

Small-Scale CDM Projects, Bundling & Programme of Activities

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Small scale CDM (SSC) projects

- **Type I:** Renewable energy project activities with a maximum output capacity of 15 MW (or an appropriate equivalent)
- **Type II:** Energy efficiency improvement project activities which reduce energy consumption, on the supply and/or demand side, limited to those with a maximum output of 60 GWh per year
- **Type III:** Other project activities limited to those that result in emission reductions of less than or equal to 60 kt CO₂ equivalent annually

Benefits of SSC Projects

- being able to use the simplified modalities and procedures for SSC project activities
- use a simplified PDD form (SSC-PDD)
- apply a shortened review period
- having the same operational entity undertake validation as well as verification and certification

What is Bundling?

- bringing together of several SSC project activities into a single project document
- Can have sub bundles
- Same crediting period including start date
- Projects in bundle can be removed, not added after registration
- Has limits: 15MW for power (small scale project activity limits), same technology etc

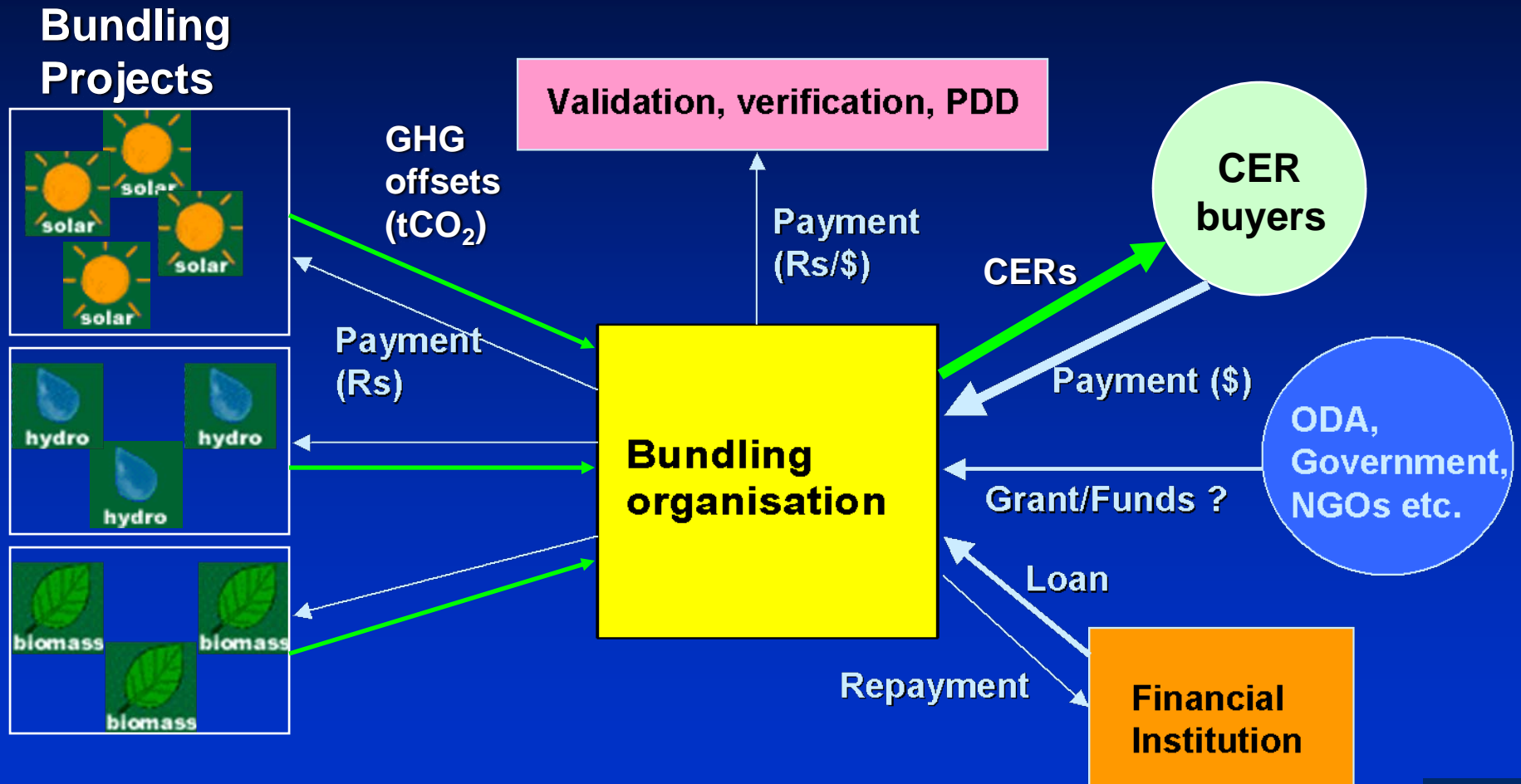
Role of Bundling Organisation

Multiple
greenhouse gas
reducing projects

Simply an intermediary between
project developer/owner and the
CER buyer



CDM Formulator/Project Owner



Advantages of Bundling

- Single entity that will act on everyone's behalf
- Can benefit from single monitoring plan
- Lower transaction costs
- Allows small-scale projects to benefit from carbon finance, access to carbon market
- Enhances volumes, greater negotiation strength

