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Umweltinstitut

*Komplettlösungen
für Ihren Ertrag.*

Regarding: Stakeholder Comment on the revised tool for waste disposal sites

Dear Secretariat,

thank you for the possibility to provide a comment on your draft tool version 6.

After intensive review of the draft tool I can see some positive and several negative developments:

Positive:

Increasing the model uncertainty is in line with the recommendations given by bifa during the practitioners' workshop on 9th June in Bonn.

The tool does now include also a better way for sampling of waste categories.

Negative:

1. It seems that the complexity of the tool has been substantially increased. The proposed new sampling methods for establishment of parameters need further explanations and directions. As this sampling methods are not clearly formulated, most project participants are likely to choose the conservative default values, also to safe time during validation.
2. At the practitioners workshop we suggested to increase the uncertainty factor of the First Order Decay Formula only in juncture with a review of the Kj value, that postpones the issuance of CER.
In the new draft version now provided by the Secretariat the overall conservativeness of the model is increased but it fails to adjust the Kj values.

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Our Ref.: gb

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This massive reduction of GHG was not proposed by bifa. Please also take into account that uncertainty can also mean that the emissions can be actually much higher, too. It would be therefore unfair to project participants to cut all baselines to the most conservative level possible.

The approach of bifa to reform the tool was following:

- Increase the overall conservativeness and ease the same time the complexity
- Put $K_j = 1$ to calculate GHG emissions on project base along Tier 1 to enable project implementation and regular income without distortions

Both suggestions were interconnected and would have resulted in an increase of conservativeness and environmental integrity while the same time providing the necessary finance to projects.

It was never intended by bifa to suggest an increase in conservativeness without a corresponding compensation for project participants by allowing to calculate the GHG reduction along Tier1.

In the framework of the handbook "Guide to Foreign Investment Projects" commissioned by the German Federal Ministry of the Environment as well as in our bifa publication (bifa Text Nr 42) "CDM in the waste management sector: Analysis of potential and barriers" the expert team of bifa compared the tool version 5 with other established scientific models for the calculation of GHG emissions from waste disposal. We found the existing tool to be already highly conservative.

Given the additional reductions being suggested now in version 6 of the tool, the resulting baseline will be not sufficient any more for financing any project activity in developing countries.

It is common industrial and scientific practice in Europe to assess the environmental impact including GHG emissions of waste management technologies along Tier1. Otherwise a comparison of the real environmental impact is not feasible.

The same is especially true for the calculation of GHG emissions on project base.

I therefore recommend to pay attention to the publications mentioned above in regard of introducing Tier1 methodology to avoid great distortions for CER issuance on project base for waste management CDM activities.

The Tier2 multiphase approach is according to our analyses the single most important reason for the failure of the CDM to provide incentives for the waste management sector.

The reform of the tool as well as the improvement of the related methodologies are to fail if this issue is not addressed.

If you have any questions please feel free to contact me. Thank you very much.

Best regards,

Bernhard Gerstmayr