Annex 4

STANDARD FOR APPLICATION OF MULTIPLE CDM METHODOLOGIES FOR A PROGRAMME OF ACTIVITIES

(Version 01.0)

I. Background

1. In decision 3/CMP.6 paragraph 4, Parties requested the clean development mechanism (CDM) Executive Board (hereinafter referred to as the Board) to reassess its existing regulations related to programmes of activities in order to "simplify the application of programmes of activities to activities applying multiple methods and technologies, including for possible city-wide programmes, while ensuring environmental integrity to the extent required by the Kyoto Protocol and decisions of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol".

2. At its sixtieth meeting, the Board took note of a summary of public inputs to the call on programmes of activities (PoAs) launched at the fifty-ninth meeting of the Board and agreed to a work programme that envisaged the consideration at its sixty-third meeting of a draft standard for applying multiple emissions reduction methods for a PoA.

3. This standard is prepared in response to the request by the Board at its sixtieth meeting as above (see also EB 60, annex 27).

4. This standard, upon its approval by the Board, will replace the requirements in "Procedures for approval of the application of multiple methodologies to a Programme of Activities" (EB 47, annex 31).

II. Scope, applicability and definitions

A. Scope and applicability

5. This standard specifies requirements for applying different combinations of technologies/measures and/or approved CDM methodologies among the CDM project activities (CPAs) of a PoA.

6. This standard is applicable to the coordinating or managing entity (CME) of a PoA, seeking to apply multiple technology(ies)/measures and/or approved methodologies.

B. Definitions

7. For the purpose of this standard, all definitions contained in "Procedures for registration of a programme of activities as a single CDM project activity and issuance of CERs for a PoA" and the following definitions apply:

(a) **Measures** are a broad class of greenhouse gas emissions reduction activities possessing common features, e.g. fuel and feedstock switch, switch of technology with or without change of energy source (including energy efficiency improvement), methane destruction, and methane formation avoidance. Two different activities will be considered to be using the same measure if they constitute the same course of action and result in the same kind of effect. Two different activities will be considered to be applying the same technology if they

provide the same kind of output and use the same kind of equipment and conversion process;

(b) **Cross effects** refers to the interactive effects between the technology(ies)/measures of a CPA. Estimating emission reductions from each single technology/measure in an isolated manner ignoring cross effects may potentially result in over-estimation of the emission reductions from the PoA.[1]

III. Requirements

A. General requirements

8. The CME shall list in the PoA- design document (PoA-DD) and the generic CPA-DD various combinations of technologies/measures and/or approved methodologies that will be implemented in the PoA.

9. The CME shall define the eligibility criteria for CPA inclusion and, where applicable, sampling plans for each of the combinations separately according to the "Standard for the development of eligibility criteria for the inclusion of a project activity as a CPA under the PoA" and a standard or guideline approved by the Board for sampling and surveys for CDM project activities and Programme of Activities. If a CPA uses technologies/measures from several methodologies, it shall be in compliance with all the eligibility criteria derived from the requirements of all the methodologies. These eligibility criteria shall be identified in the validated PoA-DD.

B. Application of multiple small-scale (SSC) CDM methodologies

10. Combinations of technologies/measures and/or methodologies for a PoA are eligible where it is demonstrated that there are no cross effects between the technology(ies)/measures applied.[2] Where such cross effects do exist, the CME shall propose methods to account for such cross effects using the "Procedures for requests to the executive board for deviation from an approved methodology" so as to ensure that the calculation of emission reductions is accurate.

11. In particular, the following situations for applying combinations of technologies/measures and/or methodologies are eligible:

(a) The same combination of technologies/measures under the same combination of methodologies applied consistently in each and every CPA of a PoA. For example, methane recovered from an anaerobic digester to treat animal manure under AMS-III.D is used for heat generation applying AMS-I.C;

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[1] For example, consider a CPA for implementing energy efficiency measures in a building. Lighting energy efficiency is achieved under one component by replacing the inefficient bulb with an efficient technology applying a relevant methodology. Lighting control efficiency is also implemented as a separate component applying a different methodology in the same building. If historic energy consumption for lighting is used by both components then it is likely that the emission reductions are overestimated due to cross effects. Reduced energy consumption of the lights should be taken into account when determining savings from the lighting controls project.

[2] Combinations of approved methodologies contained in the "General guidelines to SSC CDM methodologies" can be applied without further assessment of cross effects, while other combinations can be applied with the analysis of cross effects.

(b) A single methodology is consistently applied in each CPA of a PoA but using multiple technology(ies)/measures. For example, different waste water treatment technologies can be applied across CPAs of one PoA, using AMS-III.H;

(c) A principle technology/measure is applied consistently in each CPA using multiple combinations of methodologies. For example, waste water treatment projects[3] with different ways of utilizing recovered methane (AMS-I.C for heat, AMS-I.D and AMS-I.F for electricity, or both), biomass/biogas projects with different fuel displacement (AMS-I.C and AMS-I.I for fossil fuel, AMS-I.E for non-renewable biomass, or both);

(d) Combinations of technologies/measures and methodologies vary across CPAs of a PoA, i.e. the policy or goal can only be realized through the use of multiple and disparate methodologies. Therefore in such situations the CME shall demonstrate that the implementation of the activities is integrated through the design of the programme. This may include, for example, a range of activities within different sectors such as energy generation (e.g. wind electricity using AMS-I.D, solar water heaters using AMS-I.J), energy efficiency (e.g. efficient lighting using AMS-II.J, building energy efficiency using AMS-III.AE, efficient street lighting using AMS-II.L), water management (e.g. efficient irrigation), waste management (e.g. landfill gas recovery using AMS-III.G, composting using AMS-III.F, recycling using AMS-III.AJ), transport (e.g. using AMS-III.C) and agriculture (using AMS-III.D for manure management).[4]

12. The CME may optionally use the "Procedure for the submission and consideration of request for clarification on the application of approved small scale methodologies" (EB 34, annex 6)[5] to seek clarifications on cross effects in the proposed combinations. CDM-POA-DD and CDM-CPA-DD are presented with completed sections for detailed technical descriptions. Where possible, these requests shall be treated under "fast track procedures" (see paragraph 8 of the same procedure, EB 34, annex 6) and the response shall be provided within four weeks.

13. The compliance with the SSC threshold of a CPA shall be met by following the guideline in paragraph 3 of the "General Guidelines to SSC CDM methodologies".

C. Application of multiple large-scale CDM methodologies

14. For PoAs applying large-scale CDM methodologies, only combinations explicitly permitted in the methodologies can be applied without pre-approval.[6] In other cases, the CMEs shall seek a clarification by following the "Procedure for the submission and consideration of queries regarding the application of approved methodologies and methodological tools by designated operational entities to the Meth Panel"[7] (EB 42, annex 9) for the eligibility of the proposed combination.

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[3] Biogas/methane recovery from an anaerobic digester is the principle technology/measure in this example.

[4] Choosing this option may influence the choices for the sampling plan. See Annex 1 of the "Standard for Sampling and Surveys for CDM Project Activities and Program of Activities". Furthermore, this option is eligible under the condition that the intended sectoral scopes and the combinations of methodologies intended for implementation is known ex ante, and no revisions of PoA documentation are foreseen for the duration of one crediting period, i.e. seven or 10 years of PoA implementation.

[5] <http://cdm.unfccc.int/Reference/Procedures/methSSC_proc01_v01.pdf>

[6] For example, the combined use of AM0053 with ACM0001 is allowed in AM0053.

[7] <http://cdm.unfccc.int/Reference/Procedures/meth_proc01.pdf>

D. Application of combination of multiple large- and small-scale CDM methodologies

15. In case of a combination of multiple large- and small-scale CDM methodologies in a PoA, the same procedures detailed in section C shall be applied.

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History of the document

Version	Date	Nature of revision
01.0	EB 63, Annex 4 29 September 2011	Initial adoption.
Decision Class: Regulatory **Document Type**: Standard **Business Function**: Methodology		