

Resolution no. 3 of March 24, 2006, which establishes the procedures for approval of small-scale project activities under the Clean Development Mechanism of the Kyoto Protocol, among other provisions.

The Interministerial Commission on Global Climate Change, created by Decree of July 7, 1999, in the exercise of its powers under Article 3, paragraphs III and IV,

DECIDES THAT:

Art. 1. For the purposes of approval of project activities by this Commission, the simplified modalities and procedures for small-scale project activities under the Clean Development Mechanism are those approved at the eighth Conference of the Parties to the United Nations Framework Convention on Climate Change, attached hereto as Annex I to this Resolution.

Art. 2. The simplified Project Design Document for small-scale project activities under the Clean Development Mechanism, in the format determined by the Executive Board of the Clean Development Mechanism, shall be submitted in the format presented in Annex II to this Resolution.

Art. 3. For the purposes of developing and implementing small-scale afforestation and reforestation project activities under the Clean Development Mechanism, low-income communities, according to paragraph 1 (i) of the Annex to Decision 19/CP.9, contained in Annex II to Resolution no. 2 of the Commission, are defined as those whose members involved in the development and implementation of project activities have a per capita household monthly income of up to half a monthly minimum wage.

Sole paragraph. The Designated Operational Entity responsible for validating the project activity shall attest that project participants comply with the requirement established in the present article with regard to the per capita household monthly income of the community members involved in the development and implementation of project activities.

Art. 4. The declaration and commitment term required under Article 3, paragraph IV, of Resolution no. 1 of this Commission shall be addressed to the Executive Secretariat of the Commission and signed by the legal representatives of each participant in the Clean Development Mechanism project activities, on stamped paper, in the format of the models contained in Annex III to this Resolution.

Sole paragraph. Each participant in the Clean Development Mechanism project activities shall send documents that prove the legitimacy of the representatives signing the documents mentioned in the present article.

Art. 5. The documents that ensure compliance of the Clean Development Mechanism project activities with the environmental and labor legislations in force, as applicable and required under Article 3, paragraph V, of Resolution no. 1 of this Commission, shall be

addressed to the Executive Secretariat of the Commission and duly signed by the legal representatives of each participant in the project activities, on stamped paper, in the format of the models contained in Annex IV to this Resolution.

Sole paragraph. Each participant in the Clean Development Mechanism project activities shall send documents that prove the legitimacy of the representatives signing the documents mentioned in the present article.

Art. 6. In case the requirement for submitting the documents indicated in the resolutions of this Commission is not fully met, the Executive Secretariat of the Commission shall not forward to the Commission members the documents submitted by the participants in the Clean Development Mechanism project activities, according to Article 6 of Resolution no. 2 of this Commission.

Sole paragraph. Only after the Executive Secretariat has verified that all the required documents have been duly submitted shall the documents relative to the Clean Development Mechanism project activities be made public in the web site of the Ministry of Science and Technology (www.mct.gov.br/clima), the moment from which the period for a final decision to be made, as mentioned in art. 6 of Resolution no. 1 of this Commission, shall start to be counted.

Art. 7. The Clean Development Mechanism project activities that are considered by this Commission to adequately contribute to sustainable development, in compliance with Annex III to Resolution no. 1 of this Commission, but which contain editing mistakes or any other inconsistency considered to be of minor relevance by the Commission members shall be deemed approved with qualifications.

First paragraph. In the case described in the present article, the Executive Secretariat of this Commission shall send an official letter to the individual responsible for the communication of the Clean Development Mechanism project activity to the Executive Secretariat, indicating the qualifications that shall be addressed for approval, according to the decision by this Commission.

Second paragraph. The individual responsible for the Clean Development Mechanism project activity shall meet the requirements made by this Commission no later than 60 (sixty) days after the date of receipt of the official letter mentioned in the first paragraph of the present article, otherwise the project activity shall be considered as not having been submitted, according to the resolutions of this Commission.

Third paragraph. In the case described in the present article, the letter of approval, pursuant to paragraph 40 (a) of Annex I to Resolution no. 1 of this Commission, shall be issued immediately after the corrections have been considered satisfactory by the Executive Secretariat of the Commission.

Art. 8. The Clean Development Mechanism project activities considered by this Commission that need clarifications with regard to the description of the contribution to sustainable development, pursuant to Annex III of Resolution no. 1 of this Commission, or that contain editing mistakes or any other inconsistency that the Commission members regard as relevant, shall be considered in review.

First paragraph. In the case described in the present article, the Executive Secretariat of this Commission shall send an official letter to the individual responsible for the

communication of the Clean Development Mechanism project activity to the Executive Secretariat, indicating the reasons for the decision of the Commission.

