

TABLE FOR COMMENTS

Name of submitter: Harikumar Gadde

Affiliated organization of the submitter (if any): The World Bank Group

Contact email of submitter: hgadde@worldbank.org

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#	Area*	Related CDM regulatory document (if any)	Para no. (if any)	Issue (Description of an issue concerning a specific CDM rule or operation that you consider results in unnecessarily high burdens or transaction costs on stakeholders, together with a description of the observed burdens or costs and their implications)	Proposed change (Description of an idea for simplification/streamlining of a particular CDM rule or operation and expected implications on the efficiency and integrity of the CDM)
1	Registration (for stand-alone small scale CDM projects)			<p>Recognising that standardisation will promote simplification, predictability, improve consistency, efficiency and transparency, it is recommended that <i>automatic registration</i> of projects that qualify as automatically additional (without validation) and which can apply a standardized template is permitted as an option (i.e. not mandatory).</p> <p>The procedure ensures environmental integrity, as the projects shall use the standardized baselines guidance approved by the UNFCCC and conform to the modalities and procedures of verification and certification defined for the CDM project activities.</p>	<p>In order to reduce transaction costs and to promote efficiency and predictability, establish simplified and optional modalities and procedures for small-scale CDM project activities using standardized baselines.</p> <p>The project cycle procedures could be simplified as follows:</p> <ol style="list-style-type: none"> 1) a project cycle is simplified to enable automatic registration of projects that qualify as automatically additional and can use <i>the standardized project design document</i> (check list); and 2) a verification and certification of a registered CDM project activity combines (simultaneous) <i>ex post assessment by the DOE of a project's compliance</i> with the requirements of the registered standardized project design document (check list) and of the monitored emission reductions.

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2	Registration and inclusion (for POAs)			<p>Recognising that simplification will promote predictability, efficiency and transparency and improve the attractiveness of applying Program of Activity (PoA) approach to micro-scale activities, it is recommended that the simplified modalities and procedures allow for the option of <i>automatic inclusion</i> of micro-scale activities under a PoA (without validation by a DOE). Application of the micro-scale threshold at the level of individual activity will avoid inefficient stratification between an individual activity and a CPA.</p> <p>Environmental integrity is ensured since the simplified modalities and procedures do not modify the modalities and procedures of verification and certification defined to the CDM project activities. Such a procedure will be optional, i.e. not compulsory.</p>	<p>In order to reduce transaction costs, promote efficiency, predictability, and to improve attractiveness of the PoA concept for micro-scale activities, simplified modalities and procedures for micro-scale PoAs need to be established.</p> <p>The project cycle procedures for micro-scale PoAs are simplified as follows:</p> <ol style="list-style-type: none"> 1) micro-scale thresholds are applied at the level of each individual activity; 2) A micro-scale PoA is validated and registered without a specific CPA. 3) a project cycle is simplified to enable the option of using an <i>automatic inclusion procedure</i> for micro-scale activities in a PoA that is eligible to use a pre-approved standardized inclusion template; 4) monitoring approaches are simplified and streamlined; and 5) a verification and certification of a registered PoAs combines (simultaneous) <i>ex post assessment by the DOE of PoA' micro-activities compliance</i> with the eligibility requirements of the registered PoA and of the monitored emission reductions.

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3	Issuance (Start date of the crediting period of CPAs)			Currently CPAs can only claim emission reductions from the date of inclusion in to the registered POA. This leads to significant loss of emission reductions from eligible CPAs that have already started implementation, in particular for implementation of distributed systems such as solar home systems, cookstoves, LEDs, biodigesters etc.	Crediting period for all eligible CPAs needs to start from their <i>day of implementation</i> as long as the date of implementation is after the start date of the POA, or <i>after the start date of the PoA crediting period</i> at the minimum
4	Methodology (Application of the methodology version)			Continued use of a version of a methodology used in the registration of a project or programme of activity should be permitted in cases where the methodology expires during the period of completeness check and information and reporting check.	A project or programme of activity that fails during completeness/information and reporting check can continue to use the version of methodology applied at the time of submission of request for registration but expired during the period of completeness check and information and reporting check.
5	Methodology (Further simplification of SSC methodologies in the waste sector)			The simplification of monitoring procedures for project emissions from recent versions of small scale methodologies related to composting, and waste management/treatment have been welcome; however there are still too many parameters to be reported by the small project owner, which then need to be verified by the DOE, along with methodological choices and tools to be explained. In the end all this effort on explanations of project emissions represent a small portion of monitored baseline emissions. Small project owners end up requiring support from consultants/experts who help them answer all queries at the verification stage. We consider the monitoring of these parameters, which are outside of the primary activity of the project owner's activity, to be unnecessary high burdens on small project owners which increase transaction costs especially on smaller projects.	In order to decrease transaction costs on project owners from small scale waste management /treatment projects we suggest a further simplification of its methodologies for the calculation of project emissions, by simply assuming one conservative discount, as an option, instead of monitoring some parameters from baseline emissions that could be differentiated by project type.

