

**CDM-EB81-AA-A06**

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# Revision of PoA-related regulatory documents

Version 01.0

## COVER NOTE

### 1. Procedural background

1. The Executive Board of the clean development mechanism (hereinafter referred to as the Board), at its seventy-eighth meeting (EB 78), considered a concept note on further work on methodologies, tools and standards, and agreed on the methodological products for further work in 2014 (see annex 8 of the EB 78 meeting report). Table 1 in annex 8 covers the issues related to programmes of activities (PoAs).

#### 1.1. Requirements for multi-country PoA

2. At EB 78, the Board also considered a concept note on improved PoA regulations for multi-country PoAs and agreed that the requirements in the regulatory documents should be revised to indicate that the coordinating/managing entity (CME) shall provide a specific-case component project activity design document (CPA-DD) for each host Party during the registration of a PoA or during expansion of the boundary of a PoA to add additional host Parties. Subsequently, the Board approved revisions to paragraph 18 of the project cycle procedure (PCP) as per annex 5 to the EB 79 report to include guidance as follows: "If the PoA is hosted in more than one host Party, one specific-case CPA-DD for each host Party shall be provided at the time of publication of the PoA-DD for global stakeholder consultation...".
3. The Board at EB 78 also requested the secretariat to assess whether further guidance would be required in section 8.1.3 of the PCP, "Requesting review of request for issuance", with regard to multi-country PoAs.
4. The Board at EB 80 revised a number of regulatory documents to facilitate the ease of implementation of the PoAs. The Board at EB 80 also provided guidance on further work on the revision of rules on PoAs (e.g. submission of multiple specific CPA-DDs per generic CPA, multi-country PoAs, and simplification of application of multiple methodologies).

#### 1.2. Batched issuance requests for a PoA

5. The Board, at its seventy-fifth meeting, approved the provisions enabling requesting issuance of certified emission reductions (CERs) for a monitoring period for a programme of activities (PoA) in two mutually exclusive batches of component project activities (CPAs) under the PoA.
6. The Board, at its seventy-ninth meeting<sup>1</sup> further simplified the requirements and agreed that a PoA would be eligible to request issuance in independent batches under the following conditions:
  - (a) CPAs are included in issuance requests in a consecutive manner i.e. a request for issuance for a monitoring period of a CPA can be submitted only after the

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<sup>1</sup> EB 78 agreed in principle to changes, EB 79 finalized the changes in regulatory documents.

issuance requests for the CPA for the previous monitoring periods has been requested;

- (b) Any of the methodologies categorised as potentially accruing negative emission reductions are not applied to the PoA; and
  - (c) The same DOE submits the request for issuance for the two batches.
7. The Board, at its seventy-eighth meeting, also requested the secretariat to assess the feasibility of further simplification of requirements on batched issuance for a PoA, e.g. whether and under what conditions issuance in more than two batches (or to individual CPAs in the PoA) may be feasible, and make a recommendation to the Board at a future meeting.
8. Furthermore, the Board received a letter from Project Development Forum (PD Forum) on 29 August 2014 which requested:
- (a) To allow more than two batches per monitoring period; and
  - (b) To revise the current requirement for a verification of all CPAs included in a PoA irrespective of their stage of implementation; and
  - (c) To remove the current requirement of the verification of the batches by the same DOE.
9. Further to the input from PD Forum above, the secretariat compiled practitioner's inputs and prepared the recommendations presented below. In general, practitioners appreciated the timely steps that the Board has been taking to facilitate the issuance for PoAs and recommend further simplification of the requirements.

### **1.3. Combinations of large scale methodologies for application in PoAs**

10. The Board, at its sixty-fifth meeting approved the PoA standard (i.e. "Standard on Demonstration of additionality, development of eligibility criteria and application of multiple methodologies for programme of activities"), which allowed the unrestricted combinations of small scale methodologies in a PoA, once it is demonstrated that there are no cross effects between the technologies/measures applied or if there are cross effects they are taken into account. The CME has also an option to seek a Request for Clarification following the relevant procedures.
11. In the same approved standard, it was stipulated that for PoAs applying large-scale CDM methodologies, only combinations explicitly permitted in the methodologies can be applied without prior-approval by the Board. In other cases, the CME shall submit a request for clarification on the eligibility of the proposed combination. Same condition also applies to the combination of large-scale and small-scale CDM methodologies in a PoA.
12. The Board, at its eightieth meeting, discussed options for further simplification of requirements on the application of multiple methodologies to PoAs and agreed to continue considering the issue at a future meeting. In this regard, the Board requested the secretariat to assess the feasibility of further ways for simplifying the requirement of application of multiple methodologies for PoAs (paragraph 35 of the meeting report of EB80).

13. This particular issue in the document i.e. combinations of large scale methodologies for PoAs has been considered by the Methodological Panel (Meth Panel) at its sixty-fifth meeting for providing feedback to the secretariat.

## **2. Purpose**

14. The purpose of this document is to propose revisions to regulatory requirements of PoAs, taking into account guidance from the Board. In particular the purpose is:
- (a) To review the regulations on batched issuance requests for a PoA for a monitoring period taking into account inputs received from stakeholders and to propose options for further simplification to the Board;
  - (b) To explore options for simplifying the requirements on the application of large scale methodologies in combinations for a PoA.

## **3. Key issues and proposed solutions**

15. The issues listed below are covered in this document:
- (a) Issue 1: Allowing submission of up to five specific CPA-DDs per generic CPA-DD at registration of PoAs;
  - (b) Issue 2: Editorial changes to enable post registration changes (PRCs) on PoA Design Document Form (PoA-DDs and CPA-DDs at the same time;
  - (c) Issue 3: Further simplification of batched issuance requests for a PoA;
  - (d) Issue 4-a: Requesting review of request for issuance for multi-country PoAs;
  - (e) Issue 4-b: Clarification on Letter of Approval (LoA) from an Annex I Party for multi-country PoAs;
  - (f) Issue 5: Combination of large scale methodologies for PoAs.

### **3.1. Issue 1: “Allowing submission of up to five specific CPA-DDs per generic CPA-DD at registration of PoAs”**

#### **3.1.1. Key issue/mandate**

16. The CDM project standard allows the submission of only one specific CPA-DD for each generic CPA-DD at the time of request for registration of a PoA, indicating that the inclusion of additional specific CPA-DDs shall be undertaken after the PoA-DD is registered.
17. The Board at EB 80 agreed, in principle, to allow the submission of multiple specific CPA-DDs per generic CPA-DD at registration. In this regard, the Board requested the secretariat to assess the changes that may be required for the specified timelines (e.g. completeness check and information and reporting check by the secretariat), as well as workflow-related changes on the UNFCCC CDM website. The Board also indicated that the secretariat assessment shall be based on a maximum of five specific CPA-DDs submitted.