Second paragraph. The individual responsible for the Clean Development Mechanism project activity shall meet the requirements made by this Commission no later than 60 (sixty) days after the date of receipt of the official letter mentioned in the first paragraph of the present article, otherwise the project activity shall be considered as not having been submitted, according to the resolutions of this Commission.

Third paragraph. In the case described in the present article, the letter of approval, pursuant to paragraph 40 (a) of Annex I to Resolution no. 1 of this Commission, shall be issued immediately after the corrections have been considered satisfactory by the Commission members in a meeting held after the response to the official letter has been received.

Art. 9. The Project Design Document and the Validation Report prepared by the Designated Operational Entity, for the purposes of approval of Clean Development Mechanism project activities by this Commission, pursuant to the Commission resolutions, shall be submitted in Portuguese and English versions and shall fully correspond to the documents to be submitted to the Executive Board of the Clean Development Mechanism when the registration is requested.

First paragraph. In case the documents mentioned in the present article do not fully correspond to the documents to be submitted to the Executive Board of the Clean Development Mechanism when the registration is requested, the Executive Secretariat of this Commission may request the review of the Clean Development Mechanism project activities to the Executive Board.

Second paragraph. In Brazil, the Portuguese version of the document is the one that is legally valid and, therefore, the version to be analyzed by this Commission. The Portuguese version of the documents mentioned in the present article shall be faithful to the English version and make use of the official names of institutions and terms created under the Kyoto Protocol and duly translated into Portuguese in the documents published in the web site of the Ministry of Science and Technology (www.mct.gov.br/clima), otherwise this Commission shall consider the Clean Development Mechanism project activities to which such documents refer as having been approved with qualifications until the versions are adequate.

Art. 10. The participants in the Clean Development Mechanism project activities shall also send to this Commission the valid environmental documents, pursuant to paragraph 37 (c) of Annex I to Resolution no. 1 of this Commission, otherwise the project activities shall be considered as having qualifications or requiring a review, depending on the circumstances of each case, to be considered by this Commission.

Art. 11. The possibility of convening extraordinary meetings is hereby created, by means of electronic voting by the Commission members, for the approval of specific Clean Development Mechanism project activities, in cases of urgency and real need, as determined by the Executive Secretariat of this Commission, in view of final deadlines determined by the Executive Board of the Clean Development Mechanism.

Sole paragraph. In the case described in the present article, the Clean Development Mechanism project activities shall be considered approved if no member or alternate

member of this Commission presents an objection. Should any member of this Commission be contrary to the approval, according to a communication sent to the electronic address of the Executive Secretariat of the Commission, the Clean Development Mechanism project activities shall be included again in the agenda of the next ordinary meeting of the Commission, convened according to the schedule approved by this Commission.

Art. 12. This resolution shall come into force on the date of its publication.

SERGIO MACHADO REZENDE
President of the Commission

ANNEX I OF RESOLUTION NO. 3 OF THE INTERMINISTERIAL COMMISSION ON GLOBAL CLIMATE CHANGE

Simplified modalities and procedures for small-scale clean development mechanism project activities

I. FURTHER CLARIFICATIONS ON DEFINITIONS OF ELIGIBLE ACTIVITIES

A. Type (i) project activities: renewable energy project activities with a maximum output capacity equivalent to up to 15 megawatts (or an appropriate equivalent) (decision 17/CP.7, paragraph 6 (c) (i))

1. Definition of “renewable energy”: the Executive Board agreed to draw up an indicative list of energy sources/eligible project activities,¹ as proposed in the attachment to annex 2 of the annotated agenda of its third meeting.² In drawing up such a list, the Board shall consider recognized classifications of renewable energy technologies/sources and take into account experience based on completed or ongoing small-scale projects in relevant fields. Following the “bottom-up” project cycle approach of the clean development mechanism (CDM), this list shall evolve and be further elaborated over time as new project activities are proposed and registered.

2. Definition of “maximum output capacity equivalent of up to 15 megawatts (or an appropriate equivalent)”:

(a) Definition of “maximum output”: the Board agreed to define “output” as installed/rated capacity, as indicated by the manufacturer of the equipment or plant, disregarding the actual load factor of the plant;

(b) Definition of “appropriate equivalent” of 15 megawatts: the Board agreed that, whereas decision 17/CP.7, paragraph 6 (c) (i), refers to megawatts (MW), project proposals may refer to MW(p), MW(e) or MW(th).³ As MW(e) is the most common denomination, and MW(th) only refers to the production of heat which can also be derived from MW(e), the Board agreed to define MW as MW(e) and otherwise to apply an appropriate conversion factor.

