



# REPORT 2

**GLOBAL**

## PoA Mapping and Reporting EVALUATION OF COUNTRY INTERVIEWS

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## POA MAPPING AND REPORTING

**GLOBAL**

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## 1 LIST OF ABBREVIATIONS

<b>BAU</b>	Business as usual
<b>CER</b>	Certified Emission Reduction
<b>CDM</b>	Clean Development Mechanism
<b>CDM PDD</b>	Clean Development Mechanism Project Design Document
<b>CFP</b>	Country Focal Point
<b>CME</b>	Coordinating/managing entity
<b>COP26</b>	Conference of Parties
<b>CPA</b>	Component Project Activity
<b>CPA-DD</b>	Component Project Activity Design Document
<b>DNA</b>	Designated National Authority
<b>GHG</b>	Greenhouse Gas
<b>ITMO</b>	Internationally Transferred Mitigation Outcomes
<b>NDC</b>	Nationally Determined Contributions
<b>PA</b>	Paris Agreement
<b>PoA</b>	Programme of Activities
<b>PP</b>	Project Proponent
<b>PPP</b>	Public-Private Partnerships
<b>SAPP</b>	Southern African Power Pool
<b>SDG</b>	Sustainable Development Goals
<b>SB</b>	Standardized Baseline
<b>SDG</b>	Sustainable Development Goals
<b>UNEP</b>	UN Environment Programme
<b>UNFCC</b>	United Nations Framework Convention on Climate Change

## 2 INTRODUCTION & METHODOLOGY

### Introduction

The climate crisis is one of the most crucial global challenges. In response, Parties to the Paris Agreement (PA) agreed in Article 2 to limit global warming to at least well below 2°C above pre-industrial levels aspiring towards the 1.5°C target (PA, Art.2). The Paris Agreement not only defines ambitious long-term objectives but also requires all countries to define and report on their Nationally Determined Contributions (NDC). For many developing countries, a share of their NDC targets is conditional on international support through technology transfer, capacity building and climate finance, including through carbon markets.

Still, nations struggle to find an appropriate response. After an unprecedented drop in global Greenhouse Gas (GHG) emissions in 2020 by 5.4% as a result of the COVID-19 pandemic, emissions bounced back to pre-COVID levels during the recovery period. UNEP's Emission Gap Report (2021) estimates the gap between current conditional NDC pledges and a 1.5°C compliant development pathway to be 23.9 GtCO<sub>2</sub>e by 2030 (UNFCCC 2022).

In order to close this gap significant ambition increases are essential which require private sector investments in mitigation activities at unprecedented scales (Hof et al, 2017; Rozenberg & Fay, 2019). For the energy sector alone, in which costs are best understood, IRENA estimates that a full decarbonisation of energy services by 2050 requires a cumulative investment in renewable energy of USD 27 trillion in the period up to 2050. This would imply at least a doubling of annual investments compared to the current levels, from almost USD 310 billion/yr to over USD 660/yr billion (cp. IRENA, 2019). Considering the scale of investment needs, it is obvious that this may not be achieved by governments, wherefore an effective mobilization of private sector investments facilitated by well-designed policy instruments and cost-efficient incentive schemes including carbon markets is mandatory. In order to deliver in addition to large-scale point sources of emissions sustainable development and transformational change impacts, these investments also need to be addressed towards small and dispersed emission sources, e.g. financing off-grid electrification, introducing electric vehicles or energy efficient air conditioners.

Since the Conference of Parties (COP) 26 in 2021, the PA Article 6 Rulebook has provided a new framework for generating and transferring emission reductions. The framework allows generating Internationally Transferred Mitigation Outcomes (ITMOs) through additional mitigation activities, which may be commercialized in order to co-finance these mitigation measures. Article 6.2 defines guidance for emissions accounting in light of NDCs as well as further guidance for various types of cooperative approaches (transfers between NDCs to the Carbon Offsetting and Reduction Scheme for International Aviation or for voluntary carbon offsetting purposes). Article 6.4 establishes a new UNFCCC market mechanism, which will succeed the Clean Development Mechanism (CDM). While high-level rules have been agreed at COP26, further technical rules for implementing Article 6 (Art. 6) have to be elaborated. It is already clear that programmatic approaches, in which mitigation activities are bundled (primarily based on their geographic location, but also on the technology and/or methodologies) are highly relevant for the new mechanisms.

In order to effectively and rapidly operationalize these new carbon market instruments, it is essential to learn from the achievements and failures under the CDM. An important lesson that can be learnt from the CDM is the performance of the concept of Programme of Activities (PoA), which was introduced to aggregate multiple source emissions including those from decentralized small appliances. Such programmes are assumed to deliver high development impacts while significantly reducing transaction costs (i.e. investment cost per Certified Emission Reduction (CER)). In theory, the framework offers many advantages compared to single CDM projects, such as simplified procedures as well as multiple technologies adding unlimited so called Component Project Activities (CPA). However, the PoA framework fell short in delivering

significant emission reductions (55.4 M CERs from PoAs compared to 2,261.8 M CERs generated by CDM projects, cp. UNEP-CCC, 2022) and it is essential to understand the barriers for a more effective performance and upscaling potential.

Advancing the negotiations of Art. 6 it seems essential to harness approaches, such as the PoA framework, allowing for addressing multiple emission sources and ensuring broad private sector implication / related investment.

The foundation Future of the Carbon Markets commissioned the study “*PoA Mapping and Reporting*” to provide key lessons learned from a critical assessment of the performance of CDM PoAs, as a basis for supporting the transition of the PoA concept to Art. 6. A consortium of consulting companies including Climate Focus, MÉXICO<sub>2</sub>, Perspective Climate Group, and GFA Consulting Group implemented this study. It comprises three reports, with report N°1 discussing the i) performance of PoAs, ii) the negotiation process leading to the development of the PoA framework and iii) consideration of PoA elements in Article 6 programmes.

### Objectives

Being deliverable N°2, this evaluation report summarizes a series of in-depth interviews conducted with national climate change focal points on their experiences and lessons learnt from CDM as well as their suggestions for fostering programmatic or sectoral approaches under Art. 6.

### Outline

Section 1.2 below presents the underlying methodology for this analysis. The subsequent chapters provide the evaluation of the responses to the individual questions. Following the terms of references (ToRs) this report does not deliver conclusions and recommendations, which are provided by report N°3. Instead, this report compiles and summarizes the main insights generated through the interviews conducted as part of this research project.

### 3 METHODOLOGY

This report was developed following below approach:

- ❖ In a first step, the consortium developed a questionnaire comprising 11 questions. The majority of questions allows for quantification complemented by some questions, which are open.
- ❖ The questionnaire was discussed, refined and validated by the foundation Future of the Carbon Market during a work meeting at 18<sup>th</sup> August 2022. The final questionnaire is included in Annex I.
- ❖ To facilitate the preparation and discussion of/with French and Spanish-speaking climate change focal points, the questionnaire was translated into French and Spanish.
- ❖ The consortium approached national climate change focal points inquiring their interest to participate in the study. Reaching out to focal points, the consortium provided the respective questionnaire upfront allowing the focal point to prepare for the specific questions.
- ❖ The list of countries, for which representatives should be interviewed, was provided by the Foundation Future of the Carbon Markets and is included in the terms of reference. The list comprises 58 countries. During a work meeting with Future of the Carbon Markets it was discussed and decided to remove Guadalupe and Martinique, as both islands are 'departments d'outre terre' being part of France territory.
- ❖ The remaining 56 countries were approached by the consortium, with each consortium partner being allocated those countries, where it had existing working relations to the national climate change focal point. The initial allocation is presented by the table below.
- ❖ As discussed, and agreed during a work meeting with the Future of the Carbon Markets, the consortium may choose to contact other countries, if the initially contacted countries are not responsive. Additional countries interviewed are identified at the bottom of the table below.
- ❖ Specifically in the Latin American region it was noted, that focal points are being exchanged, if a new government comes to power. This may lead to a lack of knowledge on past processes and therefore a number of respondents preferred to not participate in the interview campaign.
- ❖ Following this approach, 31 countries out of 56 participated in the interviews corresponding to a response rate of 55.4%.

Table 1: Planned and interviewed Country Representatives by Consortium Partner

Climate Focus	Perspectives	MÉXICO <sub>2</sub>	GFA
Benin	Bhutan	Antigua and Barbuda	Botswana
Burkina Faso	Burundi	Anguilla	Cambodia
Cape Verde	Egypt	Argentina	Colombia
Côte d'Ivoire	Ethiopia	Costa Rica	Namibia
Ghana	Indonesia	Chile	Nepal
Guinea	Jordan	Dominica	Pakistan
Guinea- Bissau	Kenya	Grenada	South Africa
Liberia	Morocco	Mexico	Sri Lanka



Climate Focus	Perspectives	MÉXICO <sub>2</sub>	GFA
Mali	Rwanda	Montserrat	Thailand
Mauritania	Saudi Arabia	Peru	Zambia
Niger	Sudan	Philippine	
Nigeria	Tanzania	Saint Lucia	
Senegal	Tunisia	St. Kitts and Nevis	
Sierra Leone	Uganda	St. Vincent and the Grenadines	
The Gambia	United Arab Emirates		
Togo	Viet Nam		
<b>Countries added</b>			
Sudan		Dominican Republic	Eswatini
		Guatemala	
		Honduras	
Total planned: 16	16	14	10
Total interviewed: 8	11	4	8

- ❖ The interviews do not focus on large CDM countries such as Brazil, China and India. Instead the country list includes representatives from all continents, but focuses largely on countries, which have not benefited extensively from the CDM, with a broad participation of African countries. The table below provides an overview on participations per continent.

Table 2: Interviewed Country Representatives by Continent

AFRICA	ASIA	LATIN AMERICA	GLOBAL
18	8	5	31

- ❖ The discussions with climate change focal points were conducted as semi-structured qualitative interviews. An interview lasted 60 to 90 minutes.
- ❖ Question Number 7 and 11 are ‘open’ questions and do not allow for any type of quantification. All remaining questions allow for some form of quantification (e.g. % of respondents rating a parameter as high, medium or low etc.). To assure a consistent evaluation of such questions by all partners, GFA and Perspectives prepared an evaluation framework, which is included in Annex II.
- ❖ For each country interview, the consultant prepared a memo, summarizing key responses. These memos form the main basis of this report and are included in Annex III.

Following above approach, the subsequent chapters present the findings per question.

## Q1A: POA IMPLEMENTATION IN COUNTRIES INTERVIEWED

Have CDM-PoAs been successfully implemented in your country?  
If so, what were the determining factors for approving PoAs?

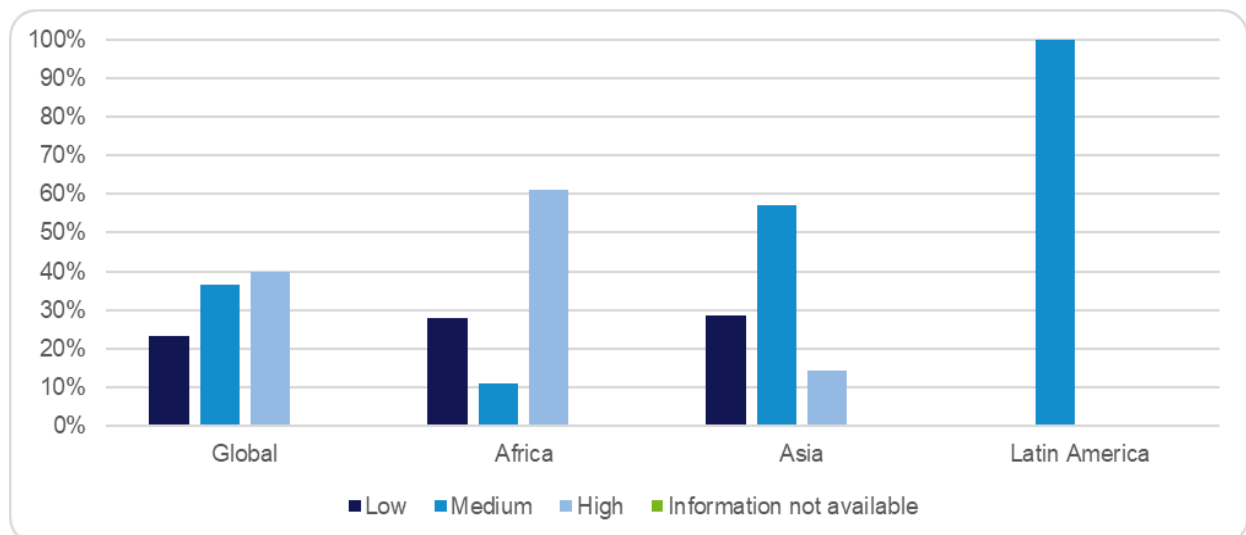
The first question aims at providing a quantitative overview of the implementation of PoAs in the country, which the interviewee represented. The evaluation framework was structured in such a way that the responses could be categorised according to the number of successful PoAs reported. Countries where no PoAs or only one PoA has been successfully registered are categorised as Low, countries with 2-5 successfully registered PoAs are categorised as Medium, and countries with more than 5 successfully registered PoAs are categorised as High.

The evaluation of answers shows that the majority of countries interviewed registered more than one PoA:

- ❖ More than five PoAs in 40%;
- ❖ Two to five PoAs in 37%; and
- ❖ No or only one PoA in 23%.

This indicates that there is a considerable interest in developing and engaging in PoAs. This is at least true to the level of “testing” the PoA concept as a viable option to development mitigation activities.

Figure 1: PoA Implementation in Countries Interviewed



A more nuanced view is provided when looking at the geographical distribution of answers and whether there is any correlation with the number of PoAs successfully registered. Particularly the African countries lead in terms of registered PoAs. Among them almost two thirds (61%) indicated that more than five PoAs were successfully registered. Countries located in Asia and Latin American mostly indicated moderate success in registering PoAs. In Asia and Africa, only roughly a quarter of countries interviewed (29% and 28%, respectively) indicated a low registration rate of zero to one.

Our results demonstrate a general interest in the PoA concept across all regions. Particularly the African countries interviewed appear to have a profound interest in the concept to the extent that the majority has developed more than five PoAs and is arguably beyond the level of testing its viability. It is countries like Ethiopia, Ghana, Kenya, South Africa, Uganda, and Zambia, among others, that have developed a multitude of programmes.

Country representatives reported on a variety of aspects that were decisive in approving (or disapproving) PoAs. Some focussed on factors on sub-project level (i.e. CPA) while for others conceptual aspects on programme level were of higher importance. On project level, several countries reported on a set of criteria that would be used by the Designated National Authority (DNA) for assessing PoAs. For the approval, PoAs would be required to meet these criteria and/or reach a certain score (e.g. in Cambodia). Without referring to specific countries, criteria on these lists were reported to include:

- ❖ The contribution to Sustainable Development Goals (SDG) and national strategies and policies; here the particular national circumstances are decisive as to specific goals while strategies and policies are to be met. Among those countries that utilise the SDGs as reference for the assessment of PoA proposals, Sudan reported to apply the respective SDG standards and indicators when assessing project proposals and that a dedicated study was elaborated to establish a reference baseline for different sectors, allowing for a structured assessment of PoAs;
- ❖ The contribution to climate change mitigation / abatement potential;
- ❖ The socio-economic impact of projects and project size; this appeared to be one of the most common factors during the assessment of project proposals among the countries that were interviewed. Several of them acknowledged the merits of the PoA framework for small-scale technologies and their socio-economic benefits including their contribution to job creation and towards GDP growth. Some countries particularly favoured PoAs falling into the small-scale category. Chile indicated that *„it sought to support this type of initiative in order to support and help small projects, and those facing relevant restrictions in the country”*

Beyond the above, Zambia provided further particular criteria that are being used to evaluate project proposals. These include:

- ❖ Contribution to environmental sustainability,
- ❖ Geographical boundaries,
- ❖ Contribution to technology transfer, and
- ❖ Aspects of capacity building.

As indicated before, when interviewed, some officials responded on a more conceptual level and emphasized aspects related to the PoA framework and the broader regulatory aspects that were considered important and as determining for the (dis-)approval and/or for whether PoAs were successfully implemented or not. In summary, these aspects were:

- ❖ The simplification of the registration process: countries like South Africa indicated that this was one of the major factors in successfully developing PoAs. Indeed, simplifying the registration process under the CDM in order to allow for a potentially unlimited number of component project activities to register under the umbrella of one overarching programme was one of the primary intentions in the development of the PoA framework. The registration of individual As opposed to individual CDM projects that are to be registered through individual registration processes and that are hence exposed to a relatively higher risk of non-registration, that risk for component project activities under PoA is minimised. Several countries stated this as a major incentive and success factor for PoA implementation.

- ❖ The incentivising effect for small-scale activities: the majority of countries, particularly those located in Africa, resort to the PoA framework when implementing mitigation activities based on small-scale technologies. Some of the most common are the introduction of improved cook stoves and small-scale renewable energy programmes (e.g. in Kenya), as well as energy efficient lighting. Respondents particularly appreciated that technologies supported by PoAs foster positive socio-economic effects, indicating that it is typically ordinary households that are engaged in and benefit from respective programmes that are based on a technologically small-scale level (e.g, Nigeria). Arguably, the PoA framework hence increases the accessibility especially for lower income countries to mitigation activities under the CDM that are less centralised and more dispersed.
- ❖ Respondents from countries, where the numbers of successfully implemented PoAs is rather low, indicated several aspects that were inhibiting for the implementation of PoAs:
- ❖ Low price for carbon credits: not in all (African) countries PoAs materialised to a 'high' extent. It was particularly the decline in the price for carbon credits some 2011/2012 (and linked thereto the ban of the integration of CERs into the EU emission trading scheme) that rendered the implementation of PoAs (financially) unattractive. Indeed, historically, the price of CERs has fluctuated considerably and was arguably one of the main drivers in the decline in PoA registrations after 2012. Hence, efforts to stabilise the carbon markets and the price for carbon credits can be considered one of the priorities when developing new market mechanisms under Art. 6.
- ❖ Lead time and required effort (incl. financial) to develop programmes are significant: several countries indicated that the lead time and required effort to develop a methodological sound programme in line with additionality and accounting requirements was considered too burdensome overall. While for certain countries the simplification of the overall process for registering mitigation activities compared to standalone CDM projects was acknowledged as an incentivising factor, others still criticise the prevailing complexity of the development and registration process.
- ❖ This also relates to the financial burden for PoA developers. Respondents from Uganda indicated that despite the general intention of the PoA framework to lower transaction costs, these did not reach levels that were manageable for PoA developers.
- ❖ While meeting certain quality provisions under the CDM does require substantial efforts, respondents argue that there is indeed room for improvement and for further simplifying the process. Looking forward, the responses should serve as a stimulus to explore opportunities for reducing the (bureaucratic) effort overall when transitioning the PoA framework or when developing a successor to the PoA framework under Art. 6. Regulatory uncertainty post Kyoto: despite some arguably positive indications for the PoA framework, the use of CERs under the Paris Agreement and the transition of the PoA framework to the Paris Agreement in the past years, some respondents argued that the end of the second commitment period to the Kyoto Protocol and the consequently largely uncertain regulatory environment disincentivised the registration of new PoAs and that consequently the interest of investors to financially engage in PoAs declined. Looking forward, the continuous development of the Art. 6 framework for programmatic approaches inter alia should focus on developing a predictable environment in order to cater for private investor engagements.
- ❖ Unfavourable national policies: in one country in particular, Pakistan, it was reported that the development of PoAs was (partly) disincentives through the design of specific national policies. In this case it was the the national Policy for Development of Renewable Energy for Power Generation 2006, which discouraged the engagement of investors, as it requires sharing the CER revenues with power purchasers in equal shares.