### 3.1.2. Analysis and proposed solutions

18. Analysis of the registered PoAs in the pipeline shows that 81% of PoAs have only one specific CPA included until now. Approximately 8% of the PoAs have included five or more specific CPAs. On this basis it may be reasoned that submission of more than five specific CPA-DDs at registration is unlikely to occur frequently.

**Table 1. Number of specific CPAs included in a PoA (including the first specific CPA at registration)**

Number of specific CPAs in a PoA	Number of PoAs	Percentage
1	211	81 %
2	16	6 %
3	8	3 %
4	6	2 %
5	3	1 %
6-1050	18	7 %

Source: UNFCCC and UNEP-RISOE database.

19. If multiple specific CPA-DDs are submitted at registration, the time period required for the secretariat's assessment (e.g. completeness check, information and reporting check, and preparation of a summary note) may potentially be affected. Below is a summary of time periods specified for different steps.
20. The time frame specified in the current version of the PCP is as follows:
- (a) At registration of PoAs:
    - (i) Completeness check: 7 days (paragraph 67 of the PCP);
    - (ii) Information and reporting check: 23 days (paragraph 70 of the PCP);
    - (iii) Preparation of summary note: 14 days (paragraph 77 of the PCP);
    - (iv) Review by a Party or any member of the Board: 28 days (paragraph 78 of the PCP);
  - (b) At post-registration change:
    - (i) Completeness check: 7 days (paragraph 148 of the PCP);
    - (ii) Preparation of summary note: 14 days (paragraph 151 of the PCP);
    - (iii) Review by any member of the Board: 20 days (paragraph 155 of the PCP).
21. Although multiple specific CPA-DDs would naturally need more secretariat resources for assessment within the above-specified time frames, the incremental efforts required may be hard to predict and quantify at this stage, because the time required for assessment will not increase in proportion to the number of specific CPA-DDs. Therefore, it may be prudent to maintain the current timelines for assessment while allowing the submission of multiple CPA-DDs and gaining some experience. Issues may be revisited in future, if required.

22. For a web-based workflow, a minimum number of changes would be required to accept additional CPA-DDs. Expeditious efforts are being carried out to implement the workflow; in the meantime, the secretariat will be able to process the submitted CPA-DDs in a manual mode, as the number of cases may be small.
23. Therefore, the secretariat recommends that the Board may wish to consider the following:
  - (a) To revise the rule on the submission of specific CPA-DD at the time of request for registration and of request for post-registration change, to allow the submission of up to five specific CPA-DDs;
  - (b) To maintain the stipulated time for the secretariat's assessment and request for review by the Board and/or a Party.

### **3.2. Issue 2: “Editorial changes to enable PRC on PoA-DD and CPA-DD at the same time”**

#### **3.2.1. Key issue/mandate**

24. As per the current rule:
  - (a) It is possible to request for a post registration change (PRC) to add a methodology to a registered PoA, in line with paragraphs 136(b)(iv), 137(e) and 137 bis of the PCP;
  - (b) It is also possible to request for a PRC to a specific CPA of a PoA to change or add technologies/measures, as per paragraph 136(b)(v) of the PCP, provided that the conditions set in paragraph 138 of the PCP are met, i.e. the registered PoA to which the CPA belongs already includes the technologies/measures that are proposed for inclusion in the specific CPA.
25. Stakeholders have noted that in some cases, it may be possible to request PRC as per paragraphs 24(a) or 24(b) separately or sequentially, while in some other cases, it may be more efficient to undertake both actions simultaneously, i.e. add a methodology to the PoA-DD as well as add a new technology/measure to the specific CPA in the same PRC request.

#### **3.2.2. Analysis and proposed solutions**

26. Addition/change of technologies/methodologies in the registered PoA-DD is allowed under safeguards such as changes leading to more efficient and less GHG-intensive technologies or introduction of complementary measures/technologies (interdependent measures). Receiving both the requests at the same time (as per paragraphs 24(a) and 24(b)) may lead to increased transparency, as well as more time-efficient and comprehensive assessment by the DOE and the secretariat.
27. Therefore, it is suggested to clarify that processing PRCs on PoA-DDs and specific CPA-DDs at the same time is possible, and thus to modify the language in paragraph 138 of the PCP.

### **3.3. Issue 3: Further simplification on batched issuance requests for a PoA**

#### **3.3.1. Key issues and proposed solutions**

28. On the basis of experience with implementing PoAs, project participants and coordinating/managing entities make the following observations with regard to current provisions:

- (a) Limiting the allowed batched issuance requests to two for a PoA monitoring period do not fully meet the practical needs due to the reasons below:
  - (i) The number of interested parties (implementers/investors) involved in the PoA with their own CPAs could be more than two and when there are more than one interested party with CPAs belonging to one batch, each of them will depend on the other(s) in terms of the timing to acquire CERs from its CPA. If one party for example fails to submit the required documents to the DOE for verification in a timely manner, this will delay the whole process and the acquisition of CERs by the other party; and
  - (ii) All the CERs generated by a batch of CPAs are issued together. Before forwarding can take place, the full share of proceeds (SOP) due from the batch has to be paid. There have been delays in the forwarding of issued CERs of a batch due to one of the implementers/investors not willing to pay their part of the SOP. Delays in delivery of CERs to buyers could lead to cancellations of purchase contracts;
- (b) Reporting on the status of CPAs not implemented in a monitoring report and these not implemented CPAs becoming part of the DOE verification do not fully meet the practical needs due to the following reasons:
  - (i) After the registration of POAs, CMEs/PPs, in order to reduce costs, conduct the inclusion of more than one CPA at a time based on purchase agreements signed or tenders won. However, the current low CER prices may trigger purchase agreements cancellations which result in CPAs implementation being put on hold or cancelled;
  - (ii) However, DOEs charge fees for the verification of non-implemented CPAs included in a monitoring report as the current provision requires PPs to include all CPAs included in the PoA for the respective monitoring period in the issuance request. PPs with CPAs under development or under implementation/construction are carrying an additional burden, which financially penalizes the new CPAs;
- (c) The requirement for the same DOE to submit the request for issuance for the two batches is not fully meeting the practical needs due to the reasons below:
  - (i) The public input referred in para 4 asserted that CME needs to get an agreement from CPA implementers in a PoA to be able to approve the contract with the DOE before the start of verification of the first batch. If different CPAs implementers would like the verification to be conducted by different DOEs, currently it is not possible. Therefore, the PPs who wish to proceed with verification with a proposed DOE could be held hostage by

the other PPs who prefer the verification to be conducted by a different DOE;

- (ii) Contracting of different DOE for different batches would allow competition among DOEs and pricing of services based on best performance and capabilities;
- (iii) The same DOE may not be available to carry out the verification of subsequent batches.

