

Members of the CDM Executive Board

UNFCCC Secretariat

Recipient Address

City, Country

Singapore, August 10th 2012

Subject: Call for Input on Sustainable Development Co-benefits

Dear Madam, Sir,

Nexus- Carbon for Development welcomes the opportunity to respond to the Executive Board's call for inputs on sustainable development co-benefits. The CDM is a global mechanism with a wide range of stakeholders and perspectives. Nexus is a non-profit alliance of grassroots development organizations, working on disseminating technologies for the bottom of the pyramid. In this capacity we are pleased to present the perspective of development practitioners. We welcome this first step to acknowledge co-benefits of project activities, whilst noting;

- The voluntary nature of the tool does not reflect the twin objectives of the CDM as specified under article 12 of the Kyoto Protocol which implies equal weighting to both emissions reductions and sustainable development.
- Relevant stakeholders should be given the opportunity to comment and, where applicable, challenge the stated co-benefits of project activities.
- There are no provisions for ongoing monitoring of co-benefits, without which outcomes cannot be substantiated.

In response to the secretariats request for direction we have the following specific inputs.

Are there any sources of information useful as a reference for refining or furthering the current questions, answers and ratings scales?

A recurring issue with sustainable development assessments is reflecting whom the co-benefits are accruing to. The listed sources of information do not include discussions on how the CDM might contribute to poverty alleviation, through specifically assessing benefits to poor populations. Recent literature covering the assessment of 'Pro-poor' benefits has been covered by Crowe (2012) '*The Potential of the CDM to deliver Pro-poor benefits*' which also contains additional references can be accessed at

<http://www.tandfonline.com/doi/abs/10.1080/14693062.2012.709080#preview>

In addition questions on the longevity of the co-benefits should also be asked. Many project activities have the potential to deliver co-benefits but only if questions of user motivation, affordability and required level of behavior change are addressed. References for this include;

Slanski & Thurber (2009) Technology adoption Three Key Obstacles to Cookstove Adoption in Cookstoves and Markets: Experiences, Successes and Opportunities (GVEP, 2009)

Hanna et al, (2012) Up in smoke: The Influence of Household Behavior on the Long-Run Impact of Improved Cooking Stoves

Are there any questions or answers missing or conflicting?

Step 1 could allow for the selection of the appropriate methodology. This would allow comparison of co-benefits across project types and might eventually facilitate a benchmarking approach to 'high quality projects'.

Economic: There is no question on the equitable share of revenue and how CERs/funds may reach the users of the technology and/or service.

Technology: In order to successfully disseminate technologies and displace baseline technologies, project developers must take account of (1) users motivation (2) affordability and (3) engagement¹. In order to capture the sustainability of a project activity, the following issues should be addressed;

- Users perceived value of the technology/measure
- The consideration of affordability. Generally speaking poor populations cannot afford cleaner technologies with their available income. At the same time heavily subsidized technologies will last only as long as the subsidies are available and cannot be considered sustainable.
- Questions should also address the level of behavior change required by the users. In order for technologies to be adopted they must be adapted and appropriate to user's needs.

Can any questions or answers be better posed or structured, bearing in mind the impact this may have on the extent and quality of the output (reporting)?;

Q6. How and to what extent does the activity improve air quality in the area,

This might be clarified to include Indoor Air Pollution (IAP).

Q14. How and to what extent does the activity create new employment?

References to employment creation should be time bound e.g. over the project life time or annually.

Q17. How and to what extent does the activity result in health and safety improvements?

Could be extended to include food and/or water preservation.

Q21. How and to what extent does the activity improve the welfare of people?

Poverty alleviation is highly subjective, the poverty level should be defined.

Is the size (length) of the tool sufficient?;

No comment

Are there any suggestions for how reporting of output from the SD tool should be presented (case-based and/or aggregated summary)?;

An aggregated summary across project types/methodologies would be useful. This would allow comparison of co-benefits across project types and might eventually facilitate a benchmarking approach to 'high quality projects'.

¹ See Slanski & Thurber (2009) Technology adoption Three Key Obstacles to Cookstove Adoption in Cookstoves and Markets: Experiences, Successes and Opportunities (GVEP, 2009)

Taking into account user needs and variable accessibility requirements, should the SD tool be implemented:

(i) Online;

Regards,

A handwritten signature in black ink, appearing to read 'Sam B', followed by a long horizontal line extending to the right.

Samuel Bryan, Technical Director