Several interviewed officials from countries with low registration numbers have indicated a general interest in the programmatic approach and that the discussion about the approach's future in as post-CDM regime is being followed closely.

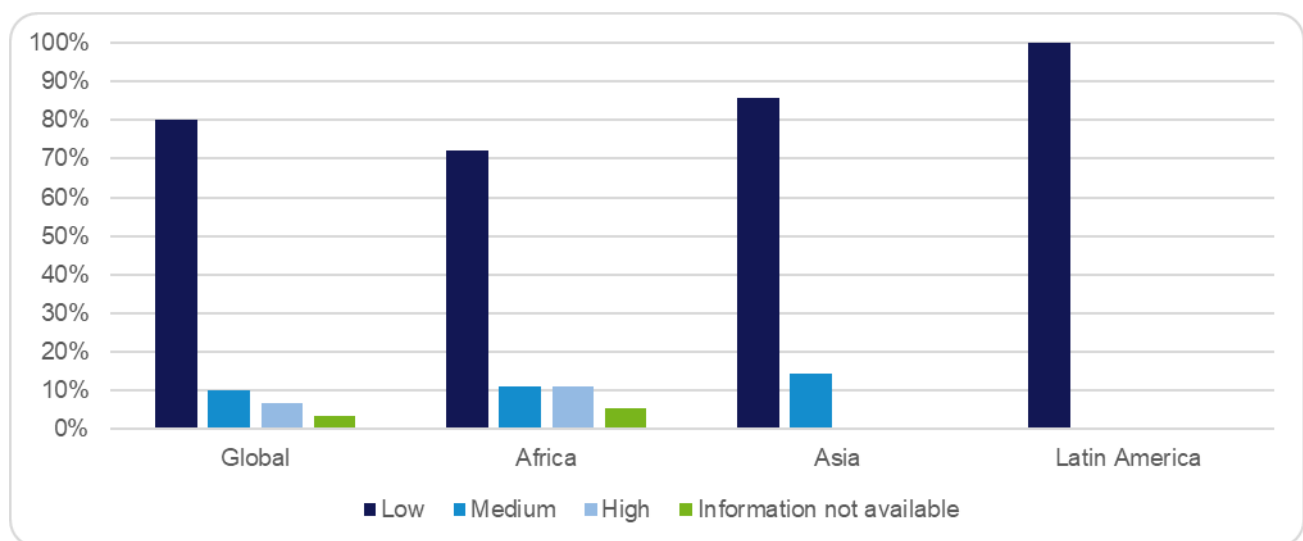
## Q1B: OVERVIEW ON RECENT POA DEVELOPMENTS

Have there been any new PoAs approved in the last 24 months?

The second question evaluates, whether countries have registered PoAs in the recent past, i.e. during the past 24 months. The evaluation framework allows for structuring the answers received based on the respective quantity of registrations. If more than one PoA was registered in a country over the past 24 month, the countries' answers were categorised as 'High'. A registration of one PoA in the past 24 month was categorised as 'Medium', while answers of countries without any registration during that period were categorised as 'Low'.

The analysis shows that in the vast majority of countries no new PoAs were registered during the last 24 months. 80% of all countries questioned indicated that there have been no new registrations. As little as 10% had one registration and only 7% counted more than one registration. For 3% of the countries this information was not available.

Figure 2: Overview on recent PoA Developments



Looking at responses per region, the answers essentially replicate the global pattern, i.e. in the vast majority of countries in each region, no registration was counted within the past 24 months. This holds true for 71% of African, 86% of Asian, 86% and 100% of Latin American countries interviewed.

This is noted despite a modest increase in the uptake of PoAs around 2020 on a global scale (cf. Report on Task 1), which at that time arguably related to the foreseen possible transition of PoAs to the new mechanism under Art. 6.4 of the Paris Agreement and was aimed at inciting new buyers. Indeed, there are two factors that have incentivised the development of PoAs in the more recent past:

- ❖ First, there is the opportunity to utilise CER from PoAs under the first NDC crediting period that started in 2021, which probably gives reason to expect a larger interest in registering new project activities.
- ❖ Second, the prospect of transitioning PoAs from the CDM under the Kyoto Protocol to the new carbon market mechanism(s) under Art. 6 provided that certain quality criteria are met.

The Zambian representative noted that the UNFCCC Secretariat requested the DNA to indicate, which PoAs should be entitled to transition to Art.6.

While the DNA generally appreciate the option to transfer PoAs to Art.6, the DNA may not answer this inquiry. It was noted, that, considering the requirement of the so-called 'Corresponding Adjustment' the PoAs need to be assessed for their eligibility to transit to Art.6. Currently, Zambia does not have a consistent framework to assess such a transition. The development of national Art. 6 framework and related guiding principles are considered to be the prerequisite for deciding on whether a PoA may or may not transit from the Kyoto Protocol to the Paris Agreement. The absence of such frameworks may have led to very limited PoA developments and CPA additions over the last 24 months.

Of those interviewed, only few Cambodia; Ghana, Senegal, Nigeria and Burkina Faso have approved PoAs in the past 24 months.

## Q2: KEY CONSIDERATIONS FOR USING POA FRAMEWORK

Which of the following considerations strongly underpins the implementation of PoAs in your country?

1. Simplified standards and procedures for registration, verification, certification and issuance of CERs
2. Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)
3. Ability to apply multiple technologies and measures in a PoA
4. Other

Question 2 aims to understand, why countries chose to use the PoA framework and to identify the decisive aspects / considerations for choosing programmatic approaches over project-based approaches. The questionnaire (cp. Annex I) offers three default answers, but equally asked whether other aspects were of importance. All countries responded to Q2, indicating key considerations from the above list, but equally making additional submissions. Please note, respondents indicated 55 key considerations and hence statistically identified 1.8 reasons per country for pursuing PoA approaches.

Figure 3 illustrates the results by showing the number of responses counted for each potential answer. Analysing the climate change focal points submissions, 65 % of respondents (i.e. 20 out of 31) identify the most important factor being the simplified standards and procedures for registration, verification, certification and issuance of CERs. This allows for two conclusions:

- ❖ The standard requirements of the CDM project approach is considered as a large effort and hence a barrier, specifically considering that some interview partners were not speaking on behalf of overly successful CDM countries (such as e.g. Brazil, China or India) but representing countries having benefitted to a lesser extend from the CDM;
- ❖ Second, choosing the simplified standard as key consideration equally implies that this actually offers a significant simplification compared to the standard procedures. In this context, Senegal notes with respect to a possible transition to Art.6: “The simplification of procedures for project cycle implementation should be retained.”

Second, 55% of respondents (17 out of 31) indicate that the sectoral character was a decisive aspect to pursue a PoA approach. Hence, there is a significant need to pursue sectoral approaches, such as the distribution of energy efficient cook stoves in a province, or the distribution of compact fluorescent lamps to households, consuming electricity in a part of the power system, where peak demand may not be met without energy efficiency measures. Eswatini notes in this context *“Most important, the PoA concept allows to tackle many small mitigation opportunities, which talks well to the abatement options in Eswatini.* Kenya adds *“PoAs present opportunities for small scale projects, such as solar lamps, to spread technology usage”*, complemented by Senegal, who notes *“PoA facilitates the implementation of sectoral approaches in Senegal.”*

South Africa stresses the parallels and synergies between PoA approaches and Standardized Baselines (SB), referring to the SB for the grid emission factor for Southern Africa as an example.

This response needs to be seen in the context of all respondents, with 18 out of 31 respondents coming from African countries, which are characterized mainly by smaller and disbursed emission sources / mitigation potentials (cp. section 1.2).



Moreover, 32% of respondents (i.e. 10 out of 31) indicate that allowing for multiple technologies was a decisive factor for considering the CDM. Our analysis of the CDM PoA pipeline demonstrates that a few wind and solar PoAs have been developed (cp. report N°1).

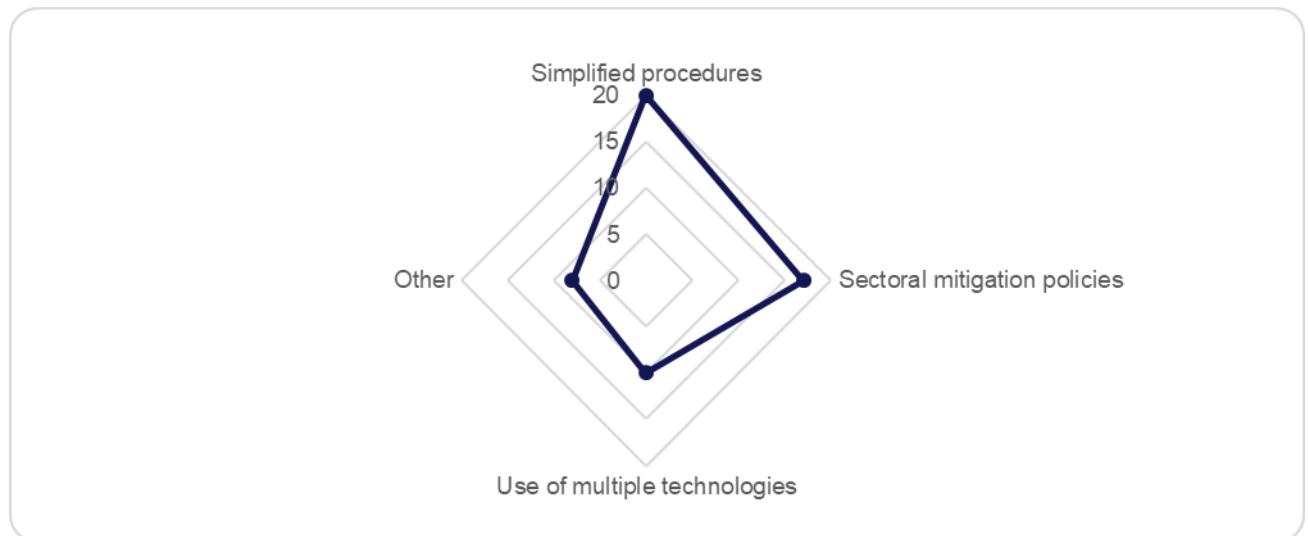
Respondents underline the importance of such a multi-technology accounting framework looking forward to Art. 6 and NDC implementation. Pakistan notes: *‘Looking ahead, there is a need for a programmatic approach under Art. 6, e.g. to combine i) increased RE electricity generation with ii) regulatory aspects and iii) electric vehicle<sup>1</sup>. Such different concepts could be joined under an Art. 6 PoA. Ultimately such approaches should allow for achieving larger emission reductions’.*

Finally, 32% of the respondents (i.e. 8 out of 31) indicated other reasons for pursuing PoA concepts. Such additional reasons were surprisingly homogenous and refer on a general level to development impacts.

To that end, Eswatini notes “Moreover CDM POAs are considered as a concept which benefits the people on the ground”, complemented by Ghana, who stresses the PoAs contribution to implementing the SDGs. Zambia notes *“Also adaptation co-benefits are of major importance for allowing the implementation of PoAs in Zambia as well as the aspect of the potential of PoAs for supporting development and economic growth for developing countries”.*

The figure below illustrates the responses received.

Figure 3: Key Considerations for implementing PoAs



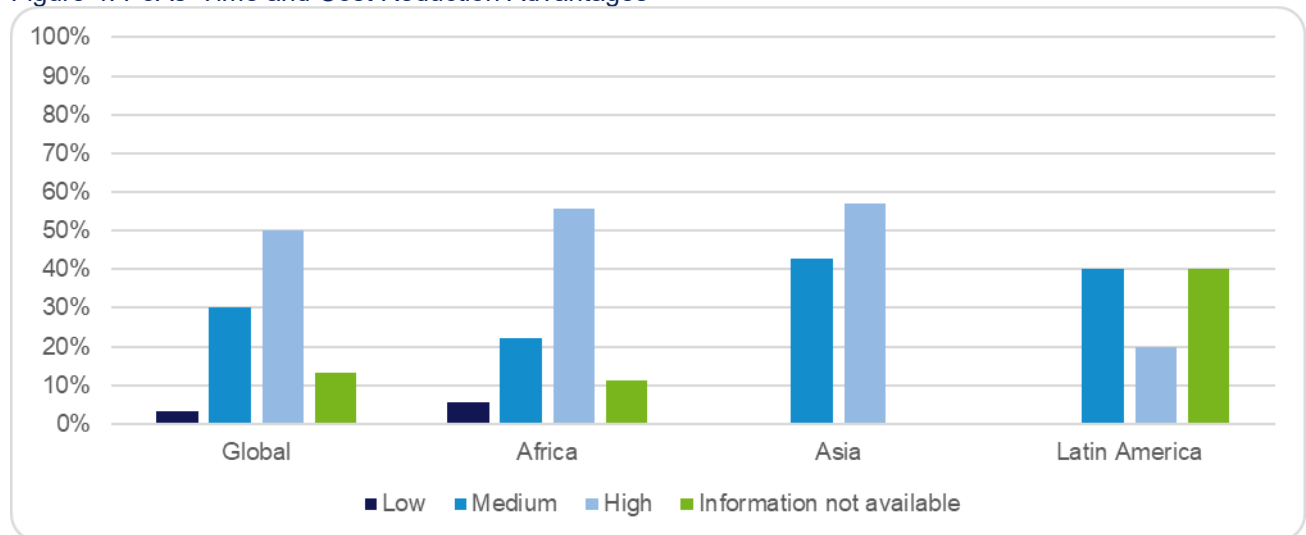
<sup>1</sup> Please note, the promotion of electric vehicles to reduce the emissions of fossil fuel combustion from transport is a central mitigation measure in Pakistan's updated NDC.

## Q3A: POAS' TIME AND COST REDUCTION ADVANTAGES

When comparing regular stand-alone CDM PDDs and PoA (i.e. PoA-DD and CPA-DDs), have PoAs managed to lower transaction cost and time savings?

These question inquiries from interviewees on whether the PoA framework had reduced lead-time and transaction costs compared to individual CDM projects. If the answer was affirmative, it was assigned as 'High'. If interviewees noted that the lead-time of PoA development and registration is longer than for CDM projects this was rated as 'Low', and if they considered it to be the same, it was assigned as 'Medium'.

Figure 4: PoAs' Time and Cost Reduction Advantages



Looking further into the contribution of PoAs in reducing transaction costs and time savings, 15 countries representatives (50%) interviewed indicated that PoAs have decreased both, transaction costs and project development times. A summary of the responses received is presented below:

- ❖ One of the main advantages of developing PoAs when compared to developing standalone CDM projects is the reduction of time required to manage.
- ❖ South Africa notes that *“PoAs has drastically managed to reduce transaction costs in comparison with stand-alone CDM projects. Smaller projects, which would not be viable as standalone projects become viable when grouped together in a PoA and time saving when adding a CPA into a registered PoA as opposed to registering a new stand-alone project”*.
- ❖ The Cambodian focal point remarks that *“it is easier to manage a PoA compared to a CDM stand-alone project”*. This is perceived as the biggest advantage of the PoA framework; even more important than savings in transaction costs and time.

Simplified standards and procedures for registration, verification.

- ❖ The Kenyan country focal point (CFP) mentioned that PoAs *“reduced transaction costs for the project developer due to the standardized baselines and because it only required the initial approval from the DNA, and further individual project are no longer required.”*
- ❖ Respondents reported a significant PoAs benefit regarding verification utilizing the sampling approach (Bukina Faso and Saudi Arabia).

- ❖ Saudi Arabia notes that collective verification can be done using a sampling approach, which simplifies the development/registration/verification of individual projects, shortens timeframes and speeds up the approval process.

As shown in Figure 4, from a more global perspective, PoAs present high costs/time savings compared to CDM single projects. Especially in Africa, PoAs benefit small projects, making possible to include them in the registry, bringing social benefits and impacting vulnerable actors to climate change.

On the other hand, about 13% of the countries had no information available to answer this question, mainly due to changes in personnel. This was mainly found in all the interviews to focal points from the Latin American region. The above indicates not only a remarkable signal of low or absence of monitoring projects after a government change but also evinces the non-recent approval and development of new CDM PoAs initiatives in Latin America.

In addition, 30% of countries did not identify any change in relation to stand-alone CDM projects or reported barriers and considerations in its implementation. For example:

- ❖ The Sri Lanka CFP pointed out that *“although PoAs offer the advantage of lower transaction costs, in their experience, the implementation of PoAs still takes excessive time. The timeframe for the issuance of the first CERs can be up to 7 years”*. However, whether this was due to the experience and/or performance of developers or due to the procedures for incorporating a new PoA was not specified.
- ❖ Zambia consider PoAs as a better option, but simultaneously, more difficult for the government to evaluate PoAs performance due to no data available on the success and running impacts.
- ❖ Some countries also reported no difference between both PoAs and stand-alone CDM mechanisms related to costs, however implementation periods could still take too long.

Burundi’s climate change focal point expressed that in their experience, the approval procedure is complex and very demanding when registering CDM PoAs and CPA-DDs, which increases the transaction costs and creates some barriers for investments. Similarly, officials from Eswatini mentioned that *registering CDM PoAs and CPA-DDs may be more time and cost intensive than developing a standalone project*.

Time implementation, monitoring data and approval procedure, which are the main disadvantages or barriers during the PoAs implementation expressed in the interviews, could be addressed considering:

- ❖ Stronger MRV system, including local bodies as essential contributors;
- ❖ Establishing a transparent institutional infrastructure;
- ❖ Efficient methodologies to report the information might reduce the approval time.

These considerations also could potentially help to manage information and establish project traceability through time.

In addition, the project developer will need to have previous experience to avoid delaying approval times, as well as good communication with the public entities who follow up on the projects. There is the risk that the project may prefer to list in a voluntary market standard, such as the experience from Pakistan, where one project took a year to register only to transition to the voluntary carbon market thereafter, leading to another 6 months delay.

In summary, more straightforward management, standardized baselines, country-specific approval procedures and verification are the principal advantages in time/cost savings on the PoAs implementation. In less manner, but present barriers like lack of information because of government transactions, difficulties with monitoring, and approval complex.