29. The secretariat took into account the above information and conducted an analysis on each key issue;

(a) Allowing more than two batched issuance requests per monitoring period:

- (i) An increase in the number of batches could increase overall costs related to the issuance for the PoA to CME, therefore there is a natural disincentive to request issuance in large number of batches even if it were to be allowed. However, the secretariat notes that the PPs are willing to take on additional costs associated with more batches covering a monitoring period as indicated by the letter from PD Forum due to the practical difficulties involved with very limited number of batches ( such as the present two batches);
- (ii) Limitation to the number of batches for a monitoring period was part of a cautious approach to implement stepwise changes to enable the secretariat and other players to gear up to the needs in a progressive manner. In that regard, it should be noted that the secretariat has worked with the relevant panels and working groups to propose adequate measures to address the issue of the negative emission reductions which has been considered and approved by the Board;
- (iii) Allowing more than two batches gives to the CME the possibility to include in a batch only the CPAs that have concluded their monitoring report and therefore are ready for verification. The sampling and surveys should be then conducted at the level of the batch to get an unbiased, reliable and current information on the performance of the CPAs ( e.g. when sampling and surveys are done at the PoA level the application of the results to the batches, particularly when the issuance requests for the batches are submitted over a long period, may need further analysis);
- (iv) Based on the analysis above, unrestricted/more number of batches for the purpose of requesting issuance for PoA covering a monitoring period is considered (i) to be feasible and (ii) to provide additional flexibility to PPs while ensuring environmental integrity;

(b) Reporting of the status of implementation of a PoA:

- (i) Para 194 (a) of PCP ver 07.0 states that “The request for issuance for a specified monitoring period shall either be related to all CPAs included in the PoA or in the case of two separate monitoring reports for a monitoring period, relate to all CPAs included in the batch of CPAs that the request covers, out of the two batches of CPAs in the PoA.”. Therefore, this



provision requires PP/CME to cover in a monitoring report relevant to a monitoring period, all CPAs included in the PoA or the batch of the CPAs. All these CPAs will be covered by the verification work by the DOE although some CPAs are not implemented. Further, para 188 of PCP requires that CMEs shall report the status of implementation of a PoA;

- (ii) Therefore, it is recommended to change “PoA” to “CPA” in para 188 which allows CMEs to inform the Board on the status of CPAs that have been included. For CPAs that have been included but have not been implemented, the monitoring report will only need to report them as not being implemented, to fulfil the status report required by para 188 of PCP. The verifying DOE hence needs to verify only the implemented CPAs.
  - (iii) There are no foreseeable negative impacts from the proposed revisions. The revision seeks to clarify that it is the status of implementation of the CPAs which needs to be reported by CMEs and DOEs. It should be further specified that only CPAs reported as being implemented should be subject to verification;
- (c) With regard to the same DOE verifying the batches:
- (i) PCP, para 194 requires the same DOE to carry out the verification for the two batches covering a monitoring period. This requirement was intended to address the concern of double inclusion of the same CPA in issuance requests. However, this issue can be resolved by requesting a DOE to confirm that CPAs submitted for a batched request for issuance are not considered for other batches by checking the monitoring reports published by the DOE contracted by PP or CME for other batches of the same monitoring period. Furthermore, the CDM information system does not allow inclusion of CPA in multiple batches i.e. if a CPA submitted with the first batch is included in the second batch it will be detected by the CDM information system;
  - (ii) As different DOEs are involved in the verification of different batches of a monitoring period, PPs/CME of each batches are required to prepare a monitoring report based on CPAs involved in a batch. Therefore, in case several batches are used, the monitoring shall be conducted at the level of the batch;
  - (iii) In relation to a PoA for which the monitoring is designed at the PoA level, the monitoring shall be at the level of the batch or at the level of the CPA (for verification of a batch or CPA) when several batches are involved in view of the reliability of parameter estimates.

### **3.4. Issue 4-a: “Requesting review of request for issuance for multi-country PoAs”**

#### **3.4.1. Key issue/mandate**

30. For multi-country PoAs, the Board at EB 78 requested the secretariat to assess whether further guidance would be required in section 8.1.3 of the PCP, “Requesting review of request for issuance”, with regard to multi-country PoAs.

31. Further, the Board at EB 80 agreed that this issue may be considered under the mandate of paragraph 31 of the EB 78 meeting report, i.e. “the Board requested the secretariat to assess the feasibility of further simplification of requirements (e.g. whether and under what conditions issuance to more than two batches or to individual CPAs in the PoA may be feasible) and make a recommendation to the Board at a future meeting”. The Board requested the secretariat to make a recommendation to the Board at a future meeting after analysing all related issues.

### 3.4.2. Analysis and proposed solutions

32. There are more than 65 multi-country PoAs in the CDM PoA **pipeline, as detailed in table 2** below.

**Table 2. Multi-country PoAs in the CDM PoA pipeline**

Multi-country PoAs covering	Number
Global	2
All LDC countries	1
All Middle East countries	1
3-5 Middle East countries	4
All ASEAN countries	1
3-10 countries in Asia	3
21 countries in Asia and Latin America	1
2-3 countries in Latin America	6
All Latin America and Africa	2
All Africa	1
All Southern Africa	3
2-3 African countries	18
4-8 African countries	15
>10 African countries	8
Total multi-country PoAs	66

33. Paragraph 206 in section 8.1.3 of the PCP states that “a Party involved in the CDM project activity or PoA and/or any member of the Board may request a review of the request for issuance within 28 days of the date of publication of the request for issuance for the project activity or within 42 days of the date of publication of the request for issuance for the PoA, respectively.” The CDM glossary defined ‘party involved’ as “A Party that has ratified the Kyoto Protocol and that provides written approval in accordance with the CDM rules and requirements”.
34. Paragraph 209 of the PCP states: “A request for review shall provide, inter alia, the reasons for the request for review based on the “Clean development mechanism project standard”, “Clean development mechanism validation and verification standard” or any other applicable CDM requirements”.
35. Furthermore, according to paragraphs 223 and 224 of the PCP, if a proposed decision is to reject the request for issuance, it shall contain an explanation of the reasons and rationale for the proposed decision, including, but not limited to: (a) the facts and any interpretation of the facts that formed the basis of the proposed decision, (b) the CDM requirements applied to the facts; and (c) the interpretation of the CDM requirements as applied to the facts.

