

1. Elaboration of the requirements in paragraphs 33 to 39 of the RMP

- Options on the determination of BCFs
 - **Comment 1:** Both BCFs from supervisory body built in methodology (option 3) and method/approach (option 4) or proposed by Host country (option 2) may be allowed but when both co exist, with those more stringent ones proposed superseding. Some CDM methodologies already have baseline contraction factor (Ex: AMS III-C)
- Options on the determination of BE1s
 - **Comment 2:** Option 1 (B3 & Option B4), some elements of option 2 (I don know how to turn them to measurable technical text) and all elements of Option 3 seem more practical, manageable, objective, complete and faster.

2.: Baseline

3.9.Requirements on baselines

“40. Each mechanism methodology shall require the application of one of the approach (es) below to setting the baseline, while taking into account any guidance by the Supervisory Body, and with justification for the appropriateness of the choices, including information on how the proposed baseline approach is consistent with paragraphs 33 and 35 above and recognizing that a host Party may determine a more ambitious level at its discretion:

(a) A performance-based approach, taking into account:

(i) Best available technologies that represent an economically feasible and environmentally sound course of action, where appropriate;

Comment 3: *The Supervisory body may need to define/elaborate what a “Best available technology” means as it may have different meanings in different countries and contexts. Is it any technology*

that is best performing among those technologies manufactured locally? Is it a technology in a sector that is the best among those operating/existing (manufactured locally or imported) in a host country? In any of these cases, how can the “best available technology” be a baseline and what then would be the mitigation activity?

(ii) An ambitious benchmark approach where the baseline is set at least at the average emission level of the best performing comparable activities providing similar outputs and services in a defined scope in similar social, economic, environmental and technological circumstances

Comment 4: This seems a reasonable approach to define the level. However this can also be very lax unless the number of years of averaging before the project activity start date is limited in the methodology. Sometimes even limiting the vintage year of the technology may be required since the plant may be implemented recently but the technology is actually many vintages old.

Hence baseline may best be set at least at “the average emission level of the best performing comparable activities or technologies that operate in the entire HOST COUNTRY providing outputs and services similar to the project activity, taking data from those that produced at least 80% of the output or implemented in the last three years before the project start date AND considering only the technology vintages of the last N years based on the speed of transformation of sectorial technologies (Ex: five years for industry or three years for vehicles/cars) before the project start date, in a defined scope in similar social, economic, environmental and technological circumstances”

(iii) An approach based on existing actual or historical emissions, adjusted downwards to ensure alignment with paragraph 33 above.

Comment 5: Further to those provided under 41 to 46, this may need some more provision to ensure achievement of long term goal as :

“An approach based on existing actual or historical emissions of the project plant taking into account domestic policy (weather enforced or not) that requires autonomous performance

improvement of the plant, and adjusted downwards to ensure alignment with long term ambition (paragraph 33 above) through baseline degradation factor that ensures gradual decline.

Moreover the project activities that use this baseline option should only be those that can result in Emissions Reduction at least 50% of the baseline Emission (for project activities running till 2030) and only be those that can result in Emissions reduction at least 90% of the baseline Emission (for project activities running beyond 2030).

3. Additionality

- Regarding “39. The Supervisory Body may apply simplified approaches for demonstration of Additionality for any least developed country or small island developing State at the request of that Party, in accordance with requirements developed by the Supervisory Body.”

Comment 6

I suggest **removing** the term “**at the request of that Party**” and replacing it with “**whenever methodologies or tools are considered including at request of any Party**”

- Provisions from 47 to 50, may further include more provisions

Comment 7

- We did not see “**barriers to implementation**” as one option particularly for circumstance in least developed countries.
- We may also need to utilize actual **penetration rate** of the proposed technology (by type and/or quantity) in the host country in the relevant sector. A CDM norm of 20% as common practice threshold need be maintained. 50% maynot meet the science informed target.