## Q3B: TIME AND COST EFFORTS TO ADD CPAS

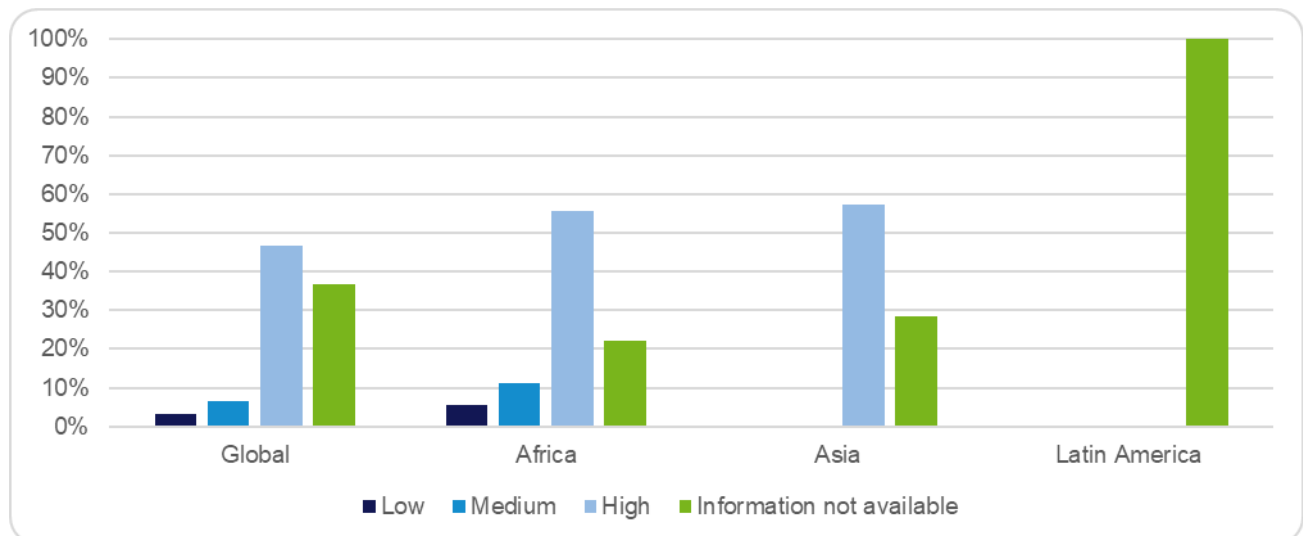
How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?

Similarly, to the previous question, respondents were asked to indicate the efforts in terms of cost and time to include CPAs in PoAs compared to stand-alone CDM projects. If the efforts were lower, it was assigned as 'High'; if they considered the efforts were similar, it was assigned as Medium; and if they considered the efforts were higher than for stand-alone CDM projects, it was assigned as 'Low'. Under this analysis, it was identified that fourteen countries (47%) reported that the time and cost efforts to add CPAs to registered PoAs are lower compared to stand-alone projects, mainly in the Asian and African region. Main outcomes were:

- ❖ The Ethiopian focal point also expressed that individual CDM projects are time-consuming and costly, and adding new CPAs to existing PoAs offer a faster and less costly option.
- ❖ The Saudi Arabian CFP mentioned that collective verification can be done using a sampling approach, which simplifies the development, registration, and verification of CPAs, shortens timeframes and speeds up the approval process.

*“Adding CPAs was quicker since stakeholder engagement was already done at the community level and implementation was achievable due to quick technical approval from NEMA and the country government.” (Kenya).*

Figure 5: Time and Cost Efforts to add CPAs



However, 37% expressed that they do not have the appropriate information to answer accurately. This observation was reported, in all Latin American countries, as seen in Figure 5, principal reasons are listed below:

- ❖ PoAs that were registered have not submitted new CPAs;
- ❖ There has been a change of government and the person currently in charge does not have this information;
- ❖ New activities have been received, but none have been approved, probably due to administrative constraints or the follow-up of applications (Chile).

Many countries representatives confirm that adding CPAs requires less time and cost effort. In spite, in numerous cases, there is misinformation regarding no-new CPAs registration required. Consequently, it might be necessary:

- ❖ Increase capacity building and campaigns to widen the scope of PoAs and identify potential, new CPAs to be include in current PoAs;
- ❖ Strengthen institutional capacity to accelerate the administration process;
- ❖ Workable MRV system to incorporate new activities

Similar to the above question, Burundi's CFP expressed that the prices associated with the time and effort to add CPAs to the registered PoAs were not reduced overtime. Moreover, Uganda described that transaction costs have been lowered to a minor extent.

As a synthesis, interviewees observe a significant reduction of the lead-time and to a lesser extent cost reductions.

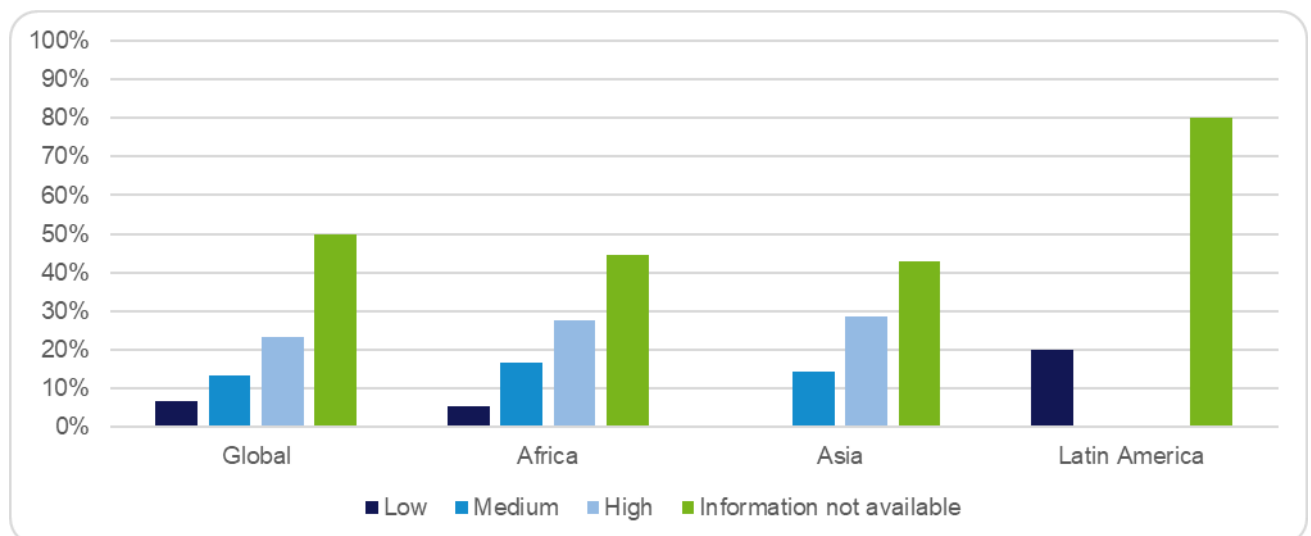
## Q4: DESIGN AND REGISTRATION RATE OF CPAS TO POAS

How would you rate the design and registration of CPAs to already registered PoAs in comparison to stand-alone CDM activities?

With this question, we asked interviewees to indicate whether there is a higher, lower or equal rate of design and registration of CPA activities as part of the PoAs already registered compared to stand-alone CDM activities.

The evaluation of responses indicates that 50% of all interviewed countries do not have information to answer this question, which is true for all regions, but dominant for Latin America. This may be related to i) PoAs being registered, but not having operational CPAs and/or ii) there has been a change of government and the current manager does not have such information.

Figure 6: Design and Registration of CPAs compared to stand-alone PAs



Furthermore, 23% of all respondents stated that there is a higher rate of CPAs compared to those registered individually, especially in Asia and Africa. Only two countries identified that CPAs have a lower rate compared to stand-alone CDM activities, one in Africa and another in Latin America.

The main findings can be summarised as follows:

- ❖ While seven countries identified a higher rate of PoA design and registration, only two of these countries elaborated further on why they excel at registering individual CDM projects.
  - Uganda stated: "It is relatively easy to include a CPA in a PoA given that the general CDM activity information is in the PoA DD". As the general Programme of Activities criteria are established, PoAs can shorten the time needed for a project to be included in the CDM to a period of weeks, only the time needed to draft the CPA documentation and include the CPA in a registered PoA.
  - Kenya noted that "the rate of CPAs was higher because the requirements were clear and minimal, which made it easier for the CDM EB to add new projects with clearer requirements". This aspect highlighted by Kenya is essential as a CPA can be included in a registered PoA at any time during the life of a PoA. No formal registration is required at the CDM Executive Board level. Apart from the power to

make spot checks, the Executive Board does not verify, crosscheck or interfere in any other way in this process. This reduces inclusion times and simplifies the management compared to individual project listing.

- ❖ In some countries where PoAs have been developed, new CPAs have not been included, however, interviewees' responses do not elaborate further on the reasons for a lack of new CPAs.
- ❖ Only two countries identified that CPAs have a lower rate compared to stand-alone CDM activities, one in Africa (Burundi) and another in Latin America (Chile).
  - According to the experience in Burundi, limited institutional capacity and lack of financial resources have resulted in an absence of CPAs being added to existing PoAs. The procedure for registering CPAs remains a major obstacle, especially as DNA staff, have not been adequately trained.
  - Chile received approx. 20 requests for the integration of new CPA. However many programmes have established additionality on PoA-DD level. Hence, the additionality does not need to be proven on CPA level. Against this background, the DNA is currently reviewing whether the integration of new CPAs still satisfies Chile's requirements for additionality in relation to their new climate targets.

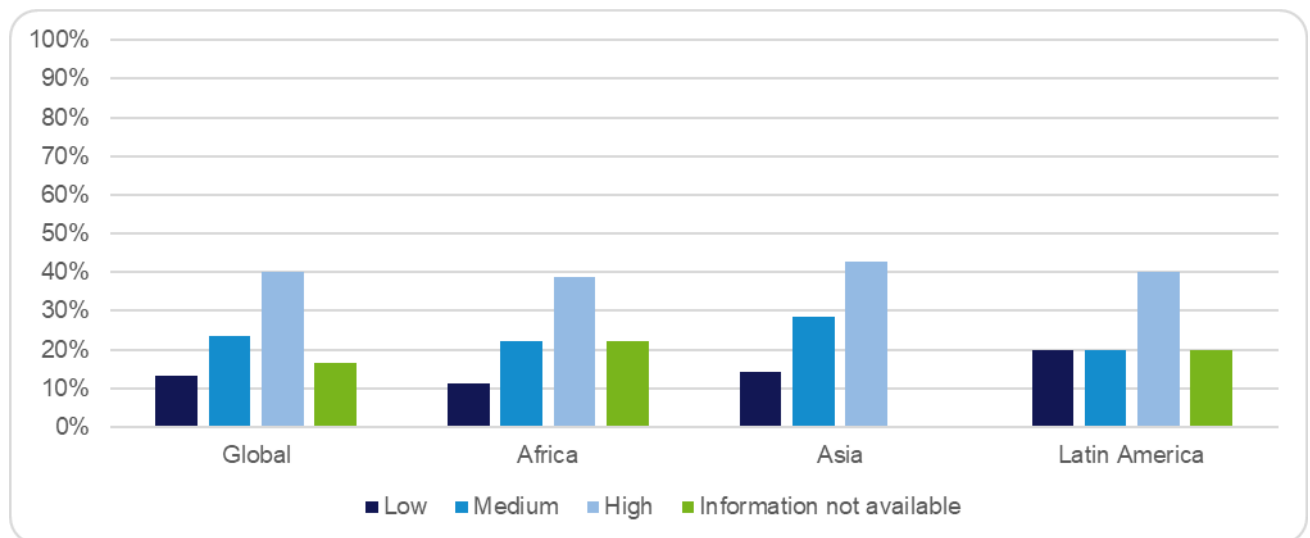
In summary, many countries representatives interviewed identify advantages in the inclusion of CPAs in relation to individual CDM projects. A significant number of representatives does not have the necessary information to answer this question adequately. Finally, Chile is currently stalling the integration of new CPAs, as the DNA will assess how to address additionality of PoAs.

## Q5: EFFECTS OF CDM STANDARDS FOR POAS

To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation?

Most CFPs stated that the revised CDM PoA standards facilitated the raising of mitigation ambition in their country by easing the registration and implementation of PoAs. For example, Senegal and South Africa observed and measured an increase in the number of PoA activities registered after the revised CDM standards were put in place. Pakistan stated that the simplified procedures were particularly important for registering renewable energy programmes. The CFP of the Dominican Republic stated that an increase in the ambition in the voluntary carbon market was observed after the introduction of the revised standards. The explanation provided for this observation is that these revised standards contributed towards meeting a high demand for knowledge about international carbon markets across both the private and public sector.

Figure 7: PoA Standards and their Effect on Raising Ambition



In terms of regional differentiation, the results show a generally similar range of experience across regions regarding whether revisions to the CDM standards had a positive or a negative impact on raising the mitigation ambition. There is a consistently high share of respondents in all regions that agree that the new PoA standards facilitated the registration and implementation of PoAs.

Only the smallest share of the respondents (15%) in all regions found that the revised standards had a negative impact on the mitigation ambition. The Burundi DNA associated the negative impact to the revised standards making it difficult for potential activities in Burundi to prove their additionality and meet certain necessary requirements. According to the DNA these difficulties limited the number of activities being approved, which in turn impacted the country's ability to raise the mitigation and climate ambition.

Globally, 23% did not have the information to respond to this question. This may include interviewees with no or only very few PoAs in their country (as indicated by a comparatively high share of responses where this information was not available in Africa, where many countries still lack domestic PoAs).



In summary, these responses indicate that the consolidated PoA Standards have been very useful to PoA practitioners, including host country government representatives, to navigate the CDM PoA rules and regulatory procedures. These standards achieved a consolidation of previously dispersed PoA-specific CDM rules (e.g. for validation and verification), which was broadly welcomed by practitioners. However, what remains unclear is the real impact on registration success given that the PoA standards were agreed at a very difficult carbon market environment.

## Q6: FACTORS INFLUENCING POA PERFORMANCE

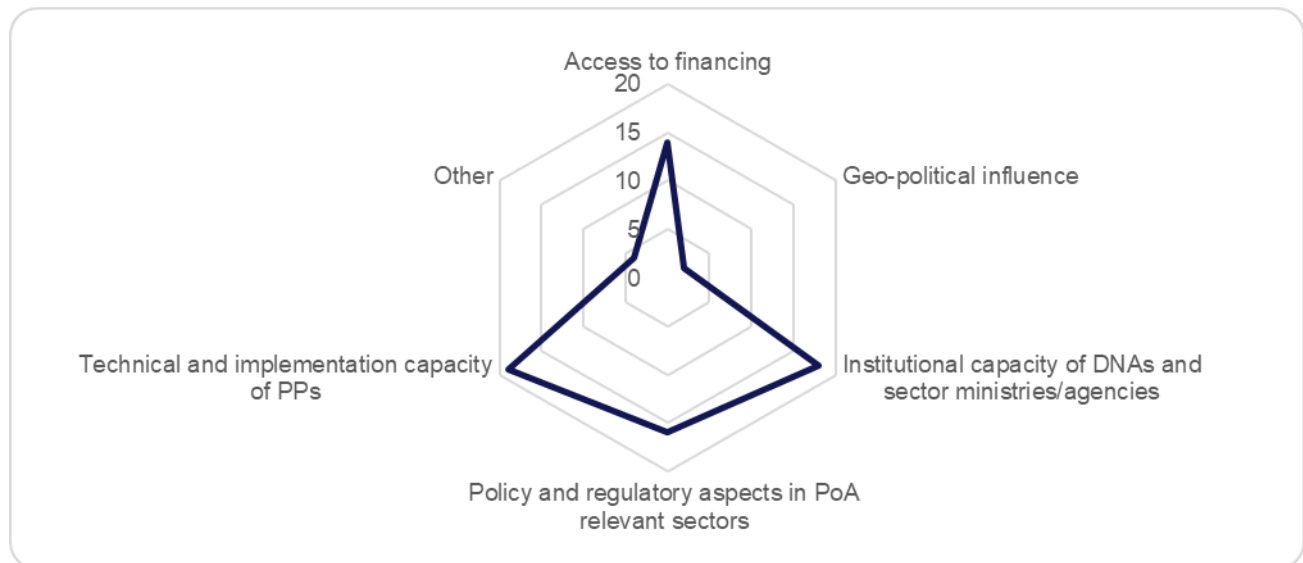
Which of the subsequent factors have influenced the performance of PoA in your country?

1. Policy and regulatory aspects in PoA relevant sectors
2. Geo-political influence
3. Technical and implementation capacity of PPs
4. Access to finance
5. Institutional capacity of DNAs and sector ministries/agencies
6. Other

In addition to these factors, could you list other critical success factors and barriers that affected the implementation of PoAs in your country?

The evaluation results for question 6, illustrated in the radar chart below, show the number of responses counted for each evaluation category. The chart clearly shows that the two most common factors that influenced the performance of PoAs strongly were i) the institutional capacity of the DNAs and the sector ministries/agencies; and ii) the technical and implementation capacity of the project proponent (PP).

Figure 8: Factors Influencing PoA Performance



With regard to institutional capacity, the Sierra Leone CFP elaborated on this factor in specifying the lack of proper coordination within other government agencies is a key challenge. This factor can be observed in particular in countries with comparatively limited exposure to carbon markets, where there is a lack of institutional capacity due to a low number of actual programmes implemented domestically. Moreover, there was high degree of political uncertainty on the future of CDM prior to agreeing on CDM transition as part of Art.6 which may also have prevented substantial investments into capacity building prior to finalizing the Art.6 rulebook.

The Eswatini CFP specified that the technical and implementation capacity of project proponents is one of the biggest barriers which resulted in few bankable and technically sound PoAs being developed.

Regarding the capacity of PPs, a common phenomenon is that international expertise was required to successfully develop PoAs, as domestic market participants and experts were not

always readily available or sufficiently experienced to navigate the rather complex CDM requirements. The limited staff capacity at ministries and agencies was one of several factors that affected the performance of PoAs, according to the Sri Lankan CFP. The CFP notes that there will be additional capacity building needs to support the limited staff capacity in the transition towards Article 6.

The next two most common factors are: access to financing and policy and regulatory aspects in PoA-relevant sectors. The Sudanese CFP identified conflicts between public policies, specifically sectoral policies in terms of their divergence in priorities that impacted the performance of PoAs. The explanation provided for these conflicts in policies is that Sudan is a one of the least developed countries with a large number of aspirations, which can become cumbersome when formulating relevant policies. The Nigerian CFP stated that access to financing is a key barrier in actualizing the projects after they have been registered. This is particularly relevant in countries with very high capital costs and a lack of domestic financial markets that would be prepared to invest in carbon market activities. The carbon price volatility compounded these uncertainties.

Few other factors were recorded with the Kenyan CFP, adding the challenge of developing baselines and the fact that implementers and beneficiaries do not understand carbon market requirements well.

The lowest count in the list of factors was the geo-political influence on the performance of PoAs. This shows that such broader concerns did not materially impact the registration and implementation of PoAs.

## Q7: LESSONS LEARNT FROM CDM & MISTAKES TO AVOID

Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided? Which PoA elements should be retained, and what needs to be improved?

Other than above, question number 7 was formulated in an open manner and does not qualify for quantification inviting countries instead to put forward their own lessons learnt. Countries responded well to Q7 with 27 out of 30 countries sharing their lessons learnt and only three countries noted that such information is not available.

