

03/06/2021

UNFCCC Secretariat
Martin-Luther-King Strasse 8
53175 Bonn, Germany

Reference: Finding during info and reporting check for request for issuance related to the PoA 10182

Dear CDM Team,

ESPL has been informed on 26 May 2021 that issues have been raised during the information and reporting stage for the request for issuance for CDM PoA "Biomass Energy Conservation Programme" (10182). Through this letter, we would like to clarify the concern/issue raised and provide additional information.

I&R comment: #1

It is observed that for some CPAs which had finished their implementation prior to the previous monitoring period, the numbers of distributed stoves are still changing during this monitoring period. For example, CPA 10182-P1-0008-CP1 completed its ICS distribution on 04/04/2019, installation of 22,003 ICS is reported in this monitoring period (i.e., 12 Jan 2020 - 31 Dec 2020) whereas 21,872 ICS was reported in previous monitoring period. The DOE shall provide further information how it has verified the CPA implementation.

ESPL Response:

The verification team noted that for few of the CPAs, the distribution/implementation date ended in the previous monitoring period, but the number of stoves distributed under these CPAs have increased during the current monitoring period as compared to the previous monitoring period. These CPAs are listed below:

CPA number	reference	Distribution end date	Number of Stoves in MP5	Number of Stoves in MP6
10182-P1-0022-CP1		31/08/2018	20,236	20,243
10182-P1-0009-CP1		22/01/2019	19,974	19,978
10182-P1-0008-CP1		04/04/2019	21,872	22,003
10182-P1-0010-CP1		10/05/2019	20,832	20,839
10182-P1-0012-CP1		31/05/2019	18,754	18,784
10182-P1-0013-CP1		10/07/2019	19,714	19,721
10182-P1-0014-CP1		31/08/2019	20,536	20,586
10182-P1-0016-CP1		10/10/2019	19,753	19,849
10182-P1-0017-CP1		24/10/2019	20,590	20,712
10182-P1-0018-CP1		30/11/2019	21,332	22,858

The delay in reporting the sales were verified by the following means:

- a. review of ER contracts of stoves with delay in reporting,
- b. the TSR database review and
- c. through the interview of the CPA implementer.

From the review of the ER contracts of the stoves with delay in reporting it was confirmed that that they have received the stoves on the dates mentioned above which was before the end date of distribution. It is to be noted that these stoves were not reported in the previous monitoring period (MP5) as confirmed from the previous monitoring report version 2.3 dated 02/04/2020. These had also not been included in the database submitted in MP5 and has been included only during the current MP/

Following details regarding the stove implementation were confirmed from the interview of the field implementer (Head of Sun-fire) who explained the data entry process:

- ER contracts are signed with the end users at the time of stove sales/implementation.
- These ER contracts are then cross verified by the CPA implementation team and in case any fields are missing or incorrect the CPA implementer field staff revisits the end-users to retrieve the end-user information.
- After the revalidation, these ER contracts are then sent to the central office where the data is transferred to the TSR database.

The delay in reporting of stove sales has been attributed to the elaborate process of obtaining the ER contracts and thereby the difference in the reported numbers.

The delayed entries are further bifurcated into two scenarios:

CPAs where some stoves have been reported <3 months post implementation:

CPA-reference number	Distribution date	Number of Newly added stoves
10182-P1-0016-CP1	09/09/2019 – 10/10/2019	96 stoves
10182-P1-0017-CP1	11/10/2019 – 24/10/2019	122 stoves
10182-P1-0018-CP1	26/10/2019 – 30/11/2019	1526 stoves
Total		1744 stoves

The delay of these stoves was found to be a procedural delay in the data transfer process by the field staff and update of TSR database as described above.