B. Type (ii) project activities: energy efficiency improvement project activities which reduce energy consumption, on the supply and/or demand side, by up to the equivalent of 15 gigawatt hours per year (decision 17/CP.7, paragraph 6 (c) (ii))

3. Definition of “energy efficiency improvement project activities”:

(a) The Executive Board agreed to draw up an indicative list of eligible project activities/sectors, as proposed in the attachment to annex 2 of the annotated agenda of its third meeting. In drawing up such a list, the Board shall consider recognized classifications of energy efficiency and take into account experience based on completed or ongoing small-scale projects in relevant fields. Following the CDM “bottom-up” approach, this list shall evolve and be further elaborated over time as new project activities are proposed and registered;

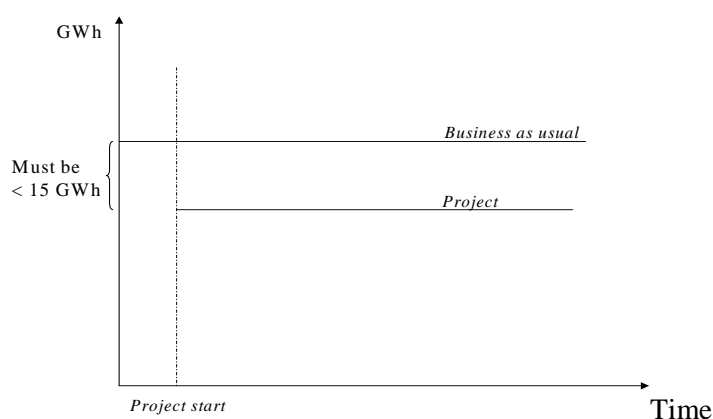
¹ Project activities referring to the burning of peat and non-biogenic waste should not be included in the indicative list.

² Please refer to <http://unfccc.int/cdm/ebmeetings/eb003/eb03annan2.pdf>.

³ Where (p) stands for peak, (e) stands for electric and (th) stands for thermal.

- (b) The Board further agreed on the following clarifications:
- (i) Energy efficiency is the improvement in the service provided per unit power, that is, project activities which increase unit output of traction, work, electricity, heat, light (or fuel) per MW input are energy efficiency project activities;
 - (ii) Energy consumption is the consumption reduced and measured in watt-hours with reference to an approved baseline. Lower consumption as a result of lower activity shall not be taken into consideration;
- (c) Demand side, as well as supply side, projects shall be taken into consideration, provided that a project activity results in a reduction of maximum 15 gigawatt hours (GWh), as illustrated by figure 1. A total saving of 15 GWh is equivalent to 1000 hours of operation of a 15 MW plant or $15 \times 3.6 \text{ TJ} = 54 \text{ TJ}$, where TJ stands for terajoules.

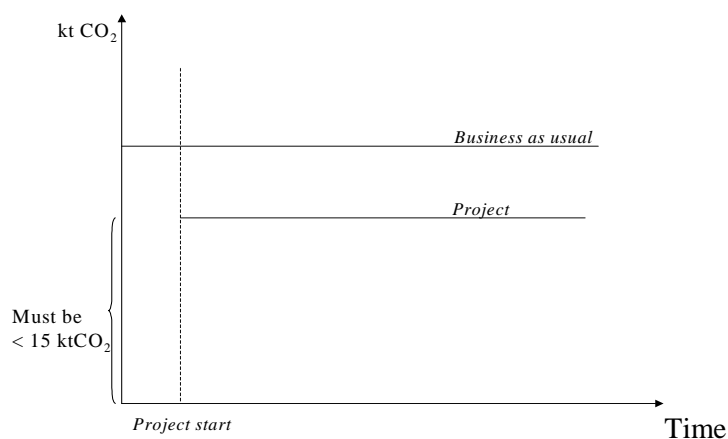
Figure 1: eligibility for type (ii) project activities



C. Type (iii) project activities: other project activities that both reduce anthropogenic emissions by sources and directly emit less than 15 kilotonnes of carbon dioxide equivalent annually (decision 17/CP.7, paragraph 6 (c) (iii)):

4. As figure 2 illustrates, type (iii) projects shall not exceed total direct emissions of 15 kilotonnes (kt) of carbon dioxide (CO₂) equivalent annually, and must reduce greenhouse gas emissions.

Figure 2: eligibility for type (iii) project activities



5. As presented in the attachment to annex 2 of the annotated agenda of the third meeting of the Executive Board, type (iii) CDM project activities could include agricultural projects, fuel switching, industrial processes and waste management. Possible examples in the agricultural sector include improved manure management, reduction of enteric fermentation, improved fertilizer usage or improved water management in rice cultivation.