36. In particular, the applicability of the request for review procedures when CPA-level issues are encountered has been proposed for further analysis (e.g. if the issues related to a specific CPA1 located in country A triggers a request for review, should it affect a specific CPA2 in country A or a specific CPA3 in country B?).
37. The Board, as noted in paragraph 43 of the EB 79 report, has approved requests for issuance for CPAs of PoAs in two mutually exclusive batches for a monitoring period and has also clarified that there is no issuance dependency between the two batches. Furthermore, the Board at EB 78 requested the secretariat to assess the feasibility of further simplification of requirements (e.g. whether and under what conditions issuance to more than two batches or to individual CPAs in the PoA may be feasible) and make a recommendation to the Board at a future meeting.
38. The secretariat suggests that current provisions are maintained at this point in time in view of the following:
- (a) A review request by Party(ies) has been rarely exercised, and, consequently, there is little experience within the CDM on which to base further rulemaking in order to prevent a future issue that has a low chance of occurrence:
    - (i) Although CDM modalities and procedures have allowed the possibility for a request for review by a Party involved since the early days of the CDM, the provision has been used very sparingly for registered CDM projects (there have been only a couple of cases until now);
    - (ii) In addition, to date, there is only limited experience with issuance of CERs from PoAs and consequent requests for review of issuance (14 issuances for PoAs);
    - (iii) Furthermore, it would be difficult to classify what would be a PoA level issue eligible for requesting review and what would be a CPA-level issue eligible for requesting review, because each PoA is different. For example, monitoring including sample surveys, can be undertaken at the PoA level, for a group of CPAs or for individual CPAs, depending on the design of the PoA;
  - (b) There are the necessary regulatory tools to resolve the issue if it occurs:
    - (i) The Party requesting a review has to address the facts and CDM requirements relating to the facts to justify the request for review;
    - (ii) Compliance with host Party law is a fundamental requirement of the CDM;
    - (iii) DNAs have the right to withdraw an LoA and so any Party can remove authorization for the CPAs hosted in their jurisdiction, if needed, and non-host Parties can disassociate themselves from the PoA, if needed by doing the same;
    - (iv) , Further simplification of the rules for batched issuance could resolve problems relating to particular CPAs or CPAs in particular host Parties.

### **3.5. Issue 4-b: “LoA from an Annex I Party for multi-country PoAs”**

#### **3.5.1. Key issue/mandate**

39. Annex I Party DNAs have requested further clarity on their role when they have provided a letter of approval at registration of the PoA and subsequently when additional host Parties are being added to the PoA.

#### **3.5.2. Analysis and proposed solutions**

40. A PoA can be registered with more than one host Party to begin with, or a PoA can initially be registered with one host Party, but during its operation, can be expanded to additional host Parties.
41. With regard to a letter of approval from an Annex I Party, paragraph 227 of the CDM PS requires that the CME shall obtain a letter of approval from the DNA of each Party involved in the proposed CDM PoA at the time of request for registration of the PoA, confirming that:
- (a) The Party is a Party to the Kyoto Protocol;
  - (b) Participation in the proposed CDM PoA is voluntary.
42. Paragraph 228 of the PS states that a new host Party may be added after registration of the PoA and that in this case, the CME shall request approval of the addition by the Board, following the PRC process as defined in the CDM PCP. Paragraph 146 (e) of the PCP states that the request for approval of changes shall contain letters of approval from the DNAs of the additionally included host Party(ies) in the CDM PoA.
43. In practice, when a new Host Party is added to a registered PoA, the information on the newly added Host Party will be communicated to existing Party(ies) in the registered PoA after the request for post-registration change to add the Host Party is approved by the Board. Although there are no explicit rules that allow DNA(s) of the existing Host Party(ies) to request a review of the post-registration change request, they have the right to withdraw an LoA if needed.
44. The secretariat proposes to maintain the current rules. The rules related to requesting reviews of PoAs (for issuance requests) and rules pertaining to withdrawal of a letter of approval provide adequate avenues for the DNAs to regulate the work of the CMEs.

### **3.6. Issue 5: combination of large scale methodologies for PoAs**

#### **3.6.1. Key issues and proposed solutions**

##### **3.6.1.1. Combinations of large scale methodologies in PoA pipeline**

###### **3.6.1.1.1. Combination of ACM0002 and AMS-I.D**

45. One clarification request was submitted to the Meth Panel for the application of multiple methodologies, i.e. AM\_CLA\_0227 (March 2012). The excerpt of response from the Meth Panel is as following:

*“The Meth Panel would like to clarify that the described combination of ACM0002 and AMS-I.D, where each CPA will apply only one technology and only one of the two methodologies, can be applied in one programme of activities (PoA).”*

#### **3.6.1.1.2. Combination of AM0053 and ACM0014**

46. AM0053 version 4 explicitly mentioned that *“The approved methodology can be used in conjunction with approved methodology ACM0014 “Treatment of wastewater”*. However, no PoA applying this combination was found in the pipeline.

#### **3.6.1.2. Combination of large scale methodologies in normal project**

47. A study of the project pipeline showed that a quite number of combinations of large scale methodologies had been applied in projects registered in early stage of CDM (around 2009). More recently (2011), combination of ACM0001 and AM0025 (consolidated into ACM0022) for projects aiming for integrated waste treatment solutions was applied although the two methodologies did not explicitly allow combination.

#### **3.6.1.3. Potential issues for multiple methodologies**

48. An alternative to combining different methodologies would be to include an exhaustive list of baseline and project scenarios in one methodology that may favour the full assessment of plausible baseline alternatives and additionality allowing insertion of respective guidance in the methodology. However, the limitation is that it would be hardly be possible to exhaustively reflect all activities in all cases, leading to the inapplicability of the methodology in some cases. For example, the project activities involving different/multiple applications of a product or by-product, e.g. different usage of recovered biogas or integrated solutions for waste treatment. Similar would be the case with the project activities which introduce multiple measures in the same project activity, e.g. a retrofit package including fuel switch, energy efficiency improvement and/or waste energy recovery. In such a case, instead of creating a single methodology to cover all these different activities, another solution could be to allow the combination of different methodologies.
49. Issues that deserve due consideration before allowing combination of large scale methodologies could mainly be:
- (a) Additionality;
  - (b) Baseline emissions calculation.

