CALL FOR INPUT	
Name of submitter	Ritika Tewari
Affiliated organization of submitter (if any)	South Pole
Email of submitter	r.tewari@southpole.com
Date of submission	23/10/2025

Instruction: Enter your input in the table below.

Document reference number and title:
A6.4-MEP009-A02. Draft Mechanism Methodology: Flaring or use of landfill gas (version 01.0)

Item	**Section no.** (as indicated in the document)	**Paragraph/Table/Figure no.** (as indicated in the document)	**Comment** (including justification for change)	**Proposed change** (including proposed text)

1.	General comment		We would like to humbly submit to the Supervisory Body to consider the need for calibrating the multiple avenues where the MEP has chosen for use of defaults, disallowing context specific, accurate and country-driven parameters. These include exclusive use of default values for grid emission factors, transmission and distribution losses (%) and default value ranges for Oxidation factors, without provision of options to calculate or use acceptable literature (e.g. host country provided data). The grid emission factor defaults being proposed alone are substantially below those provided in standardized baselines approved by host countries. Application of downward adjustment and annual declining baselines will come on top of these adjustments. These cuumlative adjustments risk undermining the viability of projects that have awaited PACM's operationalisation for nearly a decade. We respectfully request that the Supervisory Body ensures proper calibration of such impacts before methodologies are approved. A similar request was made during direct stakeholder interaction at Supervisory Body's 18th meeting. To ground this observation in evidence, the Project Developer Forum recently modelled an improved cookstove project using the new PACM Baseline Standard. The defaults introduced by the SBM (including fNRB values from CDM Tool 33) and defaults for parameters from new cookstove methodologies reduced crediting potential by ~67% compared to use of CDM methodology. Applying PACM's downward adjustment requirements resulted in an additional ~27% reduction in credits. The assessment reflects how multiple adjustments could run a risk of over-correction in PACM that may threaten project viability, especially in LDC and SIDS contexts and for small scale activities. This case study has been submitted for the SBM's perusal in a letter dated 03 October, sent to the email address <a6.4mechanism-info@unfccc.int>.	

Document reference number and title:
A6.4-MEP009-A02. Draft Mechanism Methodology: Flaring or use of landfill gas (version 01.0)

Item	Section no. (as indicated in the document)	Paragraph/Table/Figure no. (as indicated in the document)	Comment (including justification for change)	Proposed change (including proposed text)
			We humbly ask for such calibration to be requested from the MEP when a methodological package is presented to the SBM and if the creditable levels relative to scientifically accurate levels are below a threshold, that baseline downward adjustment is exempted as per the provision in paragraph 66 of the Baseline Standard.	
2.	General comment		We acknowledge with appreciation the considerable effort that has gone into preparing and advancing the first methodology under PACM within 2025. However, we would like to respectfully submit that allowing stakeholders only six working days to review the current version and its methodological tools is a very short period to properly assess the latest changes and provide in-depth input that could meaningfully support the SBM and MEP in their work. We kindly request that future consultations allow a longer period or consider a different way of engagement than short call for inputs, to enable substantive feedback from stakeholders.	

3.	7.3.2.2. Baseline emissions associated with electricity generation 8.1.1. Project emissions from electricity consumption	Paragraph 98 Paragraph 156	We appreciate the clarification from MEP in the cover note that the conservative default grid emission factors are intended as an interim solution pending the revision of the "Tool: Emission factor for an electricity system," as well as footnotes 13 and 17 explaining this intent. However, our earlier comment was not only on *why* defaults are being retained, but on *how* their application can remain credible and practicable during what may be a prolonged interim period. As currently drafted, the fixed default values (0.2 / 0.1 / 0.03 tCO_2/MWh) are substantially lower than both global and country-specific grid factors. While we acknowledge that the ongoing tool revision may adopt a different approach from the CDM tool, the potential for these interim defaults to severely undervalue the climate and sustainable development benefits of projects that may use these 'interim' values outweighs the need to adopt them before even a draft of the revised tool is available for consultation. We want to draw the SBM's attention to a critical data point provided in a submission made by Gold Standard Foundation in the first round of stakeholder input requested on the methodology version A6.4-MEP008-A04 → The global average grid emission factor in 2023 was approximately 0.486 tCO_2/MWh (IEA data), and the median of over 160 approved CDM standardized baselines is around 0.73 tCO_2/MWh. Examples of current values for countries with low renewable penetration include South Africa (0.959 tCO_2/MWh) and Indonesia (Java-Bali, 0.821 tCO_2/MWh). These data points indicate that the proposed defaults are not merely conservative, they are unrealistically low and punitive for projects from most developing-country grids. Even if the revised tool intends to incorporate renewable energy targets or forward-looking grid decarbonization pathways, it would be appropriate to atleast consult host countries, before defining such materially impactful default values.	To maintain both integrity and usability during this interim phase, we recommend allowing the use of recent host country–approved or nationally published grid emission factors. This would ensure continuity with established national data systems and recognize the role of DNAs in providing officially endorsed standardized baselines. Where such data is unavailable, the interim default values may serve as a fallback option. This approach would uphold environmental integrity while respecting host-country ownership of data and decision on Paris alignment and avoiding distortion of crediting estimates.

