



**UNFCCC**

# **Programme of Activities - revision to procedures**

**EB 45**

**Date 11-13 February 2009**

# Background

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- Procedures adopted: EB32
- Call for inputs: EB41
- Initial consideration: EB42
- Secretariat mandated to assess the inputs and make recommendations
- Four key areas:
  - Demonstration of additionality;
  - Inclusion of CPAs and DOE liability;
  - Application of methodologies; and
  - Occurrence of de-bundling.

# Demonstration of additionality

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## *Problem*

- Unclear whether additionality is assessed at CPA or PoA level

## *Suggested changes*

- Clarify that additionality is part of the eligibility criteria of the PoA
- Amend the Procedures and CPA-PDD forms to reflect this

## *Reason*

- Additionality is only assessed for the CPA as part of the eligibility criteria

# Inclusion of CPAs and DOE liability

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## *Problem*

- No time limit for review and a review can be raised by a DNA involved in the PoA or a Board member
- Consequences of erroneous inclusion put all CPAs already submitted to be reviewed

## *Suggested changes*

- A review can be raised by the DNA involved in the PoA or at least three Board members, within one year after the inclusion of CPA into registered PoA (introducing a time limit)
- CPAs already submitted shall be reviewed through a stage-wise assessment

## *Reason*

- To make review process similar to standard CDM projects
- To lower the transaction cost

# Application of methodologies

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## *Problem*

- Application of EB guidance “all CPAs of a PoA shall apply the same approved methodology”, a significant barrier for project development
- Unclear whether a revision of methodology lead to new version of the PoA and the PoA specific CDM-PDD

## *Suggested changes*

- Expand the applicability of methodologies for PoAs by allowing a combination of small-scale methodologies
- A revision of methodology should lead to a new version of PoA (e.g Version 1.1), however, only new CPAs shall follow the latest version of the PoA. Such revisions to the PoA are not required in cases where a methodology is revised without being placed on hold or withdrawn

## *Reason*

- Use of more than one small-scale methodologies will expand the potential applicability of the PoA procedures to more project types
- Current procedure is unclear regarding when a revision of PoA is required

# Occurrence of de-bundling

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## *Problem*

- Unclear if a managing entity owns POAs in same sectoral scope but with different technologies
- 1 km boundary criterion excludes projects implemented at household levels

## *Suggested changes*

- Amend the de-bundling guideline as - a proposed small-scale CPA of a PoA shall be deemed to be a de-bundled component of a large scale activity if there is already an activity, which satisfies both the conditions under para 7(a) and (b) of Annex-27/EB-36 together
- If each of the independent subsystems/measures (e.g. biogas digester, solar home system) included in the CPA of a PoA is no greater than 1% of the small scale thresholds defined by the methodology applied, than that CPA of PoA is exempted from performing de-bundling check

## *Reason*

- Current check of de-bundling is complex and prohibitive for micro projects being implemented at household level