

## Annex 38

### Guidance on the registration of project activities under a programme of activities as a single CDM project activity

(Version 02.1)

The CMP at its first session decided that a local/regional/national policy or standard cannot be considered as a clean development mechanism project activity, but that project activities under a programme of activities can be registered as a single clean development mechanism project activity provided that approved baseline and monitoring methodologies are used that, *inter alia*, define the appropriate boundary, avoid double counting and account for leakage, ensuring that the net anthropogenic removals by sinks and emission reductions are real, measurable and verifiable, and additional to any that would occur in the absence of the project activity.

This document provides the basic guiding principles for the registration of project activities under a programme of activities as a single CDM project activity, and may be revised. The use of this guidance and the related procedures with regard to SSC and A/R SSC shall be subject to further guidance.

The registration of a PoA and/or the inclusion of CPA shall be subject to the payment of fees.

#### **Acronyms**

(a) *PoA* - programme of activities

(b) *CPA* - CDM programme activity - a project activity under a programme of activities. A CPA is a single, or a set of interrelated measure(s), to reduce GHG emissions or result in net anthropogenic greenhouse gas removals by sinks, applied within a designated area defined in the baseline methodology. The applied approved methodology shall define whether the CPA is undertaken in a single facility/installation/land or undertaken in multiple facilities/installations/land.<sup>1</sup> In the case of CPAs which individually do not exceed the SSC threshold, SSC methodologies may be used once they have first been reviewed and, as needed, revised to account for leakage in the context of a CPA.

(c) Registered *PoA* - has provided the framework to the Board, in accordance with the guidance and provisions, so that CDM programme activities under a programme of activities can be registered as a single CDM project activity.

#### **Project activities under a programme of activities**

1. A programme of activities (*PoA*) is a voluntary coordinated action by a private or public entity which coordinates and implements any policy/measure or stated goal (i.e. incentive schemes and voluntary programmes), which leads to anthropogenic GHG emission reductions or net anthropogenic greenhouse gas removals by sinks that are additional to any that would occur in the absence of the *PoA*, via an unlimited number of *CPAs*.

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<sup>1</sup> For example using an approved methodology a CPA could be a single mini hydro or using another approved methodology be a large area (e.g. city region) over which efficient light bulbs are installed at households etc..

2. The physical boundary of a *PoA* may extend to more than one country provided that each participating non-annex I host Party provides confirmation that the *PoA*, and thereby all *CPAs*, assists it in achieving sustainable development.
3. A *PoA* shall comply with all current guidance by the Board concerning the treatment of local/regional/national policies and regulations. *PoAs* addressing mandatory local/regional/national policies and regulations are permissible provided it is demonstrated that these policies and regulations are systematically not enforced and that noncompliance with those requirements is widespread in the country/region. If they are enforced, the effect of the *PoA* is to increase the enforcement beyond the mandatory level required.
4. A *PoA* shall be proposed by the coordinating or managing entity which shall be a project participant authorized by all participating host country DNAs involved and identified in the modalities of communication as the entity which communicates with the Board, including on matters relating to the distribution of CERs.
5. Project participants of the *PoA* shall make arrangements with the coordinator or managing entity, relating to communications, distribution of CERs and change of project participants.<sup>2</sup>
6. The coordinating entity of the *PoA* shall identify measures to ensure that all *CPAs* under its *PoA* are neither registered as an individual CDM project activity nor included in another registered *PoA* and that the *CPA* is subscribed to the *PoA*. These measures are to be validated and verified by DOE.
7. All *CPAs* of a *PoA* shall apply the same approved baseline and monitoring methodology, involving one type of technology or set of interrelated measures in the same type of facility/installation/land.
8. The *PoA* shall demonstrate that net reductions in anthropogenic emissions or net anthropogenic greenhouse gas removals by sinks for each *CPA* under the *PoA* are real and measurable, are an accurate reflection of what has occurred within the project boundary, and are uniquely attributable to the *PoA*. The *PoA* shall therefore define at registration, the type of information which is to be provided for each *CPA* to ensure that leakage, additionality, establishment of the baseline, baseline emissions, eligibility and double counting are unambiguously defined for each *CPA* within the *PoA*.
9. Each *CPA* shall be uniquely identified, defined and localized<sup>3</sup> in an unambiguous manner including the exact start and end date of the crediting period, by providing, at the stage it is added to the registered *PoA*, the information required by the registered *PoA*.
10. The duration of the *PoA*, not exceeding 28 years and 60 years for A/R project activities, shall be defined by the entity at the time of request for registration of the *PoA*. Any *CPA* can be added to the *PoA* at any time during the duration of the *PoA* by the

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<sup>2</sup> Project participants are being registered in relation to the *PoA*. Project participants may or may not be involved in one of the *CPAs* related to the *PoA*. The procedures for changing project participants apply.

<sup>3</sup> E.g. in case of stationary *CPA* geographic reference, in case of mobile *CPAs* means such as registration number, GPS devices.



coordinating/managing entity. The entity shall inform the CDM Executive Board of the adding of CPA(s) through a DOE using a pre-defined format. The crediting period of a CPA will be either a maximum of seven years (twenty years for A/R project activities) which may be renewed at most two times or a maximum of ten years (thirty years for A/R project activities) with no option of renewal. However, the duration of crediting period of any CPA shall be limited to the end date of the PoA regardless of when the CPA was added.

11. The latest version of the “Procedures for Renewal of a Crediting Period of a Registered CDM project activity” shall be applied, mutatis mutandis, to a PoA every seven years (twenty years for A/R project activities). Any resulting changes to the PoA shall be applied by each CPA at the time of the first renewal of its crediting period after such change to the PoA. In case of multiple host Parties, only those CPAs which can apply these changes may renew their crediting period.
12. If the approved methodology is put on hold or withdrawn, not for the purpose of inclusion in a consolidation, no new CPAs shall be added to the PoA in accordance with the timelines indicated in the “Procedures for registration of a Programme of Activities as a single CDM project activity and issuance of certified emission reductions for a Programme of Activities”. If the methodology is subsequently revised or replaced by inclusion in a consolidated methodology, the PoA shall be revised accordingly and changes validated by a DOE and approved by the Board. Once changes have been approved by the Board, each CPA included in the PoA thereafter has to use the new version of the PoA. CPAs included prior to the methodology being put on hold, shall apply the new version of the PoA at the time of the renewal of its crediting period. Provisions in paragraph 11 shall apply.
13. The emission reductions or net anthropogenic removals by sinks of each CPA shall be monitored as per the registered monitoring plan according to the methodology applied to the registered PoA. The method or approach used to verify emission reductions or removals by sinks (that may include random sampling) shall ensure the accuracy of these emission reductions.

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#### History of the document

Version	Date	Nature of revision
02.1	25 July 2008	The version of this document was revised due to editorial reasons (i.e. insertion of the title of the procedures referred to in para. 12, page 3).
02	EB 32, Annex 38 22 June 2007	Following changes were made to the document: (i) extend the applicability to A/R project activities; (ii) clarification that use of guidance and related procedure will be further clarified with regards to SSC and A/R SSC project activities; (iii) further elaborate definition of CPA; (iv) clarify the use of approved SSC methodology where CPA meets the definition of small scale; (v) clarifying that managing entity shall be authorised by all Host Parties and will be responsible for distribution of CERs. (vi) DOE shall validate and verify that a CPA is neither included in another POA or is registered as a CDM project activity;



		(vii) Application of procedures for renewal of crediting period for POA; and (viii) Implications of withdrawal of an approved methodology or putting it on hold.
01	EB 28, Annex 15 15 December 2006	Initial adoption