CDM Programme of Activities

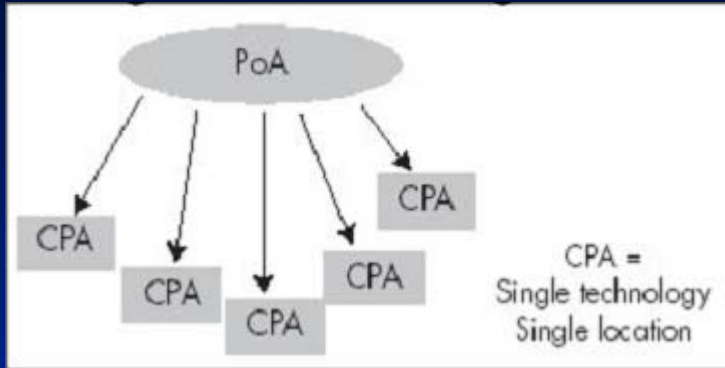
- Programme of Activities (PoA) (often called Programmatic CDM)
 - A voluntary action,
 - Implementing a policy, measure or stated goal,
 - Coordinated by a public or private entity,
 - Resulting in emission reductions or removals that are additional.
- A PoA is made up of CDM Programme Activities (CPAs). Multiple CPAs can be included under a PoA at the time of registration and additional CPAs can be added at any point in the life of the PoA.

CDM Programme of Activities

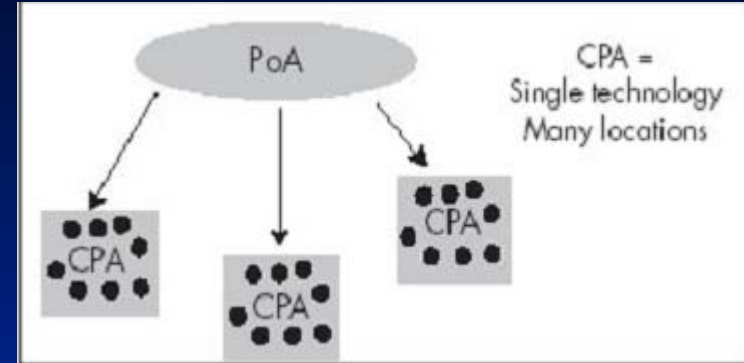
- A CPA is defined as:
 - a project activity under a programme of activities.
- A PoA can involve CPAs being run in multiple countries, in which case a separate letter of approval would be required from each Party involved
- The private or public entity that coordinates the PoA is referred to as a coordinating/managing entity.
- A PoA is distinct from a bundle of small-scale projects, because it is possible to add new CPAs to a PoA without undertaking the validation process afresh.

POA – Project Examples

Single measure Single location



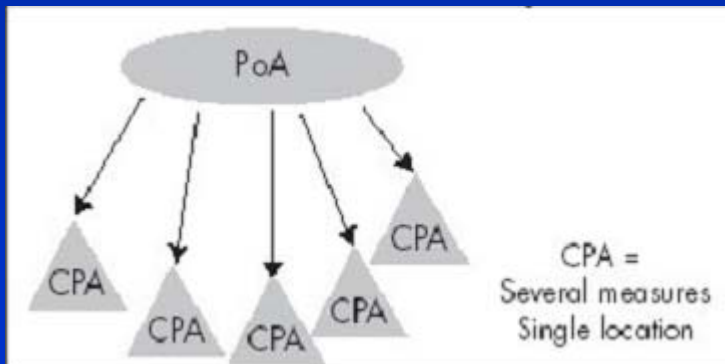
Single measure Many locations



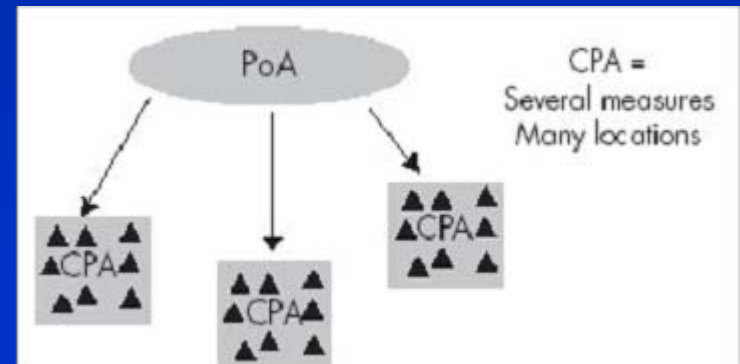
Such as improved insulation in buildings

Such as replacement of inefficient light bulbs in many locations

Several measures Single location



Several measures Many locations



Such as a set of EE measures applied to multiple boilers in same industry

Such as EE measures in a city or suburb

Eligible Programme Types

- Renewable energy
- Fuel substitution to lower or zero carbon fuels
- Supply-side energy efficiency, process energy improvement, and demand-side management:
- New power generation using advanced technologies
 - Rehabilitation of old, inefficient power plants
 - Industrial process efficiency
 - Lighting efficiency
 - Transport systems
- Waste management systems
- Gas flaring and leak reduction
- Carbon sequestration

THANK YOU