##### **3.6.1.3.1. Additionality**

50. The latest version of AM0053 (version 4) explicitly allows its use in combination with ACM0014, and provided provisions for additionality demonstration:

*“The approved methodology can be used in conjunction with approved methodology ACM0014 “Treatment of wastewater”. In such cases the baseline scenario identification procedure shall be undertaken for the combination of the two components of the project activity, i.e. biomethane emission avoidance and displacement of natural gas. However, additionality shall be demonstrated for each component separately and in*

*cases where one component of the project activity is not additional (ex: recovery of methane), then the emission reductions associated with this component should be eliminated.”*

51. Also in AM0061<sup>2</sup>, it requires that:

*“For each measure and package of measures the energy efficiency impact needs to be determined. In the case the measure or the individual package of measures is non-additional, the energy efficiency impact of those measures ( $\Delta\eta$  non-add) needs to be subtracted from the energy efficiency improvement as described in the baseline emissions section (see equation 10).”*

52. It seems that additionality for AM0053 and AM0061 can be demonstrated on the basis of individual measures. On the other hand, for landfill gas-to-energy project applying ACM0001, additionality demonstration is demonstrated only once for the whole package. Lastly, in the recently approved AM0091<sup>3</sup>, investment analysis needs to be carried out for the whole set of retrofitting measures, while common practice check needs to be performed for individual measures.

53. Notably, the most stringent requirement seems to be the one included in the approved “Guidelines for the establishment of sector specific standardized baseline” (paragraph 13). It requires that additionality has to be demonstrated individually as well as collectively in case of multiple measures<sup>4</sup> are combined.

54. However, the above requirement being considered under SB may create considerable burden for the project proponent (PP) or CME for additionality demonstration. Simplified approach may be considered for at least simpler cases, for example:

(a) Different usage of the same recovered gas, including inter alia:

- (i) Recovery of biogas (ACM0001) for transport (AMS-III.AO) or power (AMS-I.D) or town gas (AM0069);
- (ii) Recovery of associated gas for NG pipeline (AM0009) or chemical feedstock (AM0037) or power to end consumer (AM0077);

(b) Integrated waste treatment solution, including inter alia:

- (i) Part of the wastes are directed to Landfill for power generation (ACM0001), another portion of the wastes are treated through composting or incineration (ACM0022);

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<sup>2</sup> Methodology for rehabilitation and/or energy efficiency improvement in existing power plants.

<sup>3</sup> Energy efficiency technologies and fuel switching in new and existing buildings.

<sup>4</sup> For project activities that implement a combination of measures, the additionality of each measure is demonstrated by checking against the positive list per measure. If the implementation of one measure m1 (e.g. electricity generation using landfill gas) is dependent on the implementation of another measure m2 (e.g. destruction of the methane contained in the landfill gas) then the two measures are inherently linked. In this case, the additionality is required to be demonstrated for the group of linked measures collectively as well as for each measure separately as in the example case above.

- (ii) Utilising power generated from renewable resources (ACM0002) to treat waste (ACM0022);
- (c) Measures that are completely independent with each other:
  - (i) Transport (AM0090) and building (AM0091) and waste (ACM0022).

### 3.6.1.3.2 Baseline emission calculation

55. As for the baseline calculation in case of combination of methodologies, the guidance provided in the “Guidelines for the consideration of interactive effects for the application of multiple CDM methodologies for a programme of activities”<sup>5</sup> may address the issue. In particular, the following general principle outlined for CMEs can be used while identifying and assessing cross effects:

*“The CME should consider the following general principles to identify interactive effects. These are neither exhaustive nor mutually exclusive and are intended to serve as examples:*

- (a) *Type I: interactive effects could occur when there is an exchange of energy (thermal, mechanical or electrical) or mass transfer between different measures of the CPA, the transfer occurring from a primary, independent measure to a dependent measure;*
- (b) *Type II: interactive effects could also occur when several measures rely on the same information when estimating emission reductions. For example, several measures refer to historical fuel/electricity/heat consumption. They may also occur when combining methodologies relying solely on default factors for setting the baseline.*

*The CME should consider the following when accounting for interactive effects:*

- (a) *When combining measures of different types, e.g. energy efficiency and fuel switch, the baselines for different measures should be determined sequentially and not simultaneously. The baseline of the second technology/measure is set after considering the effects of the implementation of the first technology/measure. For instance, the effect of a fuel switch project is considered before the energy efficiency project or vice versa:*
  - (i) *For Type I interactive effects, the energy/mass stream of the dependent measure should be determined conservatively, taking into account the output of the primary measure;*
  - (ii) *For Type II interactive effects, once a baseline is estimated/determined, the secondary (tertiary, etc.) measure should not use the historical/default values, but an adjusted value taking into account a scenario in which the primary measure is implemented;*
- (b) *When deciding the sequence of baseline determination, both realistic restrictions (i.e. practical considerations) and a conservative approach have to be considered;*

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<sup>5</sup> <[https://cdm.unfccc.int/Reference/Guidclarif/meth/meth\\_guid49.pdf](https://cdm.unfccc.int/Reference/Guidclarif/meth/meth_guid49.pdf)>.

- (c) *The boundary of the CPA should be set to include in it all energy/mass streams affected by the implementation of project measures.*

56. There has been only one real case involving cross effect that was identified by a DOE and the measures to compensate was approved by the Board. The case involved use of high efficient cook stove (AMS-II.G), along with installation of water purifier (AMS-III.AV) where both the measures relied on historic consumption on non-renewable biomass to establish the baseline. Reduced fuel wood consumption due to efficient cook stove was considered to adjust the baseline for the water purification project.

#### **3.6.1.4. Comment from the MP 65**

57. The Meth Panel noted that potential combinations of large scale methodologies for PoA application may range from simple cases where methodologies/technologies are implemented in different locations and under different CPAs with no possibility of interaction between them to more complex cases involving interactions and interdependency between technology/actions/measures.
58. The panel agreed to recommend to the Board that for PoAs intending to applying combination of large scale methodologies where each CPA will apply only one methodology, and be in different locations such that there are no interactions between technology/measures of the CPAs, mandatory prior approval by the Board is not required.
59. Subject to the approval by the Board, the panel agreed to continue to consider the following types of combinations with a view to develop further guidance to combine them without seeking prior approval:
- (a) For cases where multiple methodologies are applied in a CPA but the technology/measure are clearly disconnected and independent from each other;
  - (b) For cases where multiple methodologies are applied in PoAs and one or more components cannot be implemented without the implementation of the primary component, or where one component impacts the profitability and/or the emission reductions achieved by another component.
60. It also noted that the guidance provided for small scale methodologies in the “Guidelines for the consideration of interactive effects for the application of multiple CDM methodologies for a programme of activities” can be adapted for the context of large scale methodologies which may enable a broader set of combinations of methodologies for application by the CME without prior approval.
61. The Meth Panel also noted that there is limited experience with large scale methodologies with regard to combining methodologies for PoA applications. Therefore, the experience in the application of multiple small scale methodologies for PoA application should be assessed to understand the need for type of combinations under the large scale.
62. Based on such an analysis the panel will be able to recommend guidance to address the issues of additionality demonstration and/or baseline emission calculation in case of combination of large scale methodologies.