6. Other project activities that could qualify include CO₂ recycling, carbon electrodes, adipic acid production and the use of hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF₆) making reference to the emission reductions generated by such projects expressed in CO₂ equivalent. In order for these to be calculated in a consistent and transparent manner, appropriate baseline methodologies need to be developed.

**D. Interpretation of types of project activity to be mutually exclusive
(decision 17/CP.7, paragraph 6 (c), (i), (ii) and (iii))**

7. The Board agreed that the three types of project activities outlined in decision 17/CP.7, paragraph 6 (c), are mutually exclusive. In a project activity with more than one component that will benefit from simplified CDM modalities and procedures, each component shall meet the threshold criterion of each applicable type, e.g. for a project with both a renewable energy and an energy efficiency component, the renewable energy component shall meet the criterion for “renewable energy” and the energy efficiency component that for “energy efficiency”.

**E. Point in the project activity lifetime at which reference values are to be applied
(decision 17/CP.7, paragraph 6 (c), (i), (ii) and (iii))**

8. The Board agreed that if the maximum reference value of a small-scale CDM project activity is exceeded on an annual average basis during any verified period, CERs should be issued only up to the maximum value.

**II. DRAFT SIMPLIFIED MODALITIES AND PROCEDURES FOR SMALL-SCALE
CDM PROJECT ACTIVITIES**

A. Introduction

9. Small-scale CDM project activities shall follow the stages of the project cycle specified in the modalities and procedures for a clean development mechanism contained in the annex to decision 17/CP.7 (hereinafter referred as the CDM modalities and procedures). In order to reduce transaction costs modalities and procedures are simplified for small-scale CDM project activities, as follows:

(a) Project activities may be bundled or portfolio bundled at the following stages in the project cycle: the project design document, validation, registration, monitoring, verification and certification. The size of the total bundle should not exceed the limits stipulated in paragraph 6 (c) of decision 17/CP.7;

(b) The requirements for the project design document are reduced;

(c) Baselines methodologies by project category are simplified to reduce the cost of developing a project baseline;

(d) Monitoring plans are simplified, including simplified monitoring requirements, to reduce monitoring costs;

(e) The same operational entity may undertake validation, and verification and certification.

10. Simplified baseline and monitoring methodologies have been developed for 14 small-scale CDM project activity categories related to types (i) to (iii).⁴ They are presented in appendix B. This list shall not preclude other types of small-scale CDM project activities. If a proposed small-scale CDM project activity does not fall into any of the categories in appendix B, the project participants may submit a request to the Executive Board for approval of a simplified baseline and/or monitoring plan developed bearing in mind provisions in paragraph 16 below.

11. The CDM modalities and procedures shall apply to small-scale CDM project activities except for its paragraphs 37 to 60. The following paragraphs 12 to 39 apply instead. Appendix A to this annex should replace, as appropriate, provisions in appendix B of the CDM modalities and procedures.

B. Simplified modalities and procedures for small-scale CDM project activities

12. To use simplified modalities and procedures for small-scale CDM project activities, a proposed project activity shall:

- (a) Meet the eligibility criteria for small-scale CDM project activities set out in paragraph 6 (c) of decision 17/CP.7;
- (b) Conform to one of the project categories in appendix B to this annex;
- (c) Not be a debundled component of a larger project activity, as determined through appendix C to this annex.

13. Project participants shall prepare a project design document in accordance with the format specified in appendix A to this annex.

14. Project participants may use the simplified baseline and monitoring methodologies specified in appendix B for their project category.

15. Project participants involved in small-scale CDM project activities may propose changes to the simplified baseline and monitoring methodologies specified in appendix B or propose additional project categories for consideration by the Executive Board.

16. Project participants willing to submit a new small-scale project activity category or revisions to a methodology shall make a request in writing to the Board providing information about the technology/activity and proposals on how a simplified baseline and monitoring methodology would be applied to this category. The Board may draw on expertise, as appropriate, in considering new project categories and/or revisions of and amendments to simplified methodologies. The Executive Board shall expeditiously, if possible at its next meeting, review the proposed methodology. Once approved, the Executive Board shall amend appendix B.

17. The Executive Board shall review and amend, as necessary, appendix B at least once a year.

18. Any amendments to appendix B shall apply only to project activities registered subsequent to the date of amendment and shall not affect registered CDM project activities during the crediting periods for which they are registered.