The following section provides a summary of the responses received:

- ❖ The CDM PoA framework allows to address scattered small scale abatement potentials, which may deliver substantial and broad development impacts. Such approaches are of importance for almost all countries<sup>2</sup>, but is of special importance to countries, where a large share of the population lives in rural areas. The PoA framework became only operational at a time, where the carbon market was oversupplied and CER prices declined.
- ❖ Moving forward towards a carbon market under Article 6, *“it should be avoided that the development of frameworks for developing scattered small-scale abatement potentials is delayed. This framework should come as quickly as possible”* (Eswatini).
- ❖ Many countries note a lack of communication between national climate change focal points and CMEs. *“The Challenge with CMEs is that disappear during implementation of PoAs as they are registered”* (South Africa). Zambia notes *“A better communication and coordination between government and private sector may prevent the government feeling that is has been ripped off”* Nigeria notes along similar lines: *“Host country supervision is required at a regular interval instead of just registering the project”*.
- ❖ Learning from the past, it is hence essential that the climate change focal points become more strongly involved in the implementation of PoAs. *“Obviously this aspect is essential for the corresponding adjustment, but equally it is important for the government to understand the co-benefits from mitigation measures. How many stoves have been distributed actually? How much energy was actually saved? What is the economic growth triggered by carbon markets?”* (Zambia).
- ❖ Respondents value the PoA framework for allowing the development of one accounting framework for multiple technologies. Moving from CDM to Art. 6, this may allow for conceiving integrated programmes. Pakistan offered an example where a GCF funded programme is collecting cow dung from a 500,000 cattle herd (avoiding methane emissions), producing biogas to fuel the operation of 50 buses (avoiding fossil fuel emissions).
- ❖ Transitioning towards Article 6, countries express the need to develop baselines and address additionality in line with their NDCs. Chile notes the need to *“Identify additionality in relation to national objectives”* and Colombia stresses the requirements to *“Modify methodologies”* with respect to baseline setting in order to reflect national regulations. Consequently, there is a need to :

<sup>2</sup> UAE suggests to not focus on small scale programs, but merely use PoAs to deploy renewable energy- and energy efficiency projects at scale.

- Expand the scope of additionality from financial additionality to the question on whether a programme is additional to the unconditional NDC;
- Reflect national regulations and policies in Art. 6 baseline setting.
- ❖ Moving forward, countries note the need for PoAs to deliver refined financial instruments. Jordan notes *“Providing the appropriate incentives needs to be considered”*, which is seconded by Burundi *“Placing a strong emphasis on projects and activities which can help overcome the financial barriers and lower transaction costs should become a priority for the implementation of Art. 6.”* Article 6 activities hence may need to develop refined financial instruments that provide incentives for e.g. energy efficient equipment, making such equipment financially viable for the private sector.
- ❖ Respondents value the simplified procedures of the CDM PoA approach and suggest *“the simplification of procedures for project cycle implementation should be retained”* (Senegal). Along similar lines, countries express the CDM PoA process should be further *“simplified while also taking in considerations for right standardization for MRV”* (Kenya).
- ❖ Countries express the need for capacity building for PoA related aspects including:
  - Development of procedures to strengthen regular communication between CME and national climate change focal point;
  - Assessment of which aspects of the PoA framework should be retained or improved in the transition to Article 6;
  - Development of a framework enabling governments to decide which PoAs should be allowed to transition to Article 6 (i.e. being granted a corresponding adjustment);
  - Build national and local capacities enabling the development of sectoral approaches e.g. on the level of one province in order to *“get local authorities involved”* (Guatemala);

Such capacity building may be provided e.g. through the creation of a *“CDM Development Forum”* (Sri Lanka), which serves as a platform for countries to exchange and discuss PoA aspects, transition of PoAs to Article 6 and the development of sectoral approaches.

In summary, climate change focal points value the concept of Programme of Activities, for its potential to address scattered mitigation potentials while delivering high development impacts. Equally, the simplified procedures should be retained, and further simplifications should be considered, where available. On a multilateral level, there are needs to refine methodologies and additionality approaches to reflect unconditional NDC targets.

Respondents share a series of lessons learnt, which are of relevance for developing national sectoral Art. 6 programs, including the i) regulation of regular communication between CME and climate change focal point and ii) the need to develop refined financial instruments for broad private sector implication.

Finally, climate change focal points highlight the need to capacity building including i) strengthening communication between CMEs and focal points, ii) inputs into a possible assessment for the transition of PoAs to Art. 6; iii) capacity building for local authorities to develop sectoral programs. Equally, countries suggest the creation of a platform for where countries may exchange and discuss issues related to the transition of CDM PoAs to Art. 6.

## Q8: POA TRANSITION TO ARTICLE 6

What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?

From a global perspective, most CFPs expressed that they expect there to be more advantages than disadvantages in transitioning PoAs to Art. 6 activities in their respective countries.

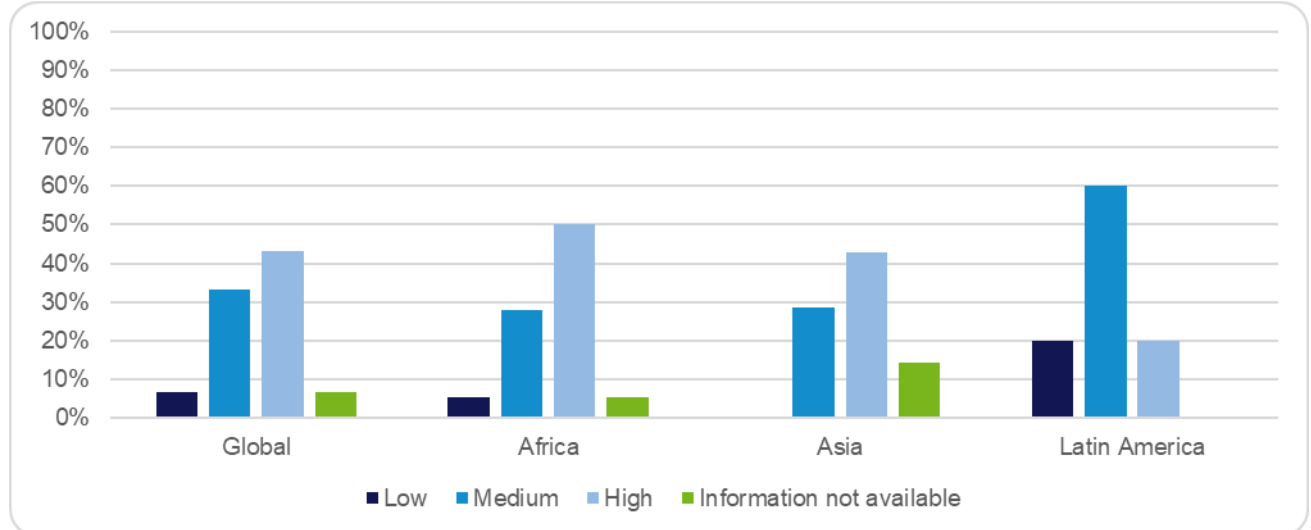
Among the key benefits of the transition expressed are:

- ❖ The ability to register new CPAs under existing PoAs (once transitioned) under Article 6 for scaling up mitigation actions that help to meet NDC targets;
- ❖ The continuity in making use of institutional capacity, experiences and established CDM rules and procedures that countries and regulators (DNAs) are already familiar with and have sometimes made significant efforts to establish and strengthen their capacity
- ❖ Transition to Art. 6 also helps to ensure the continuity of existing programmes that are already under implementation (often only at early stages with one or only few CPAs). This is crucial to preserve the trust of PPs who have sometimes made significant investments in their PoAs, in the expectation of being able to utilize the programmatic framework for scaling up their activities. Moreover, there are significant time savings in building on existing registered programmes, once transition and aligned with Art.6.4 quality principles that enable to deliver rapid mitigation outcomes;
- ❖ The risk reduction associated with the uncertainties from the still-to-be-elaborated Article 6 requirements, especially during the period until 2025 in which CDM methodologies can still be used;
- ❖ The benefits that PoA activities could already bring to developing sectoral approaches in support of the host country's NDC targets.

A small minority of 7% stated that the disadvantages outweigh the advantages if PoAs are transitioned to Article 6. One concern that was raised was that the international transfer of large amounts of CERs from existing PoAs to meet the NDC targets of buying countries may limit the country's ambition level. This shows indicates the serious intention of trying to prevent overselling of ITMOs, in order to preserve the integrity of their NDC achievements. These concerns have been primarily expressed by Latin American respondents, but were not raised by representatives from other regions. Of all 30 countries interviewed, 25 provided a response to this question while another two indicated that no information was available to provide an answer.

A key observation from the results of the different regions is that contrary to the other two regions, most of the interviewees from Latin America are of the opinion that there are likely to be as many advantages as disadvantages with transitioning PoAs to Article 6 (as reflected in the large share of responses categorised as 'Low' and 'Medium'). Additionally, the CFPs from Asian countries could not identify any disadvantages, and only one CFP did not identify any advantages to the transition.

Figure 9: PoA Transition to Art. 6



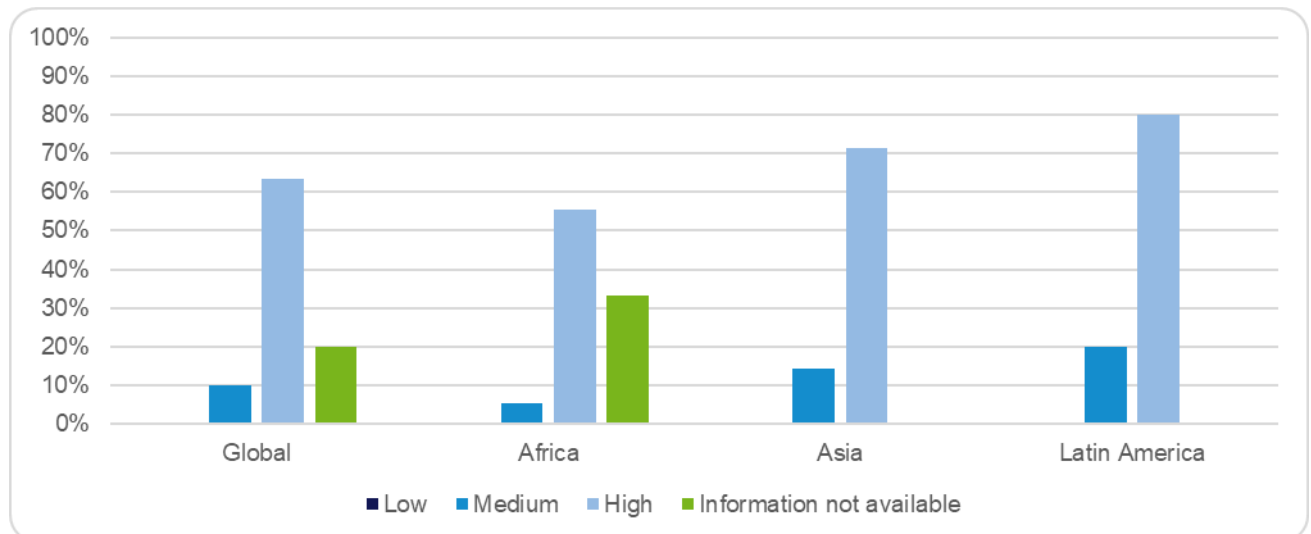
Somewhat surprisingly, the highest share of responses that considered the benefits of transition as high is associated with Asia, rather than Africa (which nonetheless also had a high level of positive responses). Given Africa’s strong emphasis of the PoA transition in UNFCCC negotiations, this result may be counterintuitive at first sight. However, it can be explained by the high share of African countries with very few or no PoAs, where transition is therefore not so impactful. Asia, however, typically had much larger carbon market portfolios, which also enhances the benefits from potential transition.

## Q9: PUBLIC-PRIVATE SECTOR INTERACTION & COORDINATION NEEDS

With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?

This question allowed the interviewee to indicate how they perceive the coordination and interaction needs between the private and public sector in relation to the institutional framework and participation requirements under the institutional framework of Article 6. Responses that indicated that interviewees expected increased interaction and coordination needs, it was categorized as “High”, if they expected no change in interaction and coordination needs between the public and private sector, it was categorised as “Medium”, and it was categorised as “Low” when respondents anticipated a decrease in interaction and coordination needs. Out of all countries interviewed, 22 responded to this question while six indicated that this information was not available.

Figure 10: Public-Private Sector Interaction and Coordination Needs



A clear demonstration of their expectations was that 63% of the countries interviewed identified that they expected a greater need for interaction and coordination between the public and private sectors. This trend was observed in all three regions -Asia, Africa and Latin America- with a High value of more than 50% in each region. Hence, as PoAs are mainly driven by the private sector, coordination with the government will be essential to establish the criteria to be considered in order to establish the additionality criteria for projects so that emission reductions can be traded under the new market mechanism.

This stated need is presented in the following interviews highlights below:

- ❖ Government's market signals to project developers. In this regard, the next comments stand out:
  - Sierra Leone's CFP expressed that “The public entity has the role of creating the enabling environment and designing and issuing policies for the private sector to thrive and must continue to work in parallel with the interests of the private sector”.



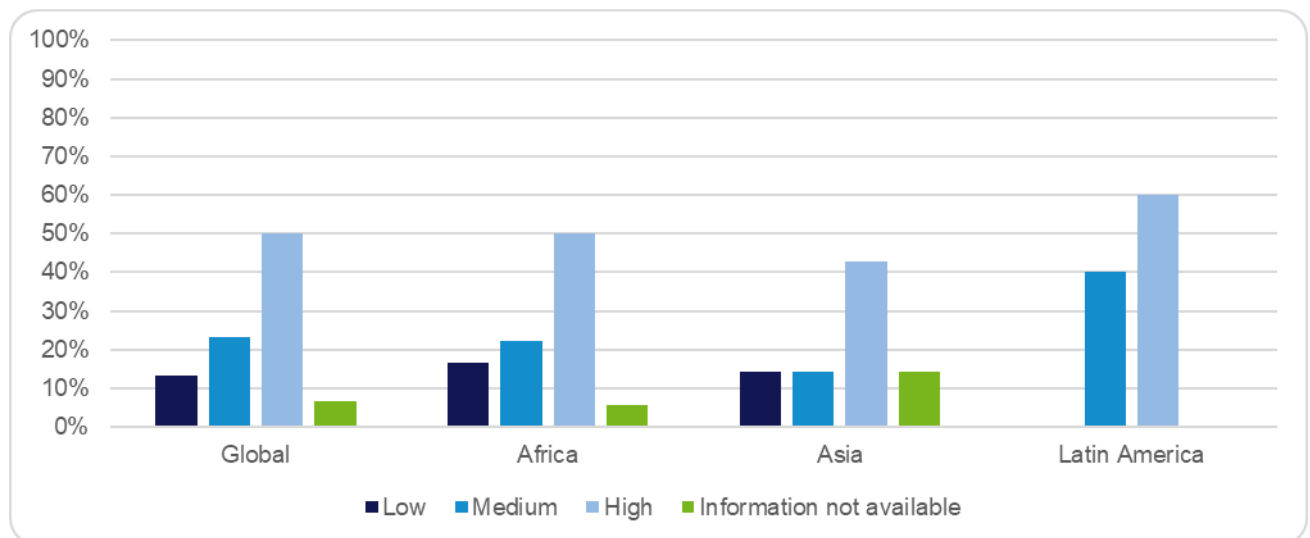
- Colombian CFP commented that “The private sector must be in continuous communication with the state, and the government must give concrete market signals, so that the private sector knows which projects can or cannot be developed more easily”.
- Tunisia also stated that “PoAs need all sectors including the public and private sector. There could be public organisations that can help with establishing the framework and institutional structures for the targeted project types. The purpose of this public organisation is to establish the market”.
- ❖ Establishment and promotion of Public-Private Partnerships (PPP). Underlying these partnerships is the conviction that if both parties pool their resources, they can achieve their respective objectives better, faster and at lower cost.
  - Tanzania is working to develop more policies that encourage PPP, pointing out that “current policy reflects the importance of PPPs, but that more collaboration and integration is needed to ensure their successful implementation”.
  - Sri Lanka also underlined that “at the moment, there is no exact knowledge on the application of the Corresponding Adjustments for CDM projects and CDM PoAs to their NDC. Based on current knowledge, it is assumed that more interaction and coordination between the public and private sectors will be necessary. PPPs may be necessary for a better implementation”.
  - Jordan has tried to create partnerships between governmental entities and the private sector to facilitate collaboration.
- ❖ Enhanced interaction for project financing. Guatemala and Sudan have both expressed the need for greater involvement of the private sector, especially in financing new projects. However, it will also be essential for the public sector to understand how the private sector can finance projects and how to assess the risks associated with a programme. Capital providers will base their investment decision on both financial and non-financial aspects. Equity investors and financial institutions focus their investment decision on financial attractiveness and the associated operational risks.
- ❖ Stronger development of projects from the public sector. Countries such as Ethiopia, Honduras and Morocco, stated that currently PoAs have been developed only by the government, so they have no information on whether or not private sector participation and collaboration should be strengthened. Although the percentage that considers this is low, it could be an opportunity identification, since in those countries where projects have not been developed by the private sector, there could be a window of advantage to implement and promote PoAs.

## Q10A: USING THE POA APPROACH UNDER ARTICLE 6

Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?

The large majority, approx. 75% of CFPs stated that their country or domestic stakeholders has plans to adopt the PoA approach to implement Article 6 activities. 50% already use the PoA approach to implement Article 6 pilot activities. In total, 28 interviewees did provide their respective assessment. Several CFP, such as the CFP from Sierra Leone, describe that their respective country would recognise the many benefits of using the PoA approach, yet they also emphasised the barriers, such as capacity needs and comparatively high upfront costs, that need to be identified and addressed before engaging in the PoA framework. It is therefore crucial to ensure that the initial transaction costs of registering a PoA are not a prohibitive barrier, since it takes more time to register a PoA compared to a single project, however, the key benefits arise from being able to add further CPAs once the PoA is registered.

Figure 11: Plans for using the PoA Approach under Article 6



The ability to implement and scale-up small-scale dispersed activities is seen as a benefit by multiple CFPs, including Sierra Leone and South Africa. This is a key reason why their countries are planning to use the PoA approach for implementing Article 6 activities. Many PoAs have also supported activities that have high sustainable development benefits beyond carbon revenues (e.g. sustainable energy access), which also explains the high degree of support for the existing PoA Pipeline.

An equal share of the remaining minority of responses either did not have sufficient information to answer this question or indicated that their country has no plans to use the PoA approach for Article 6 activities.

A surprising insight is that there is a comparatively high share of African countries that stated that they are not planning to use PoAs. However, it is rather unlikely that this response is the result of a lack of confidence that the PoA approach can work in light of the difficulties many countries faced in accessing CDM, or that the concept itself was found to be not attractive and useful enough, considering that African countries are generally among those with the highest numbers of registered PoAs under the CDM. However, there may be a comparatively high degree of



uncertainty on how to engage in Article 6, and many countries have not yet fully assessed how to best mobilize their Article 6 potential (Ghana).