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6	Issuance (for CPAs under a POA)			Though batched issuance is now allowed and has resulted in an increase in the frequency of issuance requests for POAs, the current rules still do not fully accommodate the practical implementation requirements of individual CPAs.	Recognizing that the POA is different to single CDM project activities, permit CPAs to have different monitoring periods, verification and issuance schedules in order to align the monitoring, verification and issuance procedures to the practical implementation realities of individual CPAs. The monitoring period of included CPAs can be adjusted without prior approval as long as there is no overlap between two monitoring periods.
7	Issuance (Calibration requirements)			At present, in many countries that currently lack technical capacity and/or the availability of accredited laboratories, the calibration of equipment is either delayed or not done at all. In such cases, project developers either resort to permanent changes to the monitoring plan with increased calibration frequency or propose alternative ways of estimating the value concerned.	Propose default adjustment rates for values that require measurement and calibration at regular frequency for countries/projects that fail to meet calibration requirements due to costs, capacity and country specific constraints. The default adjustment rates can be on the basis of maximum permissible error allowed for the meter under consideration as per manufacturer specifications and the number of years the meter missed the calibration.
8	Post registration changes (Approval of changes to the monitoring plan of projects /programs that use older versions of the PS)			At present, any permanent changes to the monitoring plan needs to get prior approval before proceeding with request for verification, even the change proposed has no impact on project baseline, additionality and the way emission reductions are calculated. The recent ruling on allowing validation of monitoring plan during verification does not help for the projects that are already registered.	For projects that registered using the Project Standard (PS) version 7.0 and earlier, DOEs should be able to approve changes to the monitoring plan at the point of verification that do not have any impact on the validation decision (i.e. do not impact the baseline, the additionality determination, etc.) considering that the practical implementation of monitoring requirements may not be fully anticipated by project proponents at the registration. This avoids time delays with need for prior approval of the EB.

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9	Post registration changes (Application of elements simplified in the advanced version of the applied methodology)			If any methodology undergoes revision and introduces simplifications mainly for the calculation of emission reductions, the projects registered with earlier versions of the methodology need to undergo post registration changes and <i>seek prior approval</i> of the EB. This causes unnecessary delays and increase transaction costs.	Any simplifications or changes introduced in advanced versions of the methodology should be allowed to use by the projects that used earlier versions without any need for <i>prior approval</i> of the EB as long as these changes are validated by the DOE and submitted as part of the issuance request. This can be made an optional.
10	Project Cycle Procedure (Making monitoring report publicly available)	PCP v 09.0	213	As per the PCP, Ver 9.0, the requirement for the DOE to make the Monitoring Report publicly available has increased to at least 21 days prior to undertaking the site visit from earlier requirement of 14 days. This increases the issuance timeline for project activities that need faster issuance of credits and results in an unnecessary high burden to the project owner and increases the transaction costs of obtaining the credits.	Leave the time line to 14 days as it is on the PCP v 07.0. This should be enough time for making the travel arrangements for the CDM assessment team members in case the verification is chosen for a performance assessment in accordance with the CDM accreditation procedure.
11	General			Many CDM projects and PoAs have experienced costs and delays relating to issues that are non-material in nature. The risks, costs, uncertainties and timelines relating to these activities are therefore increased unnecessarily and their effective implementation is undermined due to issues that have no material impact on environmental integrity	Further application of materiality principles in the CDM is needed. The materiality principle should be applied in all aspects of the CDM, including validation and post-registration changes.

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12	Other			The requirement to have a different DOE for validation and verification of projects and PoAs that exceed small-scale thresholds can increase transaction costs and cause delays in validation and verification and limits the business opportunities of regional DOEs.	Develop criteria to allow the same DOE to validate and verify the same project or PoA for all scales while safeguarding environmental integrity. This criteria could be based on, but not limited to, (i) location in LDCs (ii) measures/technologies are automatic additional or part of positive lists; (iii) uses default baseline emission factors; (iv) requires monitoring of few parameters etc.
13	Other			Under current sampling rules and guidelines, for programs with CPAs implemented in several locations, DoE has to conduct extensive site visits to satisfy the requirement of representativeness of monitored sample.	DOEs should be allowed to perform the verification as a desk review if a site visit has already taken place before and there is acceptable evidence that supports that 1) the project is still in existence, 2) the data monitoring and management systems of the project are sound and robust, 3) there is a reliable quality control mechanism in place to check and improve quality and correct any negligence and misconduct.

*Area: Please choose from the following categories:

General; Registration; Issuance; Post-registration changes; Renewal of crediting period; Other project cycle step; Methodology development; Methodology revision; Methodology clarification; Accreditation; Other specific process.

Please divide your inputs on issue by issue using different rows. Please create as many rows as needed.