CPAs where some stoves have been reported after a time frame of 3 months- 1year post implementation:

CPA-reference number	Distribution date	Number of Newly added stoves
10182-P1-0022-CP1	24/07/2018	7 stoves
10182-P1-0009-CP1	07/01/2019	1 stove
	18/01/2019	3 stoves
10182-P1-0008-CP1	02/02/2019 – 04/04/2019;	131 stoves
10182-P1-0010-CP1	09/04/2019-10/05/2019	7 stoves
10182-P1-0012-CP1	11/05/2019-19/05/2019	30 stoves
10182-P1-0013-CP1	03/06/2019-10/07/2019	7 stoves
10182-P1-0014-CP1	11/07/19-30/08/2019	50 stoves
Total		236 stoves

For the CPAs with the delay of more than 3 months upto 1year, was because of the exceptional circumstances faced by the team during the concerned timeframe. The information was confirmed from the head of the implementer (for Sunfire). And the assessment of the reason provided is listed below:

- The southern districts of Malawi (including Balaka, Balyntyre, Zomba, Chriadzulu, Mangochi) were impacted by the Cyclone Idai which took place in February 2019. The information was confirmed through independent review and via link: <https://www.worldvision.org/disaster-relief-news-stories/2019-cyclone-idai-facts>. The cyclone was followed by a flood in Malawi and other adjacent districts (link: [Malawi and Mozambique – Death Toll Rises After Widespread Flooding – FloodList](#)). It was confirmed that the instances of delayed reporting coincide with the districts impacted by the calamity. This was the primary reason stated for delay in the receiving the ER contracts from the end-users.
- Due to the cyclone Idai the CPA-implementer's (Sunfire) office which was located in Balaka (link: <http://sunfiremw.com/>) was adversely impacted and led to the closure of the original office and relocation to a different location for time being.
- The sudden closure of office due to cyclone caused misplacement of the ER forms and were unreachable in that year. Hence for few of the end-users the collection of the ER forms was only possible in the year 2020 after the implementer returned to these districts and only then the entries could not be made.

The verification team reviewed the ER contracts for the above listed CPAs, and it was confirmed that all these stoves were distributed on the dates as mentioned above which was found to be within the distribution end-date.

Total of 1980 stoves were reported in the CPAs listed above with a delay. Out of 1980 stoves, 1744 stoves (from 3 CPAs) were reported within three months of implementation due to typical implementation process and the rest 236 stoves (from 7 CPAs) which makes 0.05% of total stoves reported with a delay of 3monthths to 1 year due to exceptional circumstances as explained above.

It was also checked by the assessment team that CME has claimed the ERs of stoves with delay reporting from the current monitoring period and not from the date of its distribution. Thus, the approach followed by CME was found to be acceptable.

In response to this, the verification report (version3.0), dated: 03/06/2021 has been updated.

I&R comment: #2

It is observed that the discount factor for more than 1 stove installed is estimated and applied as 1.33% for this monitoring period, according to the usage and monitoring survey results conducted in January 2020. However, a different value of the discount factor was reported (6.20%) for the same survey in the previous monitoring period (10182-MP5-IRP1). The DOE is requested to clarify the inconsistency.

ESPL Response:

In the verification report version 1.1, Dated: 03/04/2020 for previous monitoring period (MP5), there was a typographical error and the value of the discount factor for more than 1 stove installed was incorrectly reported as 6.20% instead of 1.33%. However, the remaining documents for MP5 i.e., Monitoring Report version 2.3 Dated: 02/04/2020, usage and survey sheet. the value of the discount factor for more than one stove has been mentioned as 1.33%. The same value has been mentioned in the Monitoring report version 2.0 Dated: 02/04/2021, Verification report version 3.0 Dated: 03/06/2021 and Usage and Survey sheet of the current verification.

We apologize for the inconvenience caused and hope that the information given above addresses the concern raised.

If you require further information, Ashok Kumar Gautam (+91 9810553742) will be the contact person for any additional clarifications that may be needed.



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Attachments:

1. Corrected Verification and Certification Report (Version 3.0, Dated: 03/06/2021)
2. PRC report (Version 2.0, Dated:03/06/2021)
3. RFI Form (Dated:03/06/2021)
4. PRC Form (Dated: 03/06/2021)