

March 18, 2011

CDM Executive Board
P.O. Box 260124,
D-53153 Bonn, Germany

Subject: Call for public inputs on further expansion of applicability of AMS-III.AJ "Recovery and recycling of materials from solid wastes"

Dear Members of the CDM Executive Board,

The Carbon Finance Unit of the World Bank welcomes the opportunity to contribute to the discussions on the revision and further expansion of applicability of AMS-III.AJ "Recovery and recycling of materials from solid wastes"

In its current form, the recycling methodology is mainly applicable to larger recycling facilities and not adapted to the fragmented nature of the recycling sector in many developing countries, including various sub-systems and actors (formal and informal waste sector). On this basis, this submission is supporting alternatives approaches to increase the methodology application.

Simplified and standardized approaches:

Numbers of activities could be undertaken to increase the recycling rate based on the actions of the formal waste sector, but also the informal waste sector. In this context, standardized approaches for recycling activities could improve cost effectiveness and foster the development of CDM recycling projects in developing countries. The suggested alternatives approaches have the potential to recognize actions undertaken by various actors including contributions from the informal sector.

For specific and identified activities undertaken in a given geographic boundary the elements of the simplified/standardized may include the following:

- Simplified procedures using ex-ante and ex-post surveys for assessing indicators such as the recycling rates per material type and waste diverted from the final disposal in a given geographical boundary. Standardized approaches are already available and utilized in many cities for measurement of various indicators in the waste sector such as recycling rate, municipal waste generated, etc.
- Uses of default factors for assessment of the project emissions are also recommended. Currently the methodology includes the measurement of electricity and fossil fuel to further allocate project emissions to materials based on their weights and market prices. Recycling activities in developing countries are often defined by multiple subsystems (from the collection points to the recycling facilities). In this context,

measuring project emissions associated with each subsystem could simply be impractical. The use of benchmark based Life cycle inventory/Life cycle Assessment approaches is thus recommended.

- Use of a cut off ratio for each material type based on a market analysis (e.g., % of material *i* being substituted by the recycled material *i*) rather than using material properties to established the product equivalence.

We will be pleased to provide further information and clarifications at your request.

Sincerely,

A handwritten signature in black ink, appearing to read 'Klaus Oppermann', with a long, sweeping horizontal stroke at the end.

Klaus Oppermann
Team Leader Policy and Methodology Team
Carbon Finance Unit, The World Bank