63. In the meantime, and until the proposed guidance is developed, the Meth Panel noted that the existing procedures for clarifications to seek guidance on combinations provide adequate avenue for the project proponents to propose combinations and procedures allow a response in a swift manner by the Panel. Therefore, the Panel encourages proponents of PoAs intending to combine multiple large scale methodologies to submit such requests.

#### **3.6.1.5. Discussion and proposed solutions**

64. The following options may be considered by the Board, taking into input from the Meth Panel:
- (a) Simplify the rules for PoAs intending to applying combination of large scale methodologies where each CPA will apply only one methodology, and be in different locations such that there are no interactions between technology/measures of the CPAs, such that mandatory prior approval by the Board is not required. Needed amendments to the relevant PoA related standards as a result of this proposal are included in Appendix 1 and 2;
  - (b) To mandate the Meth Panel to continue working on the issue to enable inclusion of a broader set of combination of methodologies.

#### **4. Impacts**

65. More guidance, simplification and examples are likely to facilitate the implementation of PoAs, particularly in least developed countries:
- (a) Issue 1: Allowing the submission of more than one specific CPA-DD at registration will reduce transaction costs (e.g. costs of validation) and provide more certainty to CMEs (registration with the Board will reduce the risks related to erroneous inclusion by the DOEs). Limiting the number of specific CPA-DDs to five can minimize the impact on the timelines for the work of the secretariat;
  - (b) Issue 2: The proposed flexibility in processing PRCs on PoA-DDs and specific CPA-DDs at the same time will lead to increased transparency, as well as more time-efficient and comprehensive assessment by the DOE and the secretariat;
  - (c) Issue 3: The increase of the number of batches for requesting issuance will require the modification of the current monitoring report form for PoA, regulatory documents related to PoA and the PoA issuance flow.

The secretariat is currently developing the PoA lifecycle workflow which is expected to be completed by mid-2015. The secretariat assessed the feasibility of accepting the submission of a request for issuance for more batches/unrestricted number of batches through this workflow and concluded that the workflow can incorporate features for more batches/unrestricted number of batches for a monitoring period of PoA. Therefore, if the Board agrees to revise the rules the secretariat will be able to accept such submissions tentatively after mid-2015 when the PoA lifecycle workflow is expected to be available for PP/CME and the secretariat. Further, regulatory documents related to PoA will need revisions to indicate the change;

- (d) Issues 4-a and 4-b: Maintaining the current provisions is in line with the efforts of the Board to reduce transaction costs for PoAs while providing more certainty to project participants, at the same time as ensuring environmental integrity;
- (e) Issue 5: Opportunity to scale up activities to several sectors in a citywide strategy through CDM has been noted in the literature while it has also been indicated that some potential mitigation activities within a multi sector PoA lack appropriate methodologies or combinations. Providing more flexibility with combining large scale methodologies would be a step in addressing the issue. It is also noted in the literature as follows: “Given that large scale CDM is the most established climate finance mechanism, there is a lot of experience and lessons learnt which can, and should, be drawn on for the practical design and implementation of carbon finance projects, the associated challenges and solutions, and in particular the existing capacity for MRV” UNEP (2014). Climate Finance for Cities and Buildings - A Handbook for Local Governments;

Simplification of rules allowing flexibility to combine methodologies will allow greater leverage for development of PoAs.

## 5. Recommendations to the Board

- 66. The secretariat recommends that the proposed amendments to the documents listed below be adopted and that these shall come into effect immediately upon approval by the Board:
  - (a) Clean development mechanism project standard;
  - (b) Clean development mechanism project cycle procedure;
  - (c) Clean development mechanism validation and verification standard;
  - (d) Standard for demonstration of additionality, development of eligibility criteria and application of multiple methodologies for programme of activities.
- 67. **Issue 1:** The secretariat recommends that the Board consider the following:
  - (a) To revise the rule on the submission of specific CPA-DD at the time of request for registration and of request for post-registration change, to allow the submission of up to five specific CPA-DDs; and
  - (b) To maintain the stipulated time for the secretariat’s assessment and request for review by the Board and/or a Party.
- 68. **Issue 2:** The secretariat recommends that the Board clarify that processing PRC on PoA-DD and specific CPA-DD at the same time is possible, and thus to modify the language in paragraph 138 of PCP.
- 69. **Issue 3:** The secretariat recommends that the Board provide flexibility to PP/CME for submitting a request for issuance for a PoA:
  - (a) By allowing maximum 10 number of batches of CPAs and different DOEs to verify the different batches of a monitoring period. In case more than one batch is used, the monitoring shall be conducted at the level of the batch;

- (b) By requesting verification only for implemented CPAs.
70. **Issue 4a and 4b:** The secretariat recommends that the Board consider maintaining the current provisions at this point in time.
71. **Issue 5:** The secretariat recommends that the Board consider:
- (a) Simplifying the rules for PoAs intending to applying combination of large scale methodologies (or combination of large scale and small scale methodologies) where each CPA will apply only one methodology, and be in different locations such that there are no interactions between technology/measures of the CPAs. In such cases mandatory prior approval by the Board is not required. Amendments to the relevant PoA related standards as a result of this proposal are included in Appendix 1 and 2;
  - (b) To mandate the Meth Panel to continue working on the issue to enable inclusion of a broader set of combination of methodologies for which no prior approval would be required and recommend at its next meeting.

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## Appendix 1. Amendments to the “Clean development mechanism Project Standard (version 07.0)”

### 1. Changes to Section 12.2 Description of programme of activities

#### 1. The following paragraph shall read as follows:

199. Also as part of the proposed CDM PoA, the coordinating/managing entity shall develop specific-case CPAs<sup>19</sup> under the PoA as follows:

- (a) For PoAs applying the same technology/measure under the same methodology across all CPAs, **at least only one specific-case CPA-DD but no more than five specific case CPA-DDs** shall be provided;
- (b) For PoAs applying more than one technology/measure or more than one methodology, **at least one specific-case CPA-DD but no more than five specific case CPA-DDs** for each generic CPA-DD shall be provided. In cases where not all specific-case CPA-DDs to cover all generic CPA-DDs can be provided at the time of the publication of the PoA-DD for global stakeholder consultation, **at least one specific-case CPA-DD but no more than five specific case CPA-DDs** corresponding to any of the generic CPA-DDs shall be provided at the time of the publication of the PoA-DD for global stakeholder consultation. In this case, **at least one specific-case CPA-DD but no more than five specific case CPA-DDs** shall be provided for each of the remaining generic CPA-DDs at the time of request for registration of the PoA or after the registration of the PoA. In the latter case, the specific-case CPA-DDs shall be provided for approval by the Board in accordance with the post-registration change process as defined in the Project cycle procedure. If the generic CPA-DD contains more than one technology/measure in accordance with paragraph 198 bis above, the specific CPA-DD(s) to be submitted may correspond to any one of the technologies/measures or their combination.
- (c) For PoAs hosted in more than one Party, one specific-case CPA-DD for each host Party shall be provided at the time of the publication of the PoA-DD for global stakeholder consultation. In this case, if the PoA-DD defines more than one generic CPA-DD, the specific-case CPA-DD for a host Party may correspond to any generic CPA-DD. However, the requirements in subparagraph (b) above shall still apply to the PoA as a whole.