⁴ Type (i): Renewable energy project activities with a maximum output capacity equivalent of up to 15 megawatts (or an appropriate equivalent); Type (ii): Energy efficiency improvement project activities which reduce energy consumption, on the supply and/or demand side, by up to the equivalent of 15 gigawatthours per year; and Type (iii): Other project activities that both reduce anthropogenic emissions by sources and directly emit less than 15 kilotonnes of carbon dioxide equivalent annually.

19. Several small-scale CDM project activities may be bundled for the purpose of validation. An overall monitoring plan that monitors performance of the constituent project activities on a sample basis may be proposed for bundled project activities. If bundled project activities are registered with an overall monitoring plan, this monitoring plan shall be implemented and each verification/certification of the emission reductions achieved shall cover all of the bundled project activities.

20. A single designated operational entity may perform validation as well as verification and certification for a small-scale CDM project activity or bundled small-scale CDM project activities.

21. The Executive Board, in proposing the share of proceeds to cover administrative expenses and registration fees to recover any project related expenses, may consider proposing lower fees for small-scale CDM project activities.

C. Validation and registration

22. The designated operational entity selected by project participants to validate a project activity, being under a contractual arrangement with them, shall review the project design document and any supporting documentation to confirm that the following requirements have been met:

(a) The participation requirements set out in paragraphs 28 to 30 of the CDM modalities and procedures are satisfied;

(b) Comments by local stakeholders have been invited and a summary of the comments received has been provided to the designated operational entity together with a report indicating how due account was taken of any comments received;

(c) Project participants have submitted to the designated operational entity documentation on the analysis of the environmental impacts of the project activity, if required by the host Party;

(d) The project activity is expected to result in a reduction in anthropogenic emissions by sources of greenhouse gases that are additional to any that would occur in the absence of the proposed project activity, in accordance with paragraphs 26 to 28 below;

(e) The small-scale project activity conforms to one of the project categories in appendix B and uses the simplified baseline and monitoring methodology for that project activity category as specified in appendix B, or a bundle of small-scale project activities satisfies the conditions for bundling and the overall monitoring plan for the bundled small-scale project activities is appropriate;

(f) The project activity conforms to all other requirements for CDM project activities in the CDM modalities and procedures that are not replaced by these simplified modalities and procedures;

23. The designated operational entity shall:

(a) Prior to the submission of the validation report to the Executive Board, have received from the project participants written approval of voluntary participation from the designated national authority of each Party involved, including confirmation by the host Party that the project activity assists it in achieving sustainable development;

(b) In accordance with provisions on confidentiality contained in paragraph 27 (h) of the CDM modalities and procedures, make publicly available the project design document;

(c) Receive, within 30 days, comments on the project design document from Parties, stakeholders and UNFCCC accredited non-governmental organizations, and make them publicly available;

(d) After the deadline for receipt of comments, make a determination as to whether, on the basis of the information provided and taking into account the comments received, the project activity should be validated;

(e) Inform project participants of its determination on the validation of the project activity. Notification to the project participants shall include either:

- (i) Confirmation of validation and date of submission of the validation report to the Executive Board; or
- (ii) An explanation of reasons for non-acceptance if the project activity, as documented, is judged not to fulfil the requirements for validation.

(f) Submit to the Executive Board, if it determines the proposed project activity to be valid, a request for registration in the form of a validation report including the project design document, the written approval of the host Party as referred to in paragraph 23 (a) above, and an explanation of how it has taken due account of comments received;

(g) Make this validation report publicly available upon transmission to the Executive Board.

24. The registration by the Executive Board shall be deemed final four weeks after the date of receipt by the Executive Board of the request for registration, unless a Party involved in the project activity or at least three members of the Executive Board request a review of the proposed CDM project activity. The review by the Executive Board shall be made in accordance with the following provisions:

- (a) It shall be related to issues associated with the validation requirements;
- (b) It shall be finalized no later than at the second meeting following the request for review, with the decision and the reasons for it being communicated to the project participants and the public.

25. A proposed project activity that is not accepted may be reconsidered for validation and subsequent registration after appropriate revisions, provided that it follows the procedures and meets the requirements for validation and registration, including those related to public comments.

26. A CDM project activity is additional if anthropogenic emissions of greenhouse gases by sources are reduced below those that would have occurred in the absence of the registered CDM project activity.

27. The baseline for a CDM project activity is the scenario that reasonably represents the anthropogenic emissions by sources of greenhouse gases that would occur in the absence of the proposed project activity. A simplified baseline for a small-scale CDM project activity specified in appendix B shall be deemed to reasonably represent the anthropogenic emissions that would occur in the absence of the proposed small-scale project activity. If a simplified baseline is not used, the baseline proposed shall cover emissions from all gases, sectors and source categories listed in Annex A to the Kyoto Protocol within the project boundary.

