead to validations and verifications getting more expensive and time-consuming. Our concerns include specifically:

There are three different situations related to DOEs sampling:

- i. A DOE draws a sample from the project sample selected by PPs;
- ii. A DOE draws a separate sample which is independent from the project sample

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- selected by PPs;
- iii. PPs did not apply a sampling approach and monitored all parameter values while a DOE verifies the parameter values based on a sample selected by the DOE.

Though it is stated in the footnote 10 that Paragraph 50(i) or 50 (iii) are default choices while paragraph 50 (ii) may be chosen under exceptional circumstances with due justification, if this happens and approach (ii) is chosen the DOE will actually repeat the survey efforts already done by the PP. We do not see why this may be necessary as it is the same work done twice. It would be much more logical that the DOE checks on the sample that the PPs selected for determining the respective parameter value. Furthermore it is not defined what "exceptional circumstances" may be. As it can already be observed today that DOEs prefer to chose the most conservative approach if options are given, we have the concern that option (ii) will become the de facto default.

Paragraph 51

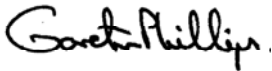
We strongly support the alternative option for paragraph 51 (a) and 51 (b), i.e. the selection of 25% of the project units with a maximum of 50 units instead of a 90/10 confidence/precision.

In most cases, this will result in a smaller number of checks required by the DOE and hence will be less costly and time consuming than following the 90/10 confidence/precision requirement as proposed in paragraph 51 (a) and (b). It should be made clear by the EB, that DOEs are not required to repeat the sampling but check the sampling done by the PPs.

Paragraph 56

We welcome the clarification that homogenous PoAs can apply a common sampling plan and hence the burden of artificial clustering of small units into CPAs is somehow alleviated. However, we do not see a logical justification why in this case instead of a 90/10 confidence/precision a 95/10 confidence/precision should be required as per paragraph 56 (c).

Yours Truly,
Kind regards,



Gareth Phillips
Chair of the PD Forum