<sup>19</sup> Also referred to as actual case or real case CPA-DD.

### 2. Changes to Section 12.5. Application of selected baseline and monitoring methodologies and selected standardized baselines

#### 2. The following paragraph shall read as follows:

**210 bis. In the case the request for issuance of PoA is done as per para 298(c)(ii) and (iii), the sampling and survey shall be conducted at the level of the batch or the CPA.**

### 3. Changes to Section 13.10. Specific requirements for programme of activities

3. The following paragraph shall read as follows:

298. The coordinating/managing entity shall:

- (a) Maintain all monitoring results of all CPAs in accordance with the record keeping system identified in the registered PoA DD;
- (b) Prepare, for each monitoring period, either a single monitoring report or **two ten** separate monitoring reports **at the most**, whereby:
  - (i) In the case of a single monitoring report, the report shall contain all monitoring results of all CPAs included in the PoA;
  - (ii) In the case of **two more than one** separate monitoring reports, each CPA shall only be included in one of the **two** monitoring reports and **all the two** monitoring reports shall together contain all monitoring results of all CPAs included in the PoA (i.e. **all the two** monitoring reports shall contain **two** mutually exclusive batches of CPAs)
- (c) Request the issuance of CERs, tCERs or ICERs, through a DOE, as follows:
  - (i) In a single request, if only one monitoring report has been published covering all CPAs except for the case in paragraph 298 (c)(ii) below; or
  - (ii) In **two ten** separate requests **at the most**, if originally **there were less number of monitoring reports published one monitoring report was published**, but during the course of verification the CME decided to separate the monitoring results into **two several** monitoring reports. In this case, **two the number of requests for issuance shall not be less than the number of monitoring reports published and** separate monitoring reports shall be prepared and submitted;
  - (iii) In **two ten** separate requests **at the most**, with each request corresponding to each monitoring report that is **if two several separate monitoring reports are** prepared by the CME;
- (d) Separate the monitoring results of individual CPAs and group the monitoring results by CPA type defined by the relevant generic CPA-DD;
- (e) Make available the monitoring report and all monitoring results requested by a DOE for verification purposes.

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### Document information

<i>Version</i>	<i>Date</i>	<i>Description</i>
01.0	10 November 2014	Initial publication within annex 6 to the annotated agenda of EB 81.
Decision Class: Regulatory		
Document Type: Amendment		
Business Function: Issuance, Registration		
Keywords: component project activity, project design document, project eligibility, programme of activities		

DRAFT

## **Appendix 2. Amendments to the “Clean Development Mechanism Project Cycle Procedure” (version 07.0)”**

### **1. Change to 4.3.1. Submission of project design document**

#### **1. The current paragraph 19 shall read as follows:**

- 19 When submitting the PDD or PoA-DD, the DOE shall, through a dedicated interface on the UNFCCC CDM website, also submit the following information to be made publicly available:
- (a) The name of the proposed CDM project activity or PoA;
  - (b) The host Party(ies) of the proposed CDM project activity or PoA;
  - (c) The names of the project participants listed in the PDD or PoA-DD with which the DOE has a contractual relationship for validation of the proposed CDM project activity or PoA, as well as the name of the coordinating/managing entity in the case of PoA;
  - (d) The estimated annual greenhouse gas (GHG) emission reductions or removal enhancements indicated in the PDD or, in the case of a PoA, the estimated total annual GHG emission reductions or removal enhancements of all component project activities (CPAs) expected to be included in the PoA;
  - (e) The approved baseline and monitoring methodology(ies) and, where applicable, the approved standardized baseline(s) that is(are) applied to the proposed CDM project activity or PoA;
  - (f) Reference to any previous publication of the PDD or PoA-DD for public comments on the UNFCCC CDM website;
  - (g) The proposed start date and length of the first crediting period;
  - (h) In the case of a PoA, in addition to (a) - (g) above;
  - (i) The generic CPA-DDs, which specify the generic information relevant to all CPAs that may be included in the PoA. Where more than one technology/measure or more than one methodology is applied, a generic CPA-DD shall be completed for each technology/measure, each methodology and each combination thereof, unless the technologies/measures in the applied methodologies are included in the positive lists for additionality demonstration under the “Guidelines on demonstration of additionality of small-scale project activities” or “Guidelines on demonstration of additionality of microscale project activities”. In the latter case, the generic CPA-DD may cover more than one technology/measure, and the specific CPA-DD(s), to be submitted



as per the subparagraph below, may correspond to any one of the technologies/measures or their combinations;

- (ii) At least one but no more than five specific case CPA-DDs that correspond to each generic CPA-DD. In case where all specific case CPA-DDs to cover all generic CPA-DDs cannot be provided at the time of publication of the PoA-DD for global stakeholder consultation, ~~at least one~~ specific case CPA-DD(s) corresponding to ~~any of the~~ at least one generic CPA-DDs shall be provided at the time of publication of the PoA-DD for global stakeholder consultation. In this case, for each of the remaining generic CPA-DDs, ~~one~~ specific case CPA-DD(s) shall be provided at the time of request for registration of the PoA or after the registration of the PoA. In the latter case, the specific case CPA-DD(s) shall be provided for approval by the Board in accordance with the post-registration change process as defined in section 6.2 below;
- (iii) If the PoA is hosted in more than one host Party, one specific-case CPA-DD for each host Party shall be provided at the time of publication of the PoA-DD for global stakeholder consultation. In this case, if the PoA-DD defines more than one generic CPA-DD, the specific-case CPA-DD for a host Party may correspond to any generic CPA-DD. However, the requirements in subparagraph (ii) above shall still apply to the PoA as a whole.

## **2. Change to 4.7 Application of multiple methodologies in programme of activities**

- 2. The following paragraph shall be read as follows:

- 3. If the PoA applies only large-scale methodologies and, where applicable, standardized baselines, or both large-scale and small-scale methodologies and, where applicable, standardized baselines, and if the combination is explicitly permitted in the methodologies or each CPA will apply only one methodology, and be in different locations such that there are no interactions between technology/measures of the CPAs, the DOE may proceed with the publication of the PoA-DD or the request for registration without pre-approval by the Board of the application of the multiple methodologies. In other cases, ~~if the combination is not explicitly permitted in the methodologies,~~ the coordinating/managing entity shall seek clarification from the Board on the eligibility of the proposed combination, using the procedure "Development, revision and clarification of baseline and monitoring methodologies and methodological tools".

