



Comments on “Guidelines for demonstrating additionality of renewable energy projects \leq 5 MW and energy efficiency projects with energy savings \leq 20 GWh per year”

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Type III SSC projects

We do not find any rational reason why type III SSC projects shall be excluded from the Guidelines. In case some technologies are judged to be exempted *politically*, those technologies or project-types shall be specified as the negative list of the Guidelines.

Another issue is the plural methodologies case whose principal part of the emission reductions is by renewable energy and minor part is by methane reductions. An example is a biogas utility project which utilizes municipal organic waste as its feedstock for the digester. Fuel switch to biogas is around ten times larger than the effect of avoidance of methane release from landfilling in CO₂-e term.

The current Guidelines states that “Project activities up to 5 MW that employ renewable energy as their *primary* technology are additional if any one of ...” (para. 2). This implies that the Guidelines can be applicable to the renewable energy projects even if the projects include *minor* type III components also. I would like to clarify this point if type III projects are judged to be non-eligible.

Application to PoA

The underlying intention of this Guidelines by CMP and Parties is to foster the tiny projects (especially for poors). This intension overlaps and is consistent with the intention to elaborate the channel of programmatic approach. Therefore, it is obviously rational to apply this Guidelines to any SSC-CPA if its scale is below the threshold of this Guidelines.

It is also noted that the Guidelines are integrated to the methodologies. Therefore, *consistent* treatment shall be applied both to ordinary SSC CDM project activities and to SSC CDM PoAs (SSC methodologies are applied to each CPA under the PoA) on the application of this Guidelines.

How CER is used

This Guidelines is strong in the sense that the project activity is *supposed* to be additional if it satisfies one of the conditions. I do not want to include other redundant conditions, but I must notify “where is ‘CDM?’” I suggest to include the following paragraph in the Guidelines:

The project participants shall describe how the revenue of CER is utilized for implementation of the project activity and how the end-users of the technology get benefits from CER.

The Validation/Verification Manual shall specify that the validator is to check whether CER revenue is planned to be utilized properly for implementation of the project activity. And the verifier is to confirm that the end-users got benefits as expected *qualitatively*.

My concern is that the project participants may not share the benefits of CERs with the end-users. On the other hand, if such description is required in the PDD, we can find some innovative models such as to get loan for the source of micro-finance with expected CER revenue as collateral.

Definition of “off-grid”

The Guidelines specifies an eligibility condition of a project activity to be an off-grid energy supply activities. I believe this condition includes two cases:

- (1) Renewable power supply in the off-*power*-grid area, and
- (2) Renewable thermal energy supply (*e.g.*, biogas) in the off-*gas*-grid area.

I request the Board to specify these cases explicitly. Both are important in the sense of *energy access for all* as the basic human needs.

In addition, this “off-grid condition” shall be applied to energy efficiency type also. For example, improved cook stove (ICS) is a typical case.

Definition of “SME” and other eligible end-users

SME shall include a (non-industrial) *building* sector or *service* sector.

For industrial end-users, a threshold may be set as a factory with less than 300 employees.

Vehicles shall also be eligible end-users.