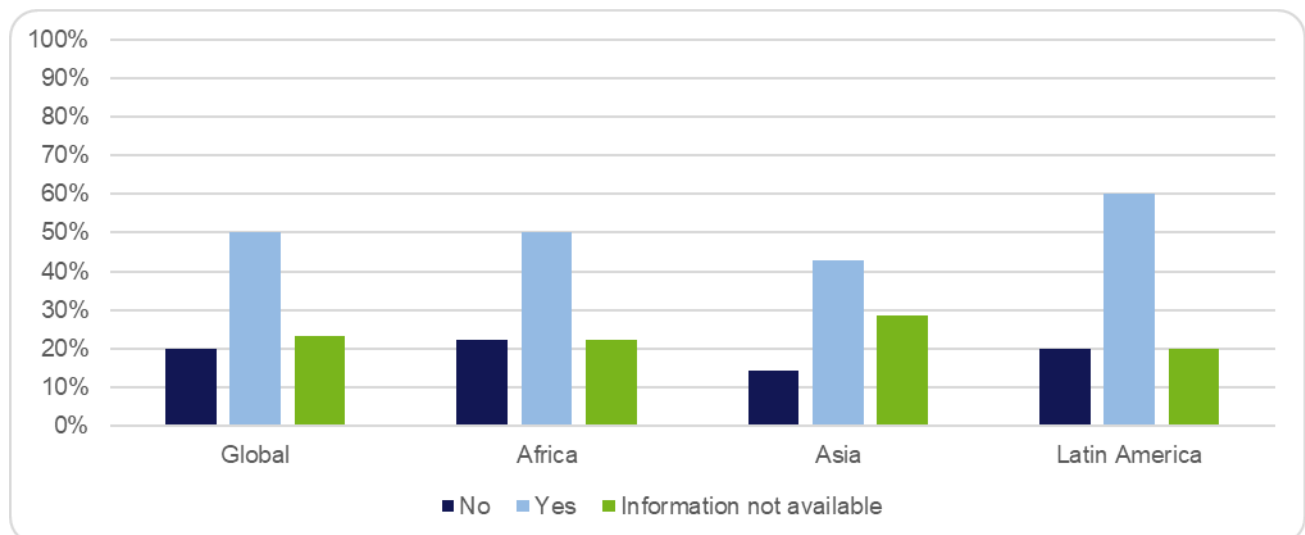
Another key insight identified from the regional differentiation in the responses indicates that all of the Latin American countries are planning on using the PoA approach for Article 6 activities, weighing this as either high or medium, but without any “low” response. The Honduran focal point elaborated further in specifying that a programmatic approach is considered to increase the development of regional activities. Whereas for the Asian countries, there appears to be some uncertainty on this topic as 29% of the CFPs from Asia could not respond to this question.

## Q10B: CAPACITY REQUIREMENTS FOR TRANSITIONING THE POA APPROACH TO ARTICLE 6

Has the relationship between the NDC and related institutional capacity requirements already been identified?

This question was answered by the majority of countries (28 out of 30), yet a considerable share of all interviewees was unable to provide a clear answer but indicated that the information was not available. Globally, 50% of the CFPs indicated that the relationship between NDC and related institutional capacity requirements for applying the PoA approach to Article 6 activities had been identified in their country.

Figure 12: Capacity Requirements for applying the PoA Approach to Article 6



Colombia specified that it is in the process of identifying the institutional structure for approving and evaluating new projects. The Sudanese CFP stated that in the recent update, in 2020, Art. 6 was specified as one of the approaches Sudan will be using to contribute towards climate change mitigation and adaptation. However, 30% could not provide an answer, while the remaining CFPs stated that the institutional capacity requirements have yet to be identified, resulting in a “no” response. These numbers are surprisingly high, compared to the large share of countries that have indicated in their NDCs that they want to engage in market mechanisms. This can be explained by the late adoption of the PA rulebook at COP26 in 2021. This means that many technical details regarding the operationalization of Art.6 are still being negotiated, and countries are only beginning to define their institutional frameworks and implementation strategies for Art. 6. Moreover, the promised capacity building programmes for Art. 6 provided by UNFCCC and additional development partners have not yet been fully started. The Sri Lankan CFP underlines this observation by stating the country is still waiting for the final decisions to be taken by the UNFCCC and COP parties relating to Art. 6, before identifying the relationship with the NDC. The CFP notes that there are still open questions on several aspects to Art. 6 that need to be decided. In the case of Uganda, although the CFP confirmed that the country has plans to apply the PoA approach to Art. 6 activities, the relationship with its NDC is yet to be identified.

The pattern in responses is similar across the different regions. Particularly, the distribution of the responses from the African region is identical to that of the global aggregated responses. At



the regional level, only 20% or less of the responses formulated that the institutional capacity requirements are yet to be identified. The Asian region has the highest share of responses that did provide an answer to the question. The Latin American region shows a clear indication that efforts have been undertaken to identify the institutional capacity requirements.

## Q11: FURTHER SUBMISSIONS ON POA TRANSITION

Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant? What do you think about moving forward with PoA approach in Article 6 activities?

This last question allowed the interviewed parties to recapitulate their position on PoAs. However, it is noticeable that some countries used this space to also comment on the future of CDM projects in general. In total, the question was answered by 27 countries.

From the respondents' point of view, there were several aspects of importance regarding the transfer of CDM PoAs and existing PoA programme concepts to programmes that could be continued or newly implemented under Art.6. These comprise, in the order of their mention during the interviews:

- ❖ Nearly all countries interviewed are very much interested in using the PoA concept under Art.6, because of the opportunities this approach provides for small-scale projects that could “.. *pool their strength* ..” (Burkina Faso).
- ❖ Capacity building is urgently required for preparing the National Focal Points for upcoming duties that most of the interviewed parties are either suggesting and/or expecting, including inter alia building up and operating a governance structure, a registry or a monitoring system for those projects/PoAs that have been or will be approved and which are expected to contribute to the achievement of the NDC. Respective knowledge and capacities are required for providing continuity to existing PoAs and a much closer management of programmes under Art. 6.
- ❖ It is commonly assumed by countries that PoAs have the potential to significantly contribute towards a country's NDCs targets. In addition, PoAs are perceived as a practical approach for implementing transformative mitigation activities and realizing SDGs.

The PoA concept is regarded by most focal points interviewed as an inherent part of the CDM mechanism, while at the same time countries expect all parties of the UNFCCC and negotiators to align and agree on an appropriate set of decisions to adapt the CDM and make the transition to Art. 6, i.e. the changeover to Art.6 of the PA should lead to a successful conversion and transition of CDM activities, including PoAs. However, “*the Art.6 transition guidelines must be attractive enough for project developers to want to transition into Art.6. The transition process should not be too complicated for newcomers and the transitioners*” as stated by the Kenyan focal point.

Nigeria would like to apply a PoA approach to Article 6 activities as well as it is developing its Art.6 Framework. The existence of a national Art. 6 Framework that allows countries to take informed decisions on the approval or rejection of new Art. 6 conform project or programme proposals is seen by many countries as a precondition for the future of PoAs under Art. 6. This is in line with the frequently mentioned need for building up capacities addressing the existing knowledge gaps concerning Art. 6 regulations, which in the case of PoAs touches mainly upon the handling of existing PoAs, but also of new PoAs under the Art. 6 mechanisms of the PA.

Establishing an operational PoA infrastructure in the host country that allows the host country's government to control and steer the implementation of mitigation programmes seems to be another prerequisite for the successful transfer of the PoA concept to Art. 6. This includes not only increasing the capacities of the national focal points, but also the introduction of appropriate

MRV and proper registry keeping procedures. Missing information on the performance and achievements of operational PoAs not only with regard to emission reductions but also to their contribution to national strategies and policies as well as to SDGs, is seen as a major problem. As said by the Ethiopian focal point: *“More engagement with the DNA during implementation is required. The same institution should govern the voluntary carbon market and the activities under Article 6.2, 6.4 and 6.8”*.

Through the implementation of PoAs, some countries such as Senegal have already managed to achieve the institutionalization of PoA-type procedures, processes and infrastructure. Transitioning or deploying the PoA approach to Article 6 will save time, efforts in as well as help standardize the project cycle for Article 6 activities.

An open, yet unanswered question is how emission reductions are calculated in case of PoAs, which use a regional standardized baseline. Using the southern African Power Pool (SAPP) as an example: Regional emissions (determined by an approved standardized baseline) should be considered in a renewable energy project in country A. However, it's national NDC and the related GHG inventory are based on a 'production -based approach' and hence only consider and report the emissions occurring in the country but neglect the emissions from imports. In the context of Art. 6 and the related 'Corresponding Adjustment' country A would give away emission reductions, which actually occur in country B (exporting power produced from fossil fuels), which poses a structural problem and requires additional thought.

The Jordan National Focal Point emphasized the necessity of reactivating the ties between developed and developing countries to further encourage and take advantage of new opportunities to support climate action plans of developing countries. Pushing forward the PoA concept under Art. 6 could provide such an advantage and could become a success story for developing countries.

Pakistan confirmed that the PoA framework is currently missing under Art. 6 and operational procedures should be developed. Several other focal points reported that they have already been approached by CMEs inquiring for information on the future of their programmes under the changed framework condition of the Paris Agreement.

Regarding PoAs, Saudi Arabia highlighted *“that a balance must be struck in the development/transition of activities so as to benefit from the possibility to adopt PoAs while also aligning with Article 6 requirements. PoAs should therefore not be bypassing measures that safeguard environmental integrity and robustness in accounting.”* Countries are willing to pursue the PoA approach and the debate around Art. 6.4 should lead to the provision of guidance on the transfer to Art. 6 as expected by the countries (Uganda: *“UNFCCC should fast track CDM transition criteria”*). Tanzania stresses that a regional approach is needed to realize carbon trading in East Africa region and a collective approach needed to realize Art.6, which is very much in line with the PoA approach, which allows for regional programmatic mitigation activities.

Some developing countries are still concerned about the future of CDM projects established under the Kyoto Protocol including PoAs. As stressed for example by Morocco's focal point *“... there appears to be limited activity in the CDM field at the UNFCCC level in terms of engagement with DNAs. The convention should pull together the DNAs to evaluate the Kyoto protocol mechanism situation and other activities related to the regulated carbon market.”* And as stated by the United Arab Emirates: *“Question is how quickly the UN can act and how quickly can the different countries agree on the mechanisms, the procedures, processes to really hammer something down, which is practical, possible to utilize.”*

## ANNEX I: QUESTIONNAIRE

### Programme of Activities, Mapping and Reporting

**Background:** Programme of Activities (PoAs) are predominantly small-scale climate mitigation activities under the Clean Development Mechanism in developing countries grouped together to optimize emission reduction impacts of mitigation projects. The PoAs approach provides benefits of lowering transaction and related project validation costs. PoAs provide opportunities for sector-wide mitigation efforts by allowing to register multiple related methodologies in the same PoA and can thus engender enable transformative effects. Moreover, many CDM PoAs were supporting mitigation activities in multiple countries. The programmatic approach of PoAs proved applicable in many circumstances where the previous CDM single project rationale approach fell short. With the new carbon market mechanisms under the Paris Agreement also intend to support programmatic activities as well as further upscaled crediting approaches, hence, host countries may can benefit from Article 6 activities if lessons learnt from the PoA approach are being learned and implemented.

**Objective:** Drawing from the CDM PoA experience, this questionnaire is aimed at understanding stakeholder perspectives on PoAs (opportunities and gaps) and the potential of implementing PoAs in Article 6 framework activities.

#### PART I

This part of the questionnaire seeks to evaluate stakeholder experiences with implementing PoAs in their countries and to understand critical success factors and barriers.

#### SECTION A

<b>Q 1</b>	Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?  Have there been any new PoAs approved in the last 24 months?
<b>Q 2</b>	Which of the following considerations strongly underpins the implementation of PoAs in your country?  Simplified standards and procedures for registration, verification, certification and issuance of CERs  Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)  Ability to apply multiple technologies and measures in a PoA  Other?
<b>Q 3</b>	When comparing regular stand-alone CDM and PoA projects, have PoAs managed to lower transaction cost and save time?
<b>Q 4</b>	How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?
<b>Q 5</b>	To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple



methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?

- Q 6** Which of the subsequent factors have influenced the performance of PoA in your country:
- Policy and regulatory aspects in PoA relevant sectors
  - Geo-political influence
  - Technical and implementation capacity of PPs
  - Access to finance
  - Institutional capacity of DNAs and sector ministries/agencies
  - Other
- In addition to these factors, could you list other critical success factors and barriers that affected the implementation of PoAs in your country?

## SECTION B – Aligning PoAs to Article 6

The new Article 6.4 market mechanism will also enable the implementation of PoAs, and Parties agreed on a fast-track market window for transitioning PoAs to the new mechanism. Thus, this section seeks to obtain respondents' views on the prospect of integrating PoAs into Article 6 market activities.

### Open Questions

- Q 7** Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided?
- Q 8** What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?
- Q 9** With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?
- Q 10** Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities? Have the relationship with the NDC and related institutional capacity requirements already been identified?
- Q 11** Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? What do you think about moving forward with PoA approach in Article 6 activities?

## ANNEX II: EVALUATION GUIDE

### Evaluation Guide

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.

	High	Medium	Low
Q 1A	More than 5 CPA/PoAs registered	2-5 CPA/PoAs registered	0-1 CPA/PoAs registered
Q 1B	More than 1 CPA/PoA registered	1 CPA/PoAs registered	0 CPA/PoAs registered
Q 3A	Lower cost or time efforts for registration of PoAs compared to stand-alone CDM activities	No difference cost or time efforts for registration of PoAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of PoAs compared to stand-alone CDM activities
Q 3B	Lower cost or time efforts for registration of CPAs compared to stand-alone CDM activities	No difference in cost or time efforts for registration of CPAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of CPAs compared to stand-alone CDM activities
Q 4	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities	Higher rate of design and registration of CPAs compared to stand-alone CDM activities
Q 5	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
Q 9	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
Q 10A	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## ANNEX III: INTERVIEW MEMOS

## INTERVIEW WITH THE WEST AFRICAN ALLIANCE FOCAL POINT – BURKINA FASO

Date: 13.09.2022

Time: 16h00 CET

Alain Nebnoma Combassere

Inspecteur de l'Environnement

Designated National Authority – Burkina Faso

Ministère de l'Environnement, de l'Economie Verte et du Changement Climatique

### DISCUSSION MEMO

*The answers to the questions below have been translated from French*

**Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?**

Burkina Faso (BF) has implemented PoAs in the CDM and in the VCM.

- The most relevant programme and the largest one is the Programme National Biodigesteur (PNB-BF) that covers the entirety of the country. Additionally, other programmes of activities developed in Burkina Faso such as the distribution of improved cookstoves and low-energy lighting/lamps.
- The determining factors were, among others, capacitating relevant stakeholders and the strong engagement of the state, through the CDM-DNA to accompany project developers/promoters.

**Evaluation Q1A: High**

**Question 1B: Have there been any new PoAs approved in the last 24 months?**

In the last three months, two PoAs were validated.

**Evaluation Q1B: Yes**

**Question 2: Which of the following considerations strongly underpins the implementation of PoAs in your country?**

- (1) Simplified standards and procedures for registration, verification, certification and issuance of CERs
- (2) Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)
- (3) Ability to apply multiple technologies and measures in a PoA
- (4) Other?

What Burkina Faso considers crucial is:

- Enhancing the simplification of norms and procedures of registration, verification, certification and delivery of CERs is necessary.

**Evaluation Q2:**

1. Ability to apply multiple technologies and measures in a PoA
2. Flexibility in implementing mitigation activities

**Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e. PoA-DD and CPa-DDs), have PoAs managed to lower transaction cost and time savings?**

The benefits go beyond cost and time savings. In Burkina Faso PoAs were able to directly affect in a positive manner actors that are very vulnerable to climate change. Therefore, Burkina Faso further encourages PoA approaches.

**Evaluation Q3A: High**

Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?

See answer above on Q3A.

**Evaluation Q3B: High**

Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?

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**Evaluation Q4: N/A**

Question 5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?

In the revised NDCs of Burkina Faso, the fact that the control of procedures in relation to Article 6 was not very clear and well understood by all actors, the country adopted a cautious legal approach. For example, the country's increased ambition has not yet taken CDM projects into account.

**Evaluation Q5: Medium**

Question 6: To which extent has the performance of PoAs been affected in your country by any of these factors:

1. Policy and regulatory aspects in PoA relevant sectors
2. Developments in the international carbon (CER) markets
3. Technical and implementation capacity of PPs
4. Access to financing
5. Institutional capacity of DNAs and sector ministries/agencies
6. Others?

The security situation of Burkina Faso has negatively impacted the implementation of PoAs. Regarding the technical and implementation capacity of PPs, this has positively influenced the implementation of activities on the ground and a wide range of NGOs and associations were mobilized. The institutional capacity of DNAs and sector ministries/agencies were negatively impacted by lack of financing, which in turn impacted the deployment of PoAs in the country.

**Evaluation Q6:**

- Technical and implementation capacity of PPs
- Access to financing
- Institutional capacity of DNAs and sector ministries/agencies

Question 7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided? Which PoA elements should be retained, and what needs to be improved?

In the context of Burkina Faso, where more than 80% of the population lives in rural areas, PoAs that have a strong social impact associated to them will be supported by the local population. This impact should be included in the conceptualization of PoAs.

**Question 8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?**

**Evaluation Q8: N/A**

**Question 9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?**

It is the strengthening of the institutional and regulatory framework to protect the interests of the different stakeholders and to consider the needs of both the private and public sectors.

**Evaluation Q9: High**

**Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?**

Formally, the needs have not been identified yet.

**Evaluation Q10A: Medium**

**Evaluation Q10B (on NDCs): N/A**

**Question 11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant? What do you think about moving forward with PoA approach in Article 6 activities?**

PoA approaches are very advantageous for Burkina Faso and West African countries which have limited capacities for the formulation and implementation of large projects to benefit from Article 6 mechanisms. Therefore, a PoA approach would be advantageous because the different actors would pool their strengths together.

### EVALUATION GUIDE

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.

	High	Medium	Low
Q1A	More than 5 CPA/PoAs registered	2-5 CPA/PoAs registered	0-1 CPA/PoAs registered
Q1B	More than 1 CPA/PoA registered	1 CPA/PoAs registered	0 CPA/PoAs registered
Q3A	Lower cost or time efforts for registration of PoAs compared to stand-alone CDM activities	No difference cost or time efforts for registration of PoAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of PoAs compared to stand-alone CDM activities

Q3B	Lower cost or time efforts for registration of CPAs compared to stand-alone CDM activities	No difference in cost or time efforts for registration of CPAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of CPAs compared to stand-alone CDM activities
Q4	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities	Higher rate of design and registration of CPAs compared to stand-alone CDM activities
Q5	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
Q9	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
Q10A	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities



## INTERVIEW WITH THE CLIMATE CHANGE FOCAL POINT OF BURUNDI

Date: 30.09.2022

Time: 10h00 CAT

Mr. Astere Nindamutsa  
Advisor

Geographic Institute of Burundi (IGEBU)

### DISCUSSION MEMO

*The answers to the questions below have been translated from French*

**Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?**

CDM PoAs have generally been successfully implemented in Burundi. There are two registered CDM PoAs and one project under validation.