## **3. Change to 6.2.1. Submission of request for approval of changes**

- 3. The following paragraph shall read as follows:

138. For the generic and specific CPAs of the registered CDM PoA, with regard to the changes referred to in paragraph 136(b)(v) above, the following conditions have to be met to modify<sup>4</sup> or add technologies/measures:
- (a) The applicability conditions of the applied baseline and monitoring methodologies and tools and, where applicable, the applied standardized baselines cover the modified or added technologies/measures (i.e. the modified or added technologies/measure are applicable under the approved baseline and monitoring methodologies and, where applicable, the approved standardized baselines);
  - (b) The modified or added technologies/measures were either: (i) already included in the originally registered PoA-DD and the eligibility criteria for these technologies/measures had been specified in the originally registered PoA-DD or (ii) subsequently included in the revised PoA-DD following the submission by the CME and approval by the Board of a request for post-registration changes in accordance with paragraph 137 above.

138bis. In the cases referred to in paragraph 136(b)(v) above, the request for approval of post-registration changes to specific case CPA-DDs may be combined with a request for approval of post-registration changes to the PoA-DD regarding the changes referred to in paragraph 137(e) above. In this case the draft revised PoA-DD is considered to be the basis for the revised CPA-DDs instead of the originally registered PoA-DD in applying the conditions referred to in paragraph 138 above.

#### 4. **Change to Section 8. Issuance of certified emission reductions**

4. The following paragraph shall read as follows:

194. The following applies to the requests for issuance for a PoA:

- (a) The request for issuance for a specified monitoring period shall either:
  - (i) Relate to all CPAs included in the PoA; or
  - (ii) In the case of ~~two~~ multiple separate monitoring reports for a monitoring period prepared in accordance with the "CDM project standard", relate to all CPAs included in the batch of CPAs that the request covers, out of ~~all~~ the ~~two~~ batches of CPAs in the PoA. ~~In this case the same DOE shall submit the request for the two batches;~~
- (b) The monitoring periods shall be consecutive. CPAs shall be included in issuance requests in a consecutive manner, i.e. a CPA can be included in a request for issuance for the PoA for a monitoring period only after the request for issuance for the previous monitoring period that included the particular CPA has been published;
- (c) If the PoA applies any of the methodologies listed in appendix 3 as indicating potential accrual of negative emission reductions, a request for issuance for a monitoring period can be submitted only after the CERs, tCERs or ICERs have been issued for all CPAs included in the PoA for the previous monitoring period.

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### Document information

<i>Version</i>	<i>Date</i>	<i>Description</i>
01.0	10 November 2014	Initial publication within annex 6 to the annotated agenda of EB 81.
Decision Class: Regulatory		
Document Type: Amendment		
Business Function: Registration		
Keywords: project design document, post-registration change, programme of activities		

DRAFT

## **Appendix 3. Amendments to the “Clean Development Mechanism Validation and Verification Standard” (version 07.0)”**

### **1. Change to Section 8.5.4. Application of multiple methodologies**

1. The current paragraph 235 should read as:

235. The DOE shall assess the application of multiple methodologies in accordance with the “Standard for demonstration of additionality, development of eligibility criteria and application of multiple methodologies for programme of activities”.

235 bis

The DOE shall confirm that a generic CPA-DD has been prepared for each technology/measure, each methodology and each combination thereof, or that technologies/measures have been combined in one generic CPA-DD subject to the provisions in paragraph 198 and 198 bis of the PS.

235 ter

The DOE shall also confirm that for PoAs applying more than one technology/measure or more than one methodology, at least one specific-case CPA-DD **but no more than five specific case CPA-DDs** for each generic CPA-DD has been completed. In cases where not all specific-case CPA-DDs covering all generic CPA-DDs can be provided at the time of the publication of the PoA-DD for global stakeholder consultation, at least one specific-case CPA-DD **but no more than five specific case CPA-DDs** corresponding to any of the generic CPA-DDs shall be provided at the time of the publication of the PoA-DD for global stakeholder consultation. In this case, **at least** one specific-case CPA-DD **but no more than five specific case CPA-DDs** shall be provided for each of the remaining generic CPA-DDs at the time of request for registration of the PoA or after the registration of the PoA. In the latter case, the specific-case CPA-DD shall be provided for approval by the Board in accordance with the post-registration change process as defined in section 6.2 of the Project cycle procedure.

### **2. Change to Section 10.3.2. Request for issuance of certified emission reductions for a PoA**

2. The following paragraph shall read as follows:

352. The DOE shall request issuance of CERs for the PoA in accordance with the Project cycle procedure. The request shall correspond to all CPAs included in the PoA in the case of a single monitoring report covering all CPAs of the PoA for the monitoring period, or to one of the **two** batches of CPAs included in the PoA in the case of **two multiple** monitoring reports for the monitoring period.

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### Document information

<i>Version</i>	<i>Date</i>	<i>Description</i>
01.0	10 November 2014	Initial publication within annex 6 to the annotated agenda of EB 81.
Decision Class: Regulatory Document Type: Amendment Business Function: Issuance, Registration Keywords: multiple methodologies, programme of activities nt		

DRAFT

## Appendix 4. Amendments to the “Demonstration of additionality, development of eligibility criteria and application of multiple methodologies for programmes of activities (version 03.0)”

### 1. Changes to Section 3.3.3

3. The following paragraph shall read as follows:

#### 3.3.3 Application of multiple large-scale CDM methodologies

34. For PoAs applying large-scale CDM methodologies (or applying combination of large scale and small scale methodologies) only following combinations can be applied without prior-approval by the Board:

(a) Explicitly permitted in the methodologies; or

(b) Where each CPA will apply only one methodology, and be in different locations such that there are no interactions between technology/measures of the CPAs.

35. In other cases, the CME shall submit a request for clarification to the secretariat by following the latest applicable procedure for the eligibility of the proposed combination. To apply combinations of methodologies not explicitly permitted, justifications to demonstrate the integration through the design of the programme as indicated in paragraph 31(d), should be included in the request for clarification.

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### Document information

Version	Date	Description
01.0	10 November 2014	Initial publication within annex 6 to the annotated agenda of EB 81.
Decision Class: Regulatory		
Document Type: Amendment		
Business Function: Methodology		
Keywords: combination of methodologies, programme of activities		