World Bank Group Submission on the PoA development tool (excel-based tool for the development of digitized methodology-specific PoA-DD and CPA-DD forms)

The World Bank Group welcomes the opportunity to make a submission to the UNFCCC secretariat in response to the call for public inputs regarding the design of the PoA development tool, which aims at the reduction of the complexity of preparing PoA-DDs and CPA-DDs by limiting required input from project participants to generate design documents. The simplification efforts and digitized forms are a welcome step in the right direction, however we would like to emphasize the importance of taking this initiative much further to truly simplify and streamline processes and procedures for PoAs that will give way to the transaction costs associated with artificial processes that were set up for individual project activities, but are no longer fit for the scaled-up PoA concept.

We therefore provide below our comments to each one of the specific questions, but we would like to note that there is still much to be done in order to meet the objective of reducing the complexity of preparing PoA Design Documents.

We would also like to note that the tutorial video is too large to download and takes few hours with low connection speeds. It might also be a good idea if this can be played directly either on UNFCCC website or in streaming sites like Youtube.

Key questions

1. **Did the methodology selection module help you to select the applicable methodology?**

   Yes, we found the checklist approach for some particular methodologies and technologies useful. For the moment, the template may work effectively when the PoA is promoting one technology using one methodology. However for POAs with multiple technologies/measures and with multiple methodologies, the template -in its present form- is not so user friendly. Considering that there are more than 100 methodologies, it is essential to start by consolidating methodologies to ease the process of developing such tools. The methodology selection section can be simplified by avoiding repetitions, and hence list instead the applicability conditions in a simplistic form with just one check box against each condition, to then recommend an appropriate methodology. Also, the prelisting of the number of CPAs, depending on the applicable conditions is not the most effective way to go about developing the tool.

2. **What further simplification could be done to reduce the entry of the requested information?**

   - **Methodology selection:**
     The checklist approach is much welcome. See above comment on this.
   - **PoA-DD generator:**
     It would also be useful if the POA-DD format itself could be simplified. As the current approach is to generate the document in the current approved format, it is difficult to understand the value added when there are easier alternatives that can be adopted; for example information could be collected in a checklist format in an excel sheet. Though the current tool reduces the effort associated with POA-DD preparation (avoids hiring a

consultant in cases where the CME is very familiar and knowledgeable with the CDM), it is not reducing the many transaction costs associated with validation and verification of PoAs.

- **CPA-DD generator:**
  Similar to the above comment, we also suggest taking the simplification approach further by creating a checklist approach for CPA-DD generation. It currently requires much work from a knowledgeable user to complete the form once it has been generated by the tool; meaning it is expected from the user not only to know what the previous CDM forms required, but where to change generated text from the excel form. The intention of the tool is the reduction of complexity, however from our understanding, it currently only works as a conversion of the existing CPA-DD-Form into an excel format.

3. **Does it reduce effort required to prepare the CDM documentation?**

   Yes, but only to an extent. It seems however the template still requires of a trained user. It only reduces time in the sense that it provides already accepted text, but a lot of it needs to be rechecked by the user entering the information. It does not really simplify the process, but gives a more advanced starting point to the user. It is not user friendly to users who are not familiar with CDM requirements, forms, or methodologies.
   We think as drafted, the critical complexities in the methodological approaches remains unresolved. Areas that often are the source of bottlenecks include:
   a) eligibility criteria
   b) options for calculating emission reductions (i.e. which defaults are possible when data is not available),
   c) issues related to sampling requirements (e.g calibration precision - how to address if cannot follow guidance - what are options or defaults)
   d) Allow for updates or revisions e.g. changes to registered documentation

4. **How effective is the actual modular structure for the development of PoA-DDs and CPA-DDs?**
   Please see our above comments.
   - **Methodology selection:**
   - **PoA-DD generator:**
   - **CPA-DD generator:**

   We are not sure how effective this module is, since it seems work is further required in the specific CPA-DD once generated from the spreadsheet; in the example, there are many sections with text to be entered and fixed. We assume this means that the project developer has to provide further details. If it is the case, it would be useful to evaluate the savings from the current PDD development process. The monitoring section is useful but needs to be carefully adapted to the CPAs needs, etc. To see actual benefits, the generated CPA-DD could be simplified in a checklist format, having only one document without any further work from the developers.

5. **Questions on the functions included in the tool.**

   a. **Does all the information inserted into tool migrate from excel to word?**
      No. Information on section A.1 did not migrate nor on Part I or Part II (Project name, start date and Host country did not migrate consistently in the DDs text), and the text of the tool appears on several sections of the PoA-DD before and after text is migrated. For instance in section A.2 the text entered for the Sustainable Development benefits shows

up with lines before and after; the following did under a) Social: "bmSocialSustainability" Same happened for b) c) and d). It is not clear if the user needs to modify text produced on the generated DDs. Also, why is there no CPA 6? When we selected AMS II.J for CPA 5, it did not appear in the POA-DD.

b. Is the sequencing of questions arranged in the tool easy to follow?
Yes, if the user is familiar with the CDM templates. There is also scope for further simplification, especially in the methodology selection section as it is too crowded at present.

c. How does the information flow in the tool?
It is OK, again if the user is familiar with the CDM templates.

d. Do the functionalities of tool such as drop down list and boxes help you?
Yes, actually this is the most useful feature. The use of more closed questions in the form are very useful in helping users to avoid making mistakes when transferring information from the PoA-DD to the CPA-DD. The CPA-DD generator was most helpful, taking already available information from the PoA-DD.

e. Do you have sufficient space to enter information?
Yes; however the suggestion is to narrow down even more the information that has to be entered, so that it is not a question on space, but a selection of the right options. More of the checklist approach is very helpful in the simplification of the form.

f. Are the questions compatible with the CDM requirements?
Yes, however it is not user friendly for unexperienced users, and is still time consuming.

g. Did you face any situation where choices are overlapping and was unclear to choose
Yes, when filling out the PoA-DD, especially when being filled out by someone not familiar with the methodology. The form still requires of a knowledgeable user that is familiar with the input information required for the applied methodology.

h. Did you face a situation where none of the choices in the drop down menu is relevant to your case?
No

Additional questions

6. How do you think this tool can work with validation, monitoring and verification?
We think this tool is a first step in the right direction, because it might help prepare projects for validation, but it is not very helpful for monitoring of verification purposes. It only helps in the preparation of validation documents.

7. What additional features do you expect from the tool?
We suggest to further the simplification efforts for certain type of projects to start with, and allows for 1) an eligibility criteria table and 2) emission reduction calculation sheet to be used as the sole source of documentation during validation.

8. In your opinion, to which other methodologies such tools would be useful?
Simplification approaches are always welcome in the more used and/or comprehensive methodologies.