A Designated National Entity (DNA) has been appointed in Burundi to facilitate the process of registering activities and to derive benefits from the CDM. At this point, some projects still remain in the CDM pipeline and are still in the process of looking for partners.

**Evaluation Q1A: Medium**

**Q1B: Have there been any new PoAs approved in the last 24 months?**

No new PoAs have been approved in the last 24 months in Burundi.

However, in April 2022, a project promoter allegedly received approval for an 'electric mobility project, but funding is still lacking for implementation. This is often considered the case in Burundi. The project proponent is currently undertaking the submission of the necessary documentation for developing the project.

**Evaluation Q1B: Low**

**Q2: Which of the following considerations strongly underpins the implementation of PoAs in your country?**

The determining factor for the implementation of PoAs in Burundi is the simplified standards and procedures for registration, verification, certification and issuance of CERs. The following comments were received:

- Programmatic activities under the CDM are coordinated programs of action requiring an important list of criteria to be fulfilled in order to certify and validate emission reductions units.
- In Burundi, the procedure is considered more complex when it comes to PoAs.

**Evaluation Q2:**

- **Simplified standards and procedures for registration, verification, certification and issuance of CERs**

**Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e. PoA-DD and CPa-DDs), have PoAs managed to lower transaction cost and time savings?**

Registering CDM POAs and CPA-DDs may be more time and cost intensive than developing a standalone project. From the experiences gained in Burundi, the approbation procedure is complex and very demanding which increases the transaction costs and creates some barriers for investments.

**Evaluation Q3A: Low**

**Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand-alone projects?**

In turn, the rates associated to the time and efforts for adding CPAs to registered PoAs were not facilitated overtime.

**Evaluation Q3B: Low**

**Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?**

Designing and registering CPAs to already, existing PoAs remained cumbersome and the process has not been fast tracked in Burundi. This is largely due to the limited institutional capacity and the lack of financial resources. The procedure to register activities remained a main barrier especially because the staff and designated members, such as DNAs, have not all benefited from the appropriate training. Overall, it was noted that CDM funding was hardly accessible, exigencies were high, research was lacking, while expertise and knowledge were also relatively scarce in Burundi.

**Evaluation Q4: Low**

**Q5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?**

For the most part, the revised CDM measures did not facilitate the undertaking of PoAs that would help raise climate ambition in Burundi. Some projects could not prove their additionality and/or fulfill other necessary requirements and were stopped early on. The difficulty of obtaining approval was an impediment for various stakeholders, which has limited the development of these types of projects.

Only the few CPAs that could fulfill all the norms, criteria and requirements have contributed to raise mitigation and climate ambition in this country.

**Evaluation Q5: Low**

**Q6: To which extent has the performance of PoAs been affected in your country by any of these factors:**

Financial and institutional barriers have hindered the performance of PoAs in Burundi. Some project proponents managed to receive sufficient funding, but for most parties, access to finance remained problematic. Burundi's Designated National Authority (DNA) have benefited from a CDM program delivered from 2010 until 2013. This initiative helped to create, identify, and establish projects with the CDM. However, the capacity needed for implementation is still considered insufficient along with the

technical capacity along with the capacity for implementation. The limited number of knowledgeable and trained staff who can assist with registering and implementing project activities is noted as an impediment.

A contributing factor, which supported the performance of PoAs in Burundi, is the growing awareness of the climate change problematic, which pushed actors from various domains and sectors to adopt new plans, seek to implement new mitigation projects and/or to introduce new policies and regulations.

**Evaluation Q6:**

- **Policy and regulatory aspects in PoA relevant sectors**
- Geo-political factors
- **Technical and implementation capacity of PPs**
- **Access to financing**
- **Institutional capacity of DNAs and sector ministries/agencies**
- Other

**Q7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided?**

Placing a strong emphasis on projects and activities which can help overcome the financial barriers and lower transaction costs should become a priority for the implementation of A6. Small scale and dispersed PoAs which face high transaction costs and provide relatively low levels of emission reductions should be avoided going forward. Moreover, initiating PoAs which realise scale economy savings and are able to include all concerned parties and vested stakeholders is something that should be further encouraged.

To support a quick start of A6 in Burundi, PoAs should include new sectors which were not previously, and are still, not currently and most commonly, touched upon (for Burundi, this would notably be about renewable energy, photovoltaics, biogas, etc). Access to financing is still largely lacking for developing new kinds of projects, even though ideas, propositions and offers for projects are not what is considered to be missing in the country.

**Q8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?**

Only advantages are foreseen with this transition; It is expected that the CDM can continue to play its role in the context of A6 in Burundi. To successfully do so, it was noted that the process for the transaction and sale of units need to be relatively straightforward so as to help Parties reduce their emissions further. Moreover, it is anticipated that, as long as there are sufficient financial incentives, project developers will continue to develop new projects units and reap the benefits of these types of investments by selling emission reductions.

**Evaluation Q8: High**

**Q9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?**

Private and public sector collaboration is further encouraged to create synergies between both domains. Working together in order to bring the CDM up to date is something that should therefore be promoted and facilitated.

**Evaluation Q9: High**

**Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?**

Burundi is not sure yet how PoAs will contribute to the activities in the country. Responsible authorities are awaiting the ongoing negotiations to adjust their strategies in line with the UNFCCC decisions. The guidance and the agreed procedures will seek to get appropriated to their national context.

**Evaluation Q10A: Medium**

**Q10B: Have the relationship with the NDC and related institutional capacity requirements already been identified?**

The secretarial convention to the UNFCCC provides for a reinforcement of capacity to support the transition of CDM activities in line with A6. Burundi will take this opportunity to establish its institutional capacity requirements to support its NDC.

**Evaluation Q10B: Yes**

**Q11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant?**

Occupying the function of DNA for Burundi, the CFP encourages all Parties of the UNFCCC and negotiators to align and agree on an appropriate set of decisions to adapt the CDM and make the transition to A6. A global outlook is suggested to ensure that the changover with A6 of the PA leads to the successful conversion and transistion of CDM activities.

## EVALUATION GUIDE INTERVIEW WITH THE CLIMATE CHANGE FOCAL POINT OF CAMBODIA

Date: 27.09.2022

Time: 10h00 CET

Mr. Mao Hak  
Mr Sophal Leang  
Climate Change Focal Point

Department of Climate Change  
The National Council for Sustainable Development, Cambodia

### DISCUSSION MEMO

**Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?**

Name of PoA	Country	Date of Approval	Date of Registration	Who is acting as CME?
(1) Household Energy Appliance Program	Cambodia / Myanmar / Timor Leste			Differ Cookstoves AS
(2) Waste to Energy using Biomass Gasification in South East Asia	Cambodia /	2013		Nexus Carbon for Development Ltd
(3) Sustainable Climate Transformation by e-Mobility in Cambodia	Cambodia	April 2021		Verywords Co., Ltd.
(4) Improved Cookstoves Program	Cambodia	2018		?

PoAs are approved based on a list of criteria (e.g. contribution to SDGs and national strategies and policies) defined by the National Council for Sustainable Development. PoA proposals need to reach a certain score for getting approval. There is currently no data base/registry existing, which stores information on PoAs (e.g. date of approval, date of registration, number of CERs issued, etc.)

**Evaluation Q1A: Medium**

**Question 1B: Have there been any new PoAs approved in the last 24 months?**

Yes, the e-Mobility PoA has just recently been approved by the Focal Point.

**Evaluation Q1B: Medium**

**Q2: Which of the following considerations strongly underpins the implementation of PoAs in your country?**

PoAs are positive from the Cambodian perspective in terms of:

- implementation of mitigation activities is more simple compared to a standalone CDM project;
- more emission reductions are generated (compared to rather small individual CDM projects);
- the ability to apply multiple technologies;

- an easier estimation (verification) of emission reductions produced by the project.

**Evaluation Q2:**

3. Simplified standards and procedures for registration, verification, certification and issuance of CERs
4. Ability to apply multiple technologies and measures in a PoA
5. Other
6. Other

**Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e. PoA-DD and CPa-DDs) , have PoAs managed to lower transaction cost and time savings?**

- PoAs actually lead to lower transaction costs.
- Verification is achieved in shorter time.
- In addition, they are easier to manage.

For the Focal Point it is easier to manage a PoA compared to a CDM stand-alone project. This is perceived as the biggest advantage of PoAs together with the opportunity to flexibly register new (technology and regional aspect!) CPAs in the country. It is felt that there are some lower transaction cost and time savings compared to single CDM projects, but the aspect of easier management is most important.

**Evaluation Q3A: High**

**Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?**

**Evaluation Q3B: High**

**Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?**

Following the approval of a PoA, it is difficult for the Cambodian Focal Point to follow up on the registration of new CPAs, as the CME is not obliged to ask for permission of the Focal Point for establishing a new CPA under the PoA.

**Evaluation Q4: N.A.**

**Question 5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?**

The Cambodian Focal Point in principle regards the changes as positive for the development and implementation of PoAs. However, in case of larger PoAs (more than 5,000 tCO<sub>2</sub>e per year) now EIAs need to be done, which require additional work and approval processes.

The PoA methodology changes did not lead to increased mitigation ambition of Cambodia by now.

**Evaluation Q5: medium**

**Question 6: To which extent has the performance of PoAs been affected in your country by any of these factors:**

1. Policy and regulatory aspects in PoA relevant sectors
2. Developments in the international carbon (CER) markets
3. Technical and implementation capacity of PPs
4. Access to financing
5. Institutional capacity of DNAs and sector ministries/agencies
6. Others?

ad 1) Policy and regulatory aspects in relevant PoA sectors were NOT affecting the performance of PoAs (please check whether I understood this correctly!); Yes, correctly

ad 2) The development of the international carbon market has negatively affected the development and performance of PoAs, because of the limited demand for carbon credits in the markets (which goes along with lower price offers per unit);

ad 3) The technical and implementation capacity of PPs was NOT affecting the performance of PoAs;

ad 4) Access to financing is the role and responsibility of the PP; Based on experience so far, when getting the approval from the Chair of DNA, the project proponent will register its company at EB of the CDM DNA in Bonn, Germany to be feasible to find the partner to jointly implement and carbon trade.

ad 5) Institutional capacity of DNAs and sector ministries/agencies is a critical factor. There is not enough capacity available. This leads to a situation where all PoA-related processes (e.g. approval) take too much time to explain the chair of DNA and other board members to understand and approve.

#### Evaluation Q6:

- **Technical and implementation capacity of PPs**
- **Access to financing**
- **Institutional capacity of DNAs**

**Question 7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided? Which PoA elements should be retained, and what needs to be improved?**

There is no idea yet, how Art.6.2 and 6.4 mitigation projects/programs will be implemented in Cambodia. The respective authorities are still in a situation, where capacity building is required (which is provided to some extent by GGGI). Therefore, it is difficult to answer this question now.

The government of Cambodia is in the process of adopting a new decree on Art. 6 shortly, so the situation will become clearer at policy and technical level.

**Question 8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?**

- Cannot be answered at this point in time. Piloting for transitioning PoAs to Art.6 would be required to gain practical experience.
- Cambodia would be interested in testing such a transition in case technical/financial support could be provided.
- More capacity building is required.

#### Advantages:

(1) CERs may be used for the first NDC, if the CDM project activity or PoA was registered on or after 1 January 2013;

(2) CERs from CDM are not subject to corresponding adjustments (CA) and Share of Proceeds for Adaptation (SOPA). In contrast, all authorized Art. 6.2 and Art 6.4 emission reductions (ERs) are subject to CA, no matter whether the projects are inside or outside of your country's NDC. Additionally, Art. 6.4 ERs are subject to 5% SOPA and 2% OMGE.

(3) The PoA may continue to apply its current approved CDM methodology until the earlier of the end of its current crediting period or 31 December 2025. After the end of 2025, it shall apply an Article 6.4 methodology.

**Disadvantages:**

(1) The CERs shall be identified as pre-2021 emission reductions. If Cambodia uses CERs for the first NDC in an excessive amount, it may cause the concern that Cambodia lacks its NDC ambition. Also, CDM has faced criticisms on additionality, the quality of CERs is deemed to be lower than Art. 6 credits.

**Evaluation Q8: High**

**Question 9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?**

- First, there must be an Art.6 Framework in place and regulations must be strengthened before discussions between private and public sector can start;
- For the time being no discussions around Corresponding Adjustments have commenced.
- More capacity building is required to manage ITMO transfers.
- Still not clear to Cambodia authorities how the transition from the CDM to Art.6 will work out.

Cambodia considers the procedure of transitioning registered CDM project activities and PoAs as follows:

- The request for transition is made by the project participants to the secretariat and the CDM host Party by 31 December 2023;
- The approval of such transition by the CDM host Party is provided to the Supervisory Body by 31 December 2025;
- The activity complies with the Article 6.4 RMP and relevant requirements adopted by the Supervisory Body and further relevant decisions of the CMA;
- The activity may continue to apply its current approved CDM methodology until the earlier of the end of its current crediting period or 31 December 2025, after which it shall apply an Article 6.4 methodology;
- Small-scale CDM project activities/PoAs undergo an expedited transition process.

The procedure of transitioning CERs are as follows:

- The CDM project activity or PoA was registered on or after 1 January 2013;
- The CERs shall be transferred to and held in the Article 6.4 Mechanism registry and be identified as pre-2021 emission reductions;
- The CERs may be used towards achievement of the first NDC only;
- The CDM host Party shall not be required to apply a CA in respect of the CERs and not be subject to SOPA;
- Temporary CERs and ICERs from afforestation and reforestation activities shall not be used towards NDCs.

It's true that host Parties will have much wider roles under Article 6.4 compared to the CDM. Yet, it gives host Parties more control over how mitigation outcomes can be used. It also incentivises host Parties to use mitigation outcomes from low abatement costs towards its own NDC and transfer credits from projects in hard-to-abate sectors (and attract international finance into these sectors).

**Evaluation Q9: High**

**Question 10: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities? Have the relationship with the NDC and related institutional capacity requirements already been identified?**

There are no plans and no ideas yet.

**Evaluation Q10A: Low**

**Evaluation Q10B: No**

**Question 11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked**



about that you want to emphasize as particularly relevant? What do you think about moving forward with PoA approach in Article 6 activities?

n/a

### EVALUATION GUIDE

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.

	High	Medium	Low
Q1A	More than 5 CPA/PoAs registered	2-5 CPA/PoAs registered	0-1 CPA/PoAs registered
Q1B	More than 1 CPA/PoA registered	1 CPA/PoAs registered	0 CPA/PoAs registered
Q3A	Lower cost or time efforts for registration of PoAs compared to stand-alone CDM activities	No difference cost or time efforts for registration of PoAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of PoAs compared to stand-alone CDM activities
Q3B	Lower cost or time efforts for registration of CPAs compared to stand-alone CDM activities	No difference in cost or time efforts for registration of CPAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of CPAs compared to stand-alone CDM activities
Q4	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities	Higher rate of design and registration of CPAs compared to stand-alone CDM activities
Q5	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
Q9	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
Q10A	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.

	High	Medium	Low
Q1A	More than 5 CPA/PoAs registered	2-5 CPA/PoAs registered	0-1 CPA/PoAs registered

<b>Q1B</b>	More than 1 CPA/PoA registered	1 CPA/PoAs registered	0 CPA/PoAs registered
<b>Q3A</b>	Lower cost or time efforts for registration of PoAs compared to stand-alone CDM activities	No difference cost or time efforts for registration of PoAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of PoAs compared to stand-alone CDM activities
<b>Q3B</b>	Lower cost or time efforts for registration of CPAs compared to stand-alone CDM activities	No difference in cost or time efforts for registration of CPAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of CPAs compared to stand-alone CDM activities
<b>Q4</b>	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	No difference in rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities
<b>Q5</b>	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
<b>Q8</b>	There are more advantages than disadvantages	There are the same amount of advantages as disadvantages	There are more disadvantages than advantages
<b>Q9</b>	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
<b>Q10A</b>	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## INTERVIEW WITH THE CLIMATE CHANGE FOCAL POINT OF: CHILE

Date: October, 12nd  
Time: 8:30 (GMT -5)  
Cristina Figueroa Vargas  
Professional Climate Negotiation Specialist  
Climate Change Division  
Ministry of Environment

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### Discussion Memo

Information translated from Spanish.

**Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?**

Program to reduce emission in the Chilean waste sector y Chile “Firm and Flexible” Renewable Energy Virtual Pilot.

Chile sought to support this type of initiative in order to support and help small projects, and those facing relevant restrictions in the country.

**Evaluation Q1A: Medium**

**Q1B: Have there been any new PoAs approved in the last 24 months?**

In Chile there are currently at least 24 CPAs under request, however, the country is in the process of defining the acceptance of these types of projects due to changes in its NDC.

**Evaluation Q1B: Low**

**Q2: Which of the following considerations strongly underpins the implementation of PoAs in your country?**

**Evaluation Q2: Simplified standards and procedures for registration, verification, certification and issuance of CERs and Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)**

**Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e. PoA-DD and CPa-DDs) , have PoAs managed to lower transaction cost and time savings?**

There has been a change of government and the person currently in charge does not have this information.

She also remarked that throughout the change of governments these projects are not followed up and therefore the exact values are not known.

**Evaluation Q3A: Information not available**

**Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?**

There has been a change of government and the person currently in charge does not have this information. In the past months, requests for new activities have been received, but none have been approved, she did not establish why, whether it was due to administrative constraints or the follow-up of applications.

**Evaluation Q3B: Information not available**

Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?

For Chile it is complex to understand mitigation directly related to the PoA, as it is considered to streamline processes for small projects, which does not drive its mitigation policies to a larger extent.

**Evaluation Q4:** High - Medium – Low

Q5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?

**Evaluation Q5:** High - Medium – Low

Q6: To which extent has the performance of PoAs been affected in your country by any of these factors:

The additionality of the projects could change as the additionality of the projects could change for so many years, such as the solar projects that previously were and no longer are.

She considers it very important that there may be changes in the identification of project additionality, as as climate policies and targets progress, some projects may lose additionality.

**Evaluation Q6: International evolution markets and Policy and regulatory aspects in PoA relevant sectors**

Q7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided?

Chile is in the process of defining the acceptance of this type of projects due to the adaptation of its NDC, and due to budgetary issues there is some uncertainty regarding the continuity of projects.

- Incorporate other activities
- Further requirements or approval processes
- Identify additionality in relation to national objectives

Q8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?

The projects currently accepted are often in line with the NDC on renewable energy and waste, however, these projects would not be meeting some additionality. The challenge encompasses disaggregation and that it may not be possible to continue with the entire PoA.

PoAs match their past NDC, but there is a need to identify additionality for their new climate targets.

**Evaluation Q8:** Low

Q9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?

Chile is in the process of establishing governance and institutionality in the transition to Article 6 due to the high demand from the private sector for clarity, there is an increased need for coordination. The Ministry is leading the conversation on the private sector's doubts regarding the provisions of COP27 and bringing them to the national level. In 2023 the regulation will come into operation with the update of the allowed percentage of compliance obligations through emission reduction projects.

**Evaluation Q9:** High

Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?

Chile is in a complicated situation due to the strengthening of the NDC with greater ambition, the establishment of PoAs integration for Article 6 is still under development as the range of additionality is limited. It is especially sought to facilitate feasible activities.