Document reference number and title:
A6.4-MEP009-A02. Draft Mechanism Methodology: Flaring or use of landfill gas (version 01.0)

Item	Section no. (as indicated in the document)	Paragraph/Table/Figure no. (as indicated in the document)	Comment (including justification for change)	Proposed change (including proposed text)
4.	8. Project Scenario	8.1.1	As requested in previous submissions on the methodology version A6.4-MEP008-A04, we note again that the default factors for EF_{EC},grid,y provided in paragraph 156 are significantly higher than the defaults provided for EFgrid,y in paragraph 98. The MEP's response in the Cover Note doesn't provide explanation as to why a different approach was chosen. Prescribing artificially low baseline EF and an artificially high project EF for the same grid is unnecessarily punitive in nature.	We request that the defaults factors be the same, for the same grid emissions intensity.

5	Section 4.8	Paragraph 82	The current version of the methodology provides a default value of 25% for accounting for transmission and distribution losses in determining project emissions. The justification provided by MEP in paragraph 82 of the cover note in response to stakeholder request to the previous version of the methodology, to allow the application of other approaches to determine the transmission and distribution losses including using the official host-country figures, is unjustified. Deferring the use of host-country data on the grounds of needing "further guidance" postpones a necessary methodological improvement towards accuracy of parameters. Paragraph 34 of the *Rules, Modalities and Procedures* (RMPs) explicitly defines that mechanism methodologies should also "take into account … relevant circumstances, including national, regional or local, social, economic, environmental and technological circumstances." Official host-country statistics on transmission and distribution losses represent exactly such relevant circumstances and are publicly available for most countries. Our request for recognising more options also bears precedence in CDM. CDM tool 5 includes a default value but also provides an option to "Use annual average value based on the most recent data available within the host country". The MEP's explanation of differences compared to CDM, provided in Table 7 in the cover note excludes mention of this option. We humbly submit to the SB that the need for developing further guidance that encourage use of accurate data points should trigger methodological development, not justification of inaction. This insistence risks entrenching defaults that undermine potential for alignment with project level accounting with national data systems under the Paris Agreement.	

Document reference number and title:
A6.4-MEP009-A02. Draft Mechanism Methodology: Flaring or use of landfill gas (version 01.0)

Item	Section no. (as indicated in the document)	Paragraph/Table/Figure no. (as indicated in the document)	Comment (including justification for change)	Proposed change (including proposed text)
6.	3.3. Demonstration of additionality	Paragraph 10 (a)	We support the principle that projects should cease to generate credits if a new legal instrument renders the activity mandatory. However, we submit the Supervisory Body to consider if the requirement for an **annual, project-level update** of regulatory analysis is a proportionate and efficient way to achieve this outcome. Regulatory change is a systemic and singular event, not project-specific, and can be captured more effectively through provision of option for host-country notification to the secretariat or some other form of centralized tracking under the Mechanism. An annual project per project reporting process adds bureaucracy and cost. Crucially it is a problematic signalling to investors int he very first PACM methodology. Investors cannot price a regime where *eligibility is under annual review by default*. We further note that Paragraph 27(a) of the Additionality Standard allows regulatory updates to happen at the latest at crediting period renewal.	We respectfully request that the SBM adopt requirement for update of regulatory analysis at crediting-period renewals, and set a mechanism-level process that enables notification of regulatory change within a crediting period.

-- (*Please add rows as required*) -