28. A simplified baseline and monitoring methodology listed in appendix B may be used for a small-scale CDM project activity if the project participants are able to demonstrate to a designated operational entity that the project activity would otherwise not be implemented due to the existence of one or more of the barriers listed in attachment A of appendix B. Where specified in appendix B for a project category, quantitative evidence that the project activity would otherwise not be implemented may be provided instead of a demonstration based on the barriers listed in attachment A to appendix B.

29. Project participants shall select a crediting period for a proposed small-scale CDM project activity from one of the following alternatives:

(a) A maximum of seven years which may be renewed at most two times, provided that, for each renewal, a designated operational entity determines and informs the Executive Board that the original project baseline is still valid or has been updated taking account of new data where applicable;

(b) A maximum of 10 years with no option of renewal.

30. Leakage is defined as the net change of anthropogenic emissions by sources of greenhouse gases which occurs outside the project boundary, and which is measurable and attributable to the CDM project activity. Reductions in anthropogenic emissions by sources shall be adjusted for leakage in accordance with the provisions of appendix B for the relevant project categories. The Executive Board shall consider simplification of the leakage calculation for any other project categories added to appendix B.

31. The project boundary shall encompass significant anthropogenic emissions by sources of greenhouse gases under the control of the project participants that are reasonably attributable to the small-scale CDM project activity, in accordance with provisions of appendix B for the relevant project category.

D. Monitoring

32. Project participants shall include, as part of the project design document for a small-scale CDM project activity or bundle of small-scale CDM project activities, a monitoring plan. The monitoring plan shall provide for the collection and archiving of the data needed to:

(a) Estimate or measure anthropogenic emissions by sources of greenhouse gases occurring within the project boundary during the crediting period as specified in appendix B for the relevant project category;

(b) Determine the baseline of anthropogenic emissions by sources of greenhouse gases occurring within the project boundary during the crediting period, as specified in appendix B for the relevant project category;

(c) Calculate the reductions of anthropogenic emissions by sources by the proposed small-scale CDM project activity, and for leakage effects, in accordance with provisions of appendix B for the relevant project category.

33. The monitoring plan for a small-scale CDM project activity may use the monitoring methodology specified in appendix B for the relevant project category if the designated operational entity determines at validation that the monitoring methodology reflects good monitoring practice appropriate to the circumstances of the project activity.

34. If project activities are bundled, a separate monitoring plan shall apply for each of the constituent project activities in accordance with paragraphs 32 and 33 above, or an overall monitoring plan shall apply for the bundled projects, as determined by the designated operational entity at validation to reflect good monitoring practice appropriate to the bundled project activities and to provide for collection and archiving of the data needed to calculate the emission reductions achieved by the bundled project activities.

35. Project participants shall implement the monitoring plan contained in the registered project design document, archive the relevant monitored data and report the relevant monitoring data to a designated operational entity contracted to verify the emission reductions achieved during the crediting period specified by the project participants.

36. Revisions, if any, to the monitoring plan to improve its accuracy and/or completeness of information shall be justified by project participants and shall be submitted for validation to a designated operational entity.
37. The implementation of the registered monitoring plan and its revisions, as applicable, shall be a condition for verification, certification and the issuance of certified emission reductions (CERs).
38. Subsequent to the monitoring and reporting of reductions in anthropogenic emissions, CERs resulting from a small-scale CDM project activity during a specified time period shall be calculated, applying the registered methodology, by subtracting the actual anthropogenic emissions by sources from baseline emissions, and adjusting for leakage, as appropriate, in accordance with appendix B for the relevant project category.
39. The project participants shall provide to the designated operational entity, contracted by the project participants to perform the verification, a monitoring report in accordance with the registered monitoring plan set out in paragraph 32 above for the purpose of verification and certification.