It is important to take into account the limited crediting period of these activities due to the updating of the NDCs.

Chile has an NDC with a national target which is distributed to sectoral budgets, for next year it is foreseen to have sectoral mitigation plans that will define the measures to achieve the budgets. The current conversation is focused on establishing whether everything additional to this plan will be considered as an alternative or sector for individual projects or PoAs. This sector will be defined in line with the alignment to the NDC and with a period of 5 years.

**Evaluation Q10A: Medium**

Q10B: Have the relationship with the NDC and related institutional capacity requirements already been identified?

PoAs match their past NDC, but there is a need to identify additionality for their new climate targets.

**Evaluation Q10B: No**

Q11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant?

- Identify additionality of PoAs in the countries where they are developed
- Analyse cost efficiency of sectoral programmes

**EVALUATION GUIDE**

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.

	<b>High</b>	<b>Medium</b>	<b>Low</b>
<b>Q1A</b>	More than 5 CPA/PoAs registered	2-5 CPA/PoAs registered	0-1 CPA/PoAs registered
<b>Q1B</b>	More than 1 CPA/PoA registered	1 CPA/PoAs registered	0 CPA/PoAs registered
<b>Q3A</b>	Lower cost or time efforts for registration of PoAs compared to stand-alone CDM activities	No difference cost or time efforts for registration of PoAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of PoAs compared to stand-alone CDM activities
<b>Q3B</b>	Lower cost or time efforts for registration of CPAs compared to stand-alone CDM activities	No difference in cost or time efforts for registration of CPAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of CPAs compared to stand-alone CDM activities
<b>Q4</b>	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities	Higher rate of design and registration of CPAs compared to stand-alone CDM activities

<b>Q5</b>	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
<b>Q9</b>	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
<b>Q10A</b>	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## INTERVIEW WITH THE CLIMATE CHANGE FOCAL POINT OF: COLOMBIA

Date: October, 27th  
Time: 17:30 (GMT -5)  
Adriana Gutierrez  
Consultant  
Climate Change and Risk Management Department

### DISCUSSION MEMO

The information was translated from Spanish. The person designated to respond to the interview has no information on the implementation of the PoAs in the past, but answered questions on Article 6 (second part of the interview).

Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?

**Evaluation Q1A:** High - Medium – Low

Q1B: Have there been any new PoAs approved in the last 24 months?

**Evaluation Q1B:** High - Medium – Low

Q2: Which of the following considerations strongly underpins the implementation of PoAs in your country?

Since the change of government there have been no new projects registered, so the person interviewed does not have the information available to answer this question.

**Evaluation Q2:**

- Simplified standards and procedures for registration, verification, certification and issuance of CERs
- Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)
- Ability to apply multiple technologies and measures in a PoA
- Other?

Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e. PoA-DD and CPa-DDs) , have PoAs managed to lower transaction cost and time savings?

Since the change of government there have been no new projects registered, so the person interviewed does not have the information available to answer this question.

**Evaluation Q3A:** High - Medium – Low

Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?

No new CPAs have been registered, so she is not aware of this information.

**Evaluation Q3B:** High - Medium – Low

Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?

No new CPAs have been registered, so she is not aware of this information.

**Evaluation Q4:** High - Medium – Low

Q5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?

Since the change of government there have been no new projects registered, so the person interviewed does not have the information available to answer this question.

**Evaluation Q5:** High - Medium – Low

Q6: To which extent has the performance of PoAs been affected in your country by any of these factors:

Since the change of government there have been no new projects registered, so the person interviewed does not have the information available to answer this question, but she said that Colombia is influenced by the international climate

**Evaluation Q6:**

- Policy and regulatory aspects in PoA relevant sectors
- Technical and implementation capacity of PPs
- Access to financing
- Institutional capacity of DNAs and sector ministries/agencies
- Other

Q7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided?

Some CDM formulation components are feasible to take into account; the person interviewed considers the PoA structure should not be modified but added. Nevertheless, the new methodology will differ considering Article 6 requirements as baseline transformation, existing technologies and their relation to national legislation to correctly establish the additionality of new projects.

Q8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?

There is no potential advantage or disadvantage, as such projects need to be identified internally first. However, they are evaluating the modifications to be made by the government to address the new Article 6 requirements, which are expected to take into account the increased additionality of projects compared to individual CDM projects.

Likewise, the procedure will be more arduous since register approval and transaction authorization must be executed. So, Colombia will implement institutional adjustments to tackle this accountability. It also could be considered a disadvantage for the government.

**Evaluation Q8:** - Medium –

Q9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?

The private sector must be in continuous communication with the state, and the government must give concrete market signals, so that the private sector knows which projects can or cannot be developed more easily.



Additionally, the private sector should consider the risk of government-level authorization. Due to any reason the regulator decides, projects might be unauthorized, mainly because of additionality.

**Evaluation Q9: High - Medium – Low**

**Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?**

Colombia is reviewing the generation of project cycles and evaluation requirements, in order to establish the criteria for formulation, approval and transaction of new projects Colombia probably will develop guidelines that include specific essentials.

**Evaluation Q10A: High - Medium – Low**

**Q10B: Have the relationship with the NDC and related institutional capacity requirements already been identified?**

They are still in the process of identifying and building the institutional structure for approving and evaluating new projects, especially considering regulation and requirements as well as the regulatory entity with technical knowledge to assess.

**Evaluation Q10B: No – Yes – Information not available**

**Q11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant?**

Identifying and aligning the additionality of projects in relation to the country's climate goals is essential.

Furthermore, check that this additionality is met in the case of multinational projects. Market actors should identify that the projects to be developed will be different in each country in order to comply with additionality depending on the emission reductions of the sectors that each country has established.

PoAs, under Article 6, might be developed as every country and its context demand. Colombia has enough market experience to understand the plan for institutional changes, but it depends on each region's context.

## EVALUATION GUIDE

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.

	<b>High</b>	<b>Medium</b>	<b>Low</b>
<b>Q1A</b>	More than 5 CPA/PoAs registered	2-5 CPA/PoAs registered	0-1 CPA/PoAs registered
<b>Q1B</b>	More than 1 CPA/PoA registered	1 CPA/PoAs registered	0 CPA/PoAs registered
<b>Q3A</b>	Lower cost or time efforts for registration of PoAs compared to stand-alone CDM activities	No difference cost or time efforts for registration of PoAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of PoAs compared to stand-alone CDM activities
<b>Q3B</b>	Lower cost or time efforts for registration of CPAs	No difference in cost or time efforts for registration	Higher cost or time efforts for registration of CPAs

	compared to stand-alone CDM activities	of CPAs compared to stand-alone CDM activities	compared to stand-alone CDM activities
<b>Q4</b>	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities	Higher rate of design and registration of CPAs compared to stand-alone CDM activities
<b>Q5</b>	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
<b>Q9</b>	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
<b>Q10A</b>	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## INTERVIEW WITH THE CLIMATE CHANGE FOCAL POINT OF: DOMINICAN REPUBLIC

Date: October, 27th  
Time: 09:00 (GMT -5)  
Sara Gonzalez  
International Relations Officer  
National Climate Change Council

### DISCUSSION MEMO

The information was translated from Spanish.

Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?

EGE Haina Solar Project, and PoA for the Reduction of emission from non-renewable fuel from cooking at household level

**Evaluation Q1A:** High - Medium – Low

Q1B: Have there been any new PoAs approved in the last 24 months?

No, no requests for new PoAs have been received in the last 24 months.

**Evaluation Q1B:** High - Medium – Low

Q2: Which of the following considerations strongly underpins the implementation of PoAs in your country?

Sectoral perspective that has been given through the NDCs, especially by mitigation. Work has also been done on green taxonomy.

**Evaluation Q2: Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)**

Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e. PoA-DD and CPa-DDs), have PoAs managed to lower transaction cost and time savings?

They have not identified cost differences in the development of PoAs compared to stand-alone CDM projects. However, she expressed that no knowledge is available regarding the reduction of development times.

**Evaluation Q3A:** - Medium –

Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?

Not applicable.

No new CPAs have been registered, so he is not aware of this information.

**Evaluation Q3B:** High - Medium – Low

Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?

Not applicable. No new CPAs have been registered, so she is not aware of this information.

**Evaluation Q4:** High - Medium – Low

Q5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?

Yes, ambition has increased, especially through the voluntary carbon market. There is a lot of demand for knowledge about how international carbon markets work across all sectors, public and private.

**Evaluation Q5: High - Medium – Low**

Q6: To which extent has the performance of PoAs been affected in your country by any of these factors:

No new projects have been developed. However, institutional capacity on the part of transparency and reporting is considered a key area for improvement. Also, international markets evolution.

**Evaluation Q6: Institutional capacity of DNAs and sector ministries/agencies**

Q7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided?

Avoid double counting. Do not leave out additional impacts of (social) emission reductions.

- Double counting
- Consider adaptation co-benefits

Q8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?

They are waiting to see what solutions will be established at the COP.

It has been pointed out that they will first drive emissions reductions to achieve their NDCs and then after they have covered their national needs, they will enter the international market.

**Evaluation Q8: High - Medium – Low**

Q9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?

Ideally, enforcement by a private sector facility for those who are encouraged to do such projects. Raising awareness, inviting the private sector, holding invitations to tender for projects that include the private sector. The idea is that there should be investment in the projects, not just grants. If you inject a lot of capital with no return, it can have a backlash effect on the economy and on monetary policy.

**Evaluation Q9: High - Medium – Low**

Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?

the PoA concept is something they are just identifying the compatibility with their NDC. However, it is important to continue to open up possibilities for project registration, otherwise the private sector will be forced to turn to the voluntary carbon market.

**Evaluation Q10A: High - Medium – Low**

Q10B: Have the relationship with the NDC and related institutional capacity requirements already been identified?

**Evaluation Q10B: No – Yes – Information not available**

Q11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant?

- Engaging the domestic financial sector
- Link investment to risk investment
- Raise public awareness of the projects for their successful development

## EVALUATION GUIDE

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.

	<b>High</b>	<b>Medium</b>	<b>Low</b>
<b>Q1A</b>	More than 5 CPA/PoAs registered	2-5 CPA/PoAs registered	0-1 CPA/PoAs registered
<b>Q1B</b>	More than 1 CPA/PoA registered	1 CPA/PoAs registered	0 CPA/PoAs registered
<b>Q3A</b>	Lower cost or time efforts for registration of PoAs compared to stand-alone CDM activities	No difference cost or time efforts for registration of PoAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of PoAs compared to stand-alone CDM activities
<b>Q3B</b>	Lower cost or time efforts for registration of CPAs compared to stand-alone CDM activities	No difference in cost or time efforts for registration of CPAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of CPAs compared to stand-alone CDM activities
<b>Q4</b>	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities	Higher rate of design and registration of CPAs compared to stand-alone CDM activities
<b>Q5</b>	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
<b>Q9</b>	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
<b>Q10A</b>	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## INTERVIEW WITH THE CLIMATE CHANGE FOCAL POINT OF ESWATINI

Date: 12.10.2022

Time: 09h00 SAST

Ms Khetsiwe Khumalo  
Climate Change Program Coordinator  
Ministry of Tourism and Environmental Affairs  
Eswatini Meteorological Services

### DISCUSSION MEMO

**Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?**

CDM PoAs have not been successfully implemented in Eswatini. There are two registered regional CDM PoAs, which inter alia cover Eswatini, but there was no issuance of CERs. There are now new PoAs developed in the last 25 months.

**Evaluation Q1A: Low**

**Q1B: Have there been any new PoAs approved in the last 24 months?**

The climate change focal point (CFP) maintains a database which specifies which PoA (or project) received a Letter of Approval (LoA) and when. However, there is no procedures in place for projects to report back to the CFP. Sometimes CME come back to the CFP, if they encounter barriers e.g. with national stakeholders.

**Evaluation Q1B: Low**

**Q2: Which of the following considerations strongly underpins the implementation of PoAs in your country?**

As noted, Eswatini does not have an operational PoA; however the following comments were received:

- The simplified procedures are known and are considered to be supportive.
- From the current NDC mitigation measures a policy crediting concept is not yet pursued, however this could be a good approach for Eswatini
- Most important, the PoA concept allows to tackle many small mitigation opportunities, which talks well to the abatement options in Eswatini.
- Moreover CDM POAs are considered as a concept which benefits the people on the ground.

**Evaluation Q2:**

- **Simplified standards and procedures for registration, verification, certification and issuance of CERs**
- **Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)**
- **Other?**

**Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e. PoA-DD and CPa-DDs) , have PoAs managed to lower transaction cost and time savings?**

Registering CDM POAs and CPA-DDs may be more time and cost intensive than developing a standalone project.

**Evaluation Q3A: Low**

**Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?**

In turn adding CPAs is considered to save significant costs and time.

**Evaluation Q3B: High**

**Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?**

Not Applicable.

**Evaluation Q4: N.A.**

**Q5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?**

Simplified procedures are important for Eswatini, this holds true for the use of multiple methodologies but specifically for the simplified additionality proof. These aspects should help Eswatini moving under Article 6. Looking back, Eswatini started late to engage in the carbon markets and was not successful in picking up PoAs. When the country is getting ready, many other countries and programs have moved ahead already. Against this background, simplified procedures, if made available under A6, may help Eswatini to engage.

**Evaluation Q5: High**

**Q6: To which extent has the performance of PoAs been affected in your country by any of these factors:**

Important barriers are access to finance as well as technical and implementation capacity of PPs. The latter is mainly related to the development of technically sound and bankable project documents.

**Evaluation Q6:**

- Technical and implementation capacity of PPs
- Access to financing

**Q7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided?**

A6.4 should be tailored to facilitate small scale abatement potentials (e.g. household energy). It should be avoided that the development of frameworks for developing scattered small-scale abatement potentials is delayed. This framework should come as quickly as possible.

To support a quick start of A6 in Eswatini, the CFP is working on its A6 readiness as a government and A6 capacity and awareness raising in general.

**Q8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?**

The current carbon price was discussed, which may not be sufficient to finance abatement activities under the CDM. It was noted, that transitioning to A6 would allow to have a stable and reliable carbon market with a stable demand offering reasonable prices. A carbon price of at least 10 EUR/ITMO would allow to move develop some abatement opportunities.

**Evaluation Q8: High**

**Q9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?**

The cooperation between the CFP/government and the private sector is expected to grow. Currently the CDM PoAs do not have any requirements to report to government after issuance of the LoA. Under A6 it must be understood, which amount of ITMOs is actually generated, how much is issued.

**Evaluation Q9: High**

**Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?**

Eswatini is engaged in a BMWK funded A6 pilot with aims to promote energy efficient ACs using natural refrigerants.

**Evaluation Q10A: High**

**Q10B: Have the relationship with the NDC and related institutional capacity requirements already been identified?**

The A6 program addresses one specific mitigation target included in the NDC, i.e. the reduction of emissions from energy consumption.

**Evaluation Q10B: Yes**

**Q11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant?**

The CFP noted that Eswatini has CO<sub>2</sub> neutral own generation capacities but imports approx. 80% of its electricity from the CO<sub>2</sub> intensive power grid in South Africa. Under the CDM the country could use a regional grid emission factor, approved as standardized baseline.

A barrier is how the regional emissions can be considered in a renewable energy project in Eswatini. The national NDC and the related GHG inventory are based on a 'production based approach' and hence only consider the emissions occurring in the Kingdom, but neglect the emissions from imports. In the context of A6 and the related 'Corresponding Adjustment' the country would give away emission reductions which actually would occur in South Africa, which poses a structural problem.

It was discussed, that the GHG accounting could consider the specific CO<sub>2</sub> intensity of the regional power system multiplied, which would require changes to the approach for accounting national GHG emissions, but on the other hand would allow to develop Eswatinis renewable energy sources under A6. This option 'requires further thought'.

## EVALUATION GUIDE

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.

	High	Medium	Low
Q1A	More than 5 CPA/PoAs registered	2-5 CPA/PoAs registered	0-1 CPA/PoAs registered



<b>Q1B</b>	More than 1 CPA/PoA registered	1 CPA/PoAs registered	0 CPA/PoAs registered
<b>Q3A</b>	Lower cost or time efforts for registration of PoAs compared to stand-alone CDM activities	No difference cost or time efforts for registration of PoAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of PoAs compared to stand-alone CDM activities
<b>Q3B</b>	Lower cost or time efforts for registration of CPAs compared to stand-alone CDM activities	No difference in cost or time efforts for registration of CPAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of CPAs compared to stand-alone CDM activities
<b>Q4</b>	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities	Higher rate of design and registration of CPAs compared to stand-alone CDM activities
<b>Q5</b>	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
<b>Q9</b>	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
<b>Q10A</b>	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## INTERVIEW WITH THE CLIMATE CHANGE FOCAL POINT OF ETHIOPIA

Date: 29.09.2022

Time: 13h00 CET

Ms Tirhas Mebrahtu Hindeya  
Director, Resource Mobilization, Project Monitoring & Evaluation  
Ministry of Environment, Forest and Climate Change

### DISCUSSION MEMO

**Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?**

Ethiopia has 6 PoAs and 16 CPAs. Most of the CPAs are cookstoves. Certain PoAs have been issued CERs but not all. The Development Bank of Ethiopia are considering of adding two new PoAs, one biogas PoA and one solar photovoltaic PoA.

**Evaluation Q1A: High**

**Q1B: Have there been any new PoAs approved in the last 24 months?**

There have been no new PoAs approved in the last 24 months. One PoA was submitted but was not approved. Some PoA activities in the voluntary carbon market are being considered by Vita but not yet communicated with the DNA.

**Evaluation Q1B: Low**

**Q2: Which of the following considerations strongly underpins the implementation of PoAs in your country?**

The sectoral approach to mitigation policies supports the implementation of PoAs. The national emission are classified by sector in the current NDC which can ease implementation of new PoAs.

**Evaluation Q2:**

- Simplified standards and procedures for registration, verification, certification and issuance of CERs
- **Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)**
- Ability to apply multiple technologies and measures in a PoA
- Other?

**Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e. PoA-DD and CPa-DDs) , have PoAs managed to lower transaction cost and time savings?**

There is a general preference for PoAs over single CDM as they are easily replicable once set up.

**Evaluation Q3A: Medium**

**Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?**

Single CDM projects are long and costly. Adding new CPAs to existing PoAs offer a faster and less costly option.

**Evaluation Q3B: High**

**Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?**

Most projects were registered prior to her joining. From what she gathered from colleagues, it did take longer to register stand-alone CDM activities.

**Evaluation Q4: High**

**Q5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?**

The interviewee did not have much experience with methodologies but her impression from her colleagues' experience is that the newly improved standards did ease the adoption of PoAs.

**Evaluation Q5: High**

**Q6: To which extent has the performance of PoAs been affected in your country by any of these factors:**

All factors listed affected the implementation performance of PoAs. In particular, institutional capacity and access to finance. In addition, support to build capacity at various levels is needed to ensure a successful transition to Art. 6 from CDM.

**Evaluation Q6:**

- **Policy and regulatory aspects in PoA relevant sectors**
- **Geo-political influence**
- **Technical and implementation capacity of PPs**
- **Access to financing**
- **Institutional capacity of DNAs and sector ministries/agencies**
- **Other**

**Q7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided?**

Key lesson to be taken into consideration is the ability of PoAs to potentially include many activities; this is an improvement on single CDM. The PoA approach increases the potential in terms of access to financing from the carbon market. There are certain challenges with registration of new CPAs. More CPAs can be added if CPA registration can be made less complex.

**Q8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?**

If PoAs are transferred to the Art. 6 mechanisms, a key benefit is that the already registered PoAs can be used to register new CPAs. The experience from implementing PoAs should be used. There was a long process to be at this stage now with PoAs. There's likely to be no disadvantages to transitioning PoAs into Art. 6. As Ethiopia is a big country with a large population, there is huge potential for implementing more PoA-type activities.

**Evaluation Q8: High**

**Q9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?**

Only engagement efforts undertaken so far are with the public sector, especially government owned banks (e.g. development banks, supported by world bank). There are currently no active engagement with the private sector.

**Evaluation Q9: Not applicable**

**Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?**

There are no internal discussions yet on Art. 6 transition of PoAs .

**Evaluation Q10A: High**

**Q10B: Have the relationship with the NDC and related institutional capacity requirements already been identified?**

There are some gaps that have been identified . Especially procedure for registration, tracking and reporting to implement Art. 6, Institutional framework have not yet been established, and capacity gaps have been identified.

**Evaluation Q10B: Yes**

**Q11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant?**

Some points that the interviewee wanted to stress are:

- CPAs are faster to register than PoAs
- PoAs have the potential to significantly contribute towards the country's NDCs targets.
- There are PoAs in the VCM that are active in Ethiopia that use CDM methodologies

Recommendations from lesson learned from the implementation of PoAs are:

- There should be more engagement with the DNA during implementation of Art. 6 activities as engagement with DNA was limited during CDM PoA implementation.
- The same institution should govern the VCM and the activities under Article 6.2, 6.4 and 6.8.

## EVALUATION GUIDE

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.

	High	Medium	Low
<b>Q1A</b>	More than 5 CPA/PoAs registered	2-5 CPA/PoAs registered	0-1 CPA/PoAs registered
<b>Q1B</b>	More than 1 CPA/PoA registered	1 CPA/PoAs registered	0 CPA/PoAs registered

<b>Q3A</b>	Lower cost or time efforts for registration of PoAs compared to stand-alone CDM activities	No difference cost or time efforts for registration of PoAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of PoAs compared to stand-alone CDM activities
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<b>Q4</b>	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	No difference in rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities
<b>Q5</b>	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
<b>Q8</b>	There are more advantages than disadvantages	There are the same amount of advantages as disadvantages	There are more disadvantages than advantages
<b>Q9</b>	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
<b>Q10A</b>	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## INTERVIEW WITH THE CLIMATE CHANGE FOCAL POINT OF: GUATEMALA

Date: October, 25th  
Time: 08:00 (GMT -5)  
Antonio Urrutia  
Director of Climate Change  
Ministry of Environment and Natural Resources

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### DISCUSSION MEMO

The information was translated from Spanish.

**Q1A:** Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?

Distribution of ONIL Stoves, Ecoener Small Hydro Programme of Activities, and Hydro Alliance Programme of Activities

**Evaluation Q1A:** High - Medium – Low

**Q1B:** Have there been any new PoAs approved in the last 24 months?

In the last two years no new PoAs have been registered.

**Evaluation Q1B:** High - Medium – Low

**Q2:** Which of the following considerations strongly underpins the implementation of PoAs in your country?

He indicated that the use of the sectoral approach is important for the promotion of this type of projects, as they could include CPAs more easily.

One example he mentions is that in Guatemala, the main source of energy for cooking is firewood. Eco-stove projects regulate the consumption of firewood and its consumption is reduced by 75%

**Evaluation Q2:** Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)

**Q3A:** When comparing regular stand-alone CDM PDDs and PoA (i.e. PoA-DD and CPa-DDs) , have PoAs managed to lower transaction cost and time savings?

He considers that the costs have been equal to those of the CDM, he has not observed any advantage in relation to costs, however, he has no knowledge in relation to the reduction of project development times.

**Evaluation Q3A:** - Medium –

**Q3B:** How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?

Not applicable. No new CPAs have been registered, so he is not aware of this information.

**Evaluation Q3B:** High - Medium – Low

Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?

No new CPAs have been registered, so he is not aware of this information. However, Guatemala has great potential in terms of renewable energy; it is possible to make use of solar, hydro, wind and geothermal sources. Therefore, at the COP they will seek dialogue to seek funding for these types of projects.

**Evaluation Q4:** High - Medium – Low

Q5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?

He has not perceived that the implementation of PoAs increases mitigation ambition in Guatemala. He considers that their country contributes only a small amount to global emissions and that they should be the ones to receive funding to establish new projects and be able to trade emission reductions to obtain additional resources to establish adaptation actions.

**Evaluation Q5:** High - **Medium** – Low

Q6: To which extent has the performance of PoAs been affected in your country by any of these factors:

Access to finance for new projects is a relevant point for the development of new projects, however, he emphasised that the creation of technical capacities is indispensable to give continuity to the projects.

**Evaluation Q6:** Access to financing and, Institutional capacity of DNAs and sector ministries/agencies

Q7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided?

Hydroelectric dams have been very controversial due to corruption, displacement of communities, disasters. Communities have developed small hydroelectric plants to supply small communities. The problem is that energy regulation in Guatemala is very complex. There is a lack of legal framework.

- Increase local capacities
- Get local authorities involved
- Adapt projects to national and subnational contexts

Q8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?

Individual CDM projects will be transitioned to new activities so that they are not left behind. However, they are awaiting new resolutions at the next COP.

**Evaluation Q8:** High - **Medium** – Low

Q9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?

Considers that a greater involvement of the private sector is important, mainly for the financing of new projects.

**Evaluation Q9: High - Medium – Low**

Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?

They hope to increase the development of projects at national level, mostly in cookstoves.

**Evaluation Q10A: High - Medium – Low**

Q10B: Have the relationship with the NDC and related institutional capacity requirements already been identified?

**Evaluation Q10B: No – Yes – Information not available**

Q11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant?

Considers that economic resources - investment and capital - is a limiting factor, as well as social awareness of certain industries such as hydroelectric power, due to historical conflicts.

- More opening and funding from the government for new projects

**EVALUATION GUIDE**

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.

	<b>High</b>	<b>Medium</b>	<b>Low</b>
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<b>Q4</b>	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities	Higher rate of design and registration of CPAs compared to stand-alone CDM activities
<b>Q5</b>	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country



<b>Q9</b>	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
<b>Q10A</b>	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## INTERVIEW WITH THE CLIMATE CHANGE FOCAL POINT OF: HONDURAS

Date: October, 21st  
Time: 12:00 (GMT -5)  
Eduardo Ordoñez  
Ministerial Advisor  
Secretary of Natural Resources and Environment

### DISCUSSION MEMO

The information was translated from Spanish.

**Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?**

*Improved Cookstoves Program in Honduras "Vida Mejor con Ecofogones de Alto Rendimiento", Guacamaya Small Scale Hydropower Programme of Activities, and Masca Small Hydro Programme*

**Evaluation Q1A: High - Medium – Low**

**Q1B: Have there been any new PoAs approved in the last 24 months?**

From the environmental office no new projects were registered, but they are not aware if new projects have been registered from the office of the Presidency.

He remarked that sometimes there are initiatives promoted by the executive office that are not communicated to the other secretariats, and therefore considers it is important to establish adequate channels of notification and approval of the projects.

**Evaluation Q1B: High - Medium – Low**

**Q2: Which of the following considerations strongly underpins the implementation of PoAs in your country?**

Simplified but robust procedures that drive the government's sectoral initiatives.

**Evaluation Q2: Simplified standards and procedures for registration, verification, certification and issuance of CERs**

**Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e. PoA-DD and CPa-DDs), have PoAs managed to lower transaction cost and time savings?**

The eco-stove project did allow for cost and procedural reductions compared to CDM projects. However, no information is available for the other two small-scale hydropower projects.

**Evaluation Q3A: High - Medium – Low**

**Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?**

Not applicable.

No new CPAs have been registered, so he is not aware of this information.

**Evaluation Q3B: High - Medium – Low**

Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?

Not applicable.

No new CPAs have been registered, so he is not aware of this information.

Until December 2021, no new projects have been added, but new projects may be planned, especially for the use of cleaner fuels.

**Evaluation Q4:** High - Medium – Low

Q5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?

It was partly a decision-making measure; the eco-stove project was a major element in the previous administration and especially on the political side. It has been noted that this administration has followed up on sectoral projects.

**Evaluation Q5:** High - Medium – Low

Q6: To which extent has the performance of PoAs been affected in your country by any of these factors:

Honduras does not have accredited national entities that can address the climate situation; it is largely dependent on a chain of international organisations, and hopes to strengthen capacities in order to have a wider vision. There is interest in going to the COP to provide a more transparent follow-up on the issue of financing.

Climate finance projects in the country have long waiting periods; current projects have been awaiting follow-up for a year.

**Evaluation Q6: Policy and regulatory aspects in PoA relevant sectors and, Institutional capacity of DNAs and sector ministries/agencies**

Q7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided?

He emphasises that projects should be landed, delegated and operated by local governments through partnerships, as they already have the capacity and knowledge of the local state to properly manage and follow up the projects.

- Get more authorities involved (municipal and national)
- Adapt projects to national contexts
- Build local capacities

Q8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?

The country has a good chance, projects can be easily verifiable by having a robust but accessible MRV system.

Negotiations are currently underway to start specific programmes in this regard.

**Evaluation Q8:** High - Medium – Low

Q9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?

The country expects to develop projects from the public sector, with little private sector involvement.

In relation to the eco-stove project there was more involvement of local entities. The private sector was involved in the production of materials.

Regarding the energy sector, many private companies are visualising the change from fossil fuels to renewable energy. National capacity building for design, manufacturing, design and installation needs to be considered, as well as cost accessibility.

**Evaluation Q9:** High - Medium – Low

Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?

They hope to increase the development of projects at regional level with other countries

In Honduras, the platform for working with the eco-mobility sector is ready, and the intention is to continue. Regional cooperation is in the pipeline.

A period of understanding and adaptation of new officials to the historical context and current knowledge will still be necessary.

**Evaluation Q10A:** High - Medium – Low

Q10B: Have the relationship with the NDC and related institutional capacity requirements already been identified?

**Evaluation Q10B:** No – Yes – Information not available

Q11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant?

- Consider the importance of programmes that have the capacity to adapt to changing government and climate objectives.
- Building capacity/knowledge at national level to provide continuity to projects
- Consider the importance of programmes that have the capacity for adaptation, mainstreaming, funding and flexibility, enhancing their impact in small countries.

## EVALUATION GUIDE

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.

	High	Medium	Low
<b>Q1A</b>	More than 5 CPA/PoAs registered	2-5 CPA/PoAs registered	0-1 CPA/PoAs registered
<b>Q1B</b>	More than 1 CPA/PoA registered	1 CPA/PoAs registered	0 CPA/PoAs registered

<b>Q3A</b>	Lower cost or time efforts for registration of PoAs compared to stand-alone CDM activities	No difference cost or time efforts for registration of PoAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of PoAs compared to stand-alone CDM activities
<b>Q3B</b>	Lower cost or time efforts for registration of CPAs compared to stand-alone CDM activities	No difference in cost or time efforts for registration of CPAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of CPAs compared to stand-alone CDM activities
<b>Q4</b>	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities	Higher rate of design and registration of CPAs compared to stand-alone CDM activities
<b>Q5</b>	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
<b>Q9</b>	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
<b>Q10A</b>	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## INTERVIEW WITH THE CLIMATE CHANGE FOCAL POINT OF JORDAN

Date: 04.10.2022

Time: 10h00 EEST

Mr Belal Shqarin  
Director of Climate Change  
Ministry of Environment

### DISCUSSION MEMO

**Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?**

More than a decade ago, the National Committee of Jordan - including the Ministry of Environment, Energy, Finance, and Cooperation – successfully registered a number of PoA projects. Four main projects have been registered under the CDM and accredited in Jordan. The credentials from one of these projects have been sold within a limit set between of 18 and 20 euros per ton under the supervision of an international company affiliated with the CDM. Currently, Jordan is only renewing the credential of the remaining projects.

**Evaluation Q1A: Low**

**Q1B: Have there been any new PoAs approved in the last 24 months?**

No new PoA projects have been approved in the last 24 months in Jordan.

**Evaluation Q1B: Low**

**Q2: Which of the following considerations strongly underpins the implementation of PoAs in your country?**

All of the factors listed are considered to strongly underpin the implementation of PoAs in Jordan.

**Evaluation Q2:**

- **Simplified standards and procedures for registration, verification, certification and issuance of CERs**
- **Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)**
- **Ability to apply multiple technologies and measures in a PoA**

**Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e. PoA-DD and CPa-DDs) , have PoAs managed to lower transaction cost and time savings?**

Not Applicable.

It was noted that the differentiation does not lie within the approach/mechanism itself, but rather in the price. There exists a difference between the period when the CDM was the most active prior to PA, as developing countries did not have a cap (ceiling) on their emissions. Projects which created reductions in developing countries could be sold more easily. Now, with the PA, avoiding double counting

changes the transaction of emission reductions significantly. There is a concern for achieving countries' climate commitments demanding Parties to carefully consider what is the potential for remaining 'sellable' mitigation projects.

**Evaluation Q3A: Medium**

**Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?**

Not Applicable.

**Evaluation Q3B: Not Applicable**

**Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?**

The registration of large projects tends to be easier. The PoA for housing energy efficiency in Jordan, for instance, could add component activities and enable smaller projects to also contribute to emission reductions.

**Evaluation Q4: Medium**

**Q5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?**

Overall, the revised CDM standards for PoAs did not manage to facilitate raising mitigation ambition in Jordan because of a general lack of capacity in the country. Jordan took steps to adopt national regulations for engaging with carbon markets. However, the establishment of an effective structure for registration, follow up, measurement was still lacking to some extent. This hampered the development of PoAs under CDM activities. More capacity was needed for implementation.

**Evaluation Q5: Medium**

**Q6: To which extent has the performance of PoAs been affected in your country by any of these factors:**

Awareness towards *climate* issues is growing along with the support for adopting national *climate* policies. However, rules and modalities are still lacking in Jordan which is as a main barrier for implementation, along with the lack of access to finance.

**Evaluation Q6:**

- **Policy and regulatory aspects in PoA relevant sectors**
- **Technical and implementation capacity of PPs**
- **Access to financing**

**Q7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided?**

Qualified and knowledgeable staff and experts should assist with registering projects and support with the process of developing mitigation activities. Creating blueprints and modalities for project registration would encourage climate action. Moreover, providing the appropriate incentives needs to be considered, especially when it comes to financial incentives. How the incentives work to push for new

reductions is something that should be taken into consideration for the design and implementation of Article 6.

**Q8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?**

Not Applicable. Jordan does not have clear expectations regarding the transition of PoAs to A6 and cannot comment on its experience with A6 activities as of now.

**Evaluation Q8: Medium**

**Q9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?**

To tackle climate change, the private sector is emphasized as having an important role to play to lead and contribute to emission reductions. However, there should be sufficient benefits, including revenues and scope for profits, for the private sector and investors to further engage in carbon market activities. Jordan has tried to create partnerships between governmental entities and the private sector to facilitate such collaboration.

**Evaluation Q9: Medium**

**Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?**

There is currently no plan for applying a PoA approach in Jordan. At the end of the last year, the country updated its NDC while raising its climate ambition. However, this has not been yet translated into concrete projects or set into a clearly established implementable plans. The adopted Green Growth Plan is aiming at modernizing the economy on the basis that each project must be climate responsive. At this time, it remains to be seen if the PoA approach will be further implemented in the country.

**Evaluation Q10A: Medium**

**Q10B: Have the relationship with the NDC and related institutional capacity requirements already been identified?**

The relationship with the NDC and related institutional capacity requirements has not yet been identified in Jordan. However, there is still an evident lack of capacity building and expertise in some areas. In addition, the need to strengthen Jordan's institutional capacities should command some further attention.

**Evaluation Q10B: Yes**

**Q11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant?**

It was noted that over the last two years, with the pandemic, communication between Parties and stakeholders has not been sufficient and fruitful. Even the online meetings did not facilitate concrete follow-up, collaboration and concrete pledges from developed countries to support climate action plans of developing countries. It was suggested the ties between countries need to be reactivated to further encourage and take advantage of new opportunities.



## EVALUATION GUIDE

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.

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Q1A	More than 5 CPA/PoAs registered	2-5 CPA/PoAs registered	0-1 CPA/PoAs registered
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Q3B	Lower cost or time efforts for registration of CPAs compared to stand-alone CDM activities	No difference in cost or time efforts for registration of CPAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of CPAs compared to stand-alone CDM activities
Q4	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	No difference in rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities
Q5	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
Q8	There are more advantages than disadvantages	There are the same amount of advantages as disadvantages	There are more disadvantages than advantages
Q9	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
Q10A	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## INTERVIEW WITH THE CLIMATE CHANGE FOCAL POINT OF KENYA

Date: 25.10.2022

Time: 14h30 CET

Dr. Anne Omambia  
Climate Change Desk Officer  
National Environment Management Authority

### DISCUSSION MEMO

**Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?**

**Evaluation Q1A: High**

**Q1B: Have there been any new PoAs approved in the last 24 months?**

No new PoAs approved in the last 2 years.

Yes, they have been successfully implemented. Good uptake in cookstoves and other small scale energy projects and few projects in the forestry sector. However, there has been some implementation difficulties with some project specific technologies.

**Evaluation Q1B: Medium**

**Q2: Which of the following considerations strongly underpins the implementation of PoAs in your country?**

All the above. The interviewee highlighted that PoAs present opportunities for small scale projects, such as solar lamps, to spread technology usage.

**Evaluation Q2:**

- Simplified standards and procedures for registration, verification, certification and issuance of CERs
- Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)
- Ability to apply multiple technologies and measures in a PoA
- Other?

**Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e., PoA-DD and CPA-DDs), have PoAs managed to lower transaction cost and time savings?**

Yes. Reduced transaction costs for the project developer due to the standardized baselines and it only required the initial approval from the DNA and EIAs are no longer required for each project.

**Evaluation Q3A: High**

**Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?**

Adding CPAs was quicker since stakeholder engagement was already done at the community level and implementation was achievable due to quick technical approval from NEMA and the county government.

**Evaluation Q3B: High**

**Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?**

Rate of CPA was higher because the requirements were clear and minimum which was made easier by the CDM EB to add new projects with clearer requirements.

**Evaluation Q4: High**

**Q5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?**

PoAs are widespread across sectors, however, future PoAs need to address the financial gaps for the communities to not impoverish the beneficiaries. Other than emission reductions, projects should have more tangible benefits for the users

**Evaluation Q5: Medium**

**Q6: To which extent has the performance of PoAs been affected in your country by any of these factors:**

All have affected performance. Global geo-politics affected the price of carbon thus the affected the performance market.

Building capacities of the DNA was needed which was taken up by the UNFCCC and Regional Collaboration