APPENDIX A

Simplified project design document for small-scale CDM project activities

(The full appendix developed by the Executive Board can be found on the UNFCCC CDM web site: <http://unfccc.int/cdm>)

APPENDIX B

Indicative simplified baseline and monitoring methodologies for selected small-scale CDM project activity categories

(The full appendix developed by the Executive Board can be found on the UNFCCC CDM web site: <http://unfccc.int/cdm>)

Project types*	Project categories	Technology/ Measure	Boundary	Baseline	Leakage	Monitoring
Type (i): Renewable energy projects	A. Electricity generation by the user/household					
	B. Mechanical energy for the user/enterprise					
	C. Thermal energy for the user					
	D. Electricity generation for a system					
Type (ii): Energy efficiency improvement projects	E. Supply-side energy efficiency improvements – transmission and distribution activities					
	F. Supply-side energy efficiency improvements – generation					
	G. Demand-side energy efficiency programmes for specific technologies					
	H. Energy efficiency and fuel switching measures for industrial facilities					
	I. Energy efficiency and fuel switching measures for buildings					
Type (iii): Other project activities	J. Agriculture					
	K. Switching fossil fuels					
	L. Emission reductions in the transport sector					
	M. Methane recovery					
Types (i)–(iii)	N. Other small-scale project**					

* In accordance with paragraph 6 (c) of decision 17/CP.7

** Paragraphs 8 to 10 of the simplified modalities and procedures for small-scale CDM project activities allow for project participants to submit a new small-scale project activity category or revisions to a methodology to the Executive Board for consideration and amendment of appendix B by the Executive Board, as appropriate.

Attachment A to Appendix B

(The full attachment A to appendix B, referred to in paragraph 28 of the simplified modalities and procedures for small-scale CDM project activities, can be found on the UNFCCC CDM web site: <http://unfccc.int/cdm>)

APPENDIX C

Decision tree for determining the occurrence of debundling

(The full appendix developed by the Executive Board, with the title “Determining the occurrence of debundling,” can be found on the UNFCCC CDM web site: <http://unfccc.int/cdm>)



**ANNEX II OF RESOLUTION NO. 3 OF THE INTERMINISTERIAL COMMISSION ON
GLOBAL CLIMATE CHANGE**

**CLEAN DEVELOPMENT MECHANISM
SIMPLIFIED PROJECT DESIGN DOCUMENT
FOR SMALL-SCALE PROJECT ACTIVITIES (SSC-CDM-PDD)
Version 02**

CONTENTS

- A. General description of the small-scale project activity.
- B. Baseline methodology.
- C. Duration of the project activity / Crediting period
- D. Monitoring methodology and plan
- E. Calculation of GHG emission reductions by sources
- F. Environmental impacts
- G. Stakeholders comments

Annexes

Annex 1: Information on participants in the project activity

Annex 2: Information regarding public funding

**Revision history of this document**

Version Number	Date	Description and reason of revision
01	21 January 2003	Initial adoption
02	8 July 2005	<ul style="list-style-type: none">• The Board agreed to revise the CDM SSC PDD to reflect guidance and clarifications provided by the Board since version 01 of this document.• As a consequence, the guidelines for completing CDM SSC PDD have been revised accordingly to version 2. The latest version can be found at http://cdm.unfccc.int/Reference/Documents.

**SECTION A. General description of the small-scale project activity****A.1. Title of the small-scale project activity:**

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A.2. Description of the small-scale project activity:

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A.3. Project participants:

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A.4. Technical description of the small-scale project activity:

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A.4.1. Location of the small-scale project activity:

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A.4.1.1. Host Party(ies):

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A.4.1.2. Region/State/Province etc.:

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A.4.1.3. City/Town/Community etc:

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A.4.1.4. Detail of physical location, including information allowing the unique identification of this small-scale project activity(ies):

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A.4.2. Type and category(ies) and technology of the small-scale project activity:

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A.4.3. Brief explanation of how the anthropogenic emissions of anthropogenic greenhouse gas (GHGs) by sources are to be reduced by the proposed small-scale project activity, including why the emission reductions would not occur in the absence of the proposed small-scale project activity, taking into account national and/or sectoral policies and circumstances:

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A.4.3.1 Estimated amount of emission reductions over the chosen crediting period:

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A.4.4. Public funding of the small-scale project activity:

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A.4.5. Confirmation that the small-scale project activity is not a debundled component of a larger project activity:

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SECTION B. Application of a baseline methodology:

B.1. Title and reference of the approved baseline methodology applied to the small-scale project activity:

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B.2 Project category applicable to the small-scale project activity:

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B.3. Description of how the anthropogenic emissions of GHG by sources are reduced below those that would have occurred in the absence of the registered small-scale CDM project activity:

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B.4. Description of how the definition of the project boundary related to the baseline methodology selected is applied to the small-scale project activity:

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B.5. Details of the baseline and its development:

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SECTION C. Duration of the project activity / Crediting period:



C.1. Duration of the small-scale project activity:

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C.1.1. Starting date of the small-scale project activity:

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C.1.2. Expected operational lifetime of the small-scale project activity:

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C.2. Choice of crediting period and related information:

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C.2.1. Renewable crediting period:

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C.2.1.1. Starting date of the first crediting period:

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C.2.1.2. Length of the first crediting period:

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C.2.2. Fixed crediting period:

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C.2.2.1. Starting date:

>>

C.2.2.2. Length:

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**SECTION D. Application of a monitoring methodology and plan:**

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D.1. Name and reference of approved monitoring methodology applied to the small-scale project activity:

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D.2. Justification of the choice of the methodology and why it is applicable to the small-scale project activity:

>>

D.3 Data to be monitored:

>>

D.4. Qualitative explanation of how quality control (QC) and quality assurance (QA) procedures are undertaken:

>>

D.5. Please describe briefly the operational and management structure that the project participant(s) will implement in order to monitor emission reductions and any leakage effects generated by the project activity:

>>

D.6. Name of person/entity determining the monitoring methodology:

>>

SECTION E.: Estimation of GHG emissions by sources:**E.1. Formulae used:**

>>

E.1.1 Selected formulae as provided in appendix B:

>>

E.1.2 Description of formulae when not provided in appendix B:

>>



E.1.2.1 Describe the formulae used to estimate anthropogenic emissions by sources of GHGs due to the project activity within the project boundary:

>>

E.1.2.2 Describe the formulae used to estimate leakage due to the project activity, where required, for the applicable project category in appendix B of the simplified modalities and procedures for small-scale CDM project activities

>>

E.1.2.3 The sum of E.1.2.1 and E.1.2.2 represents the small-scale project activity emissions:

>>

E.1.2.4 Describe the formulae used to estimate the anthropogenic emissions by sources of GHGs in the baseline using the baseline methodology for the applicable project category in appendix B of the simplified modalities and procedures for small-scale CDM project activities:

>>

E.1.2.5 Difference between E.1.2.4 and E.1.2.3 represents the emission reductions due to the project activity during a given period:

>>

E.2 Table providing values obtained when applying formulae above:

>>

SECTION F.: Environmental impacts:

F.1. If required by the host Party, documentation on the analysis of the environmental impacts of the project activity:

>>

SECTION G. Stakeholders' comments:

G.1. Brief description of how comments by local stakeholders have been invited and compiled:

>>

G.2. Summary of the comments received:

>>



G.3. Report on how due account was taken of any comments received:

>>

Annex 1

CONTACT INFORMATION ON PARTICIPANTS IN THE PROJECT ACTIVITY

Annex 2

INFORMATION REGARDING PUBLIC FUNDING

**ANNEX III OF RESOLUTION NO. 3 OF THE INTERMINISTERIAL
COMMISSION ON GLOBAL CLIMATE CHANGE**

DECLARATION

(Project Participant), in conformity with Article 3 – IV of Resolution No. 1 of the Interministerial Commission on Global Climate Change, hereby declares that:

- 1) The entity in charge of the communication with the Executive Secretariat of the Interministerial Commission on Global Climate Change of the project (name of the project and location), is (name of the Company), represented by (name, nationality, marital status, profession, address, e-mail)
- 2) The means of communication with the Executive Secretariat of the Interministerial Commission on Global Climate Change will be: (name; address; telephones; fax; e-mail...)

Date

Signature by those in Charge of the Project

TERM OF COMMITMENT

(Project Participant), in conformity with Article 3 – IV of Resolution No. 1 of the Interministerial Commission on Global Climate Change, reaffirms its commitment to send the distribution documents of the certified emission reduction units that might be issued at every verification of the project (name of the project) to the Interministerial Commission on Global Climate Change for certification.

Date

Signature by those in Charge of the Project

**ANNEX IV OF RESOLUTION NO. 3 OF THE INTERMINISTERIAL
COMMISSION ON GLOBAL CLIMATE CHANGE**

**DECLARATION OF CONFORMITY WITH THE ENVIRONMENTAL
LEGISLATION**

(Company in Charge of the Project), in conformity with Article 3 – V of Resolution No. 1 of the Interministerial Commission on Global Climate Change, hereby declares that:

- 1) It is aware of the environmental legislation in force relevant to the project (project name and location) in its various stages of (study, implementation, operation, decommissioning).
- 2) Copies of the environmental licenses and documents attesting conformity with the environmental legislation up to the present moment are annexed to this declaration.

Date

Signature by those in Charge of the Project

DECLARATION OF CONFORMITY WITH THE LABOR LEGISLATION

(Company in Charge of the Project), in conformity with Article 3 – V of Resolution No. 1 of the Interministerial Commission on Global Climate Change, hereby declares that:

- 1) It is aware of the labor legislation relevant to the project (project name and location) and it is in conformity with the labor legislation in force.

Date

Signature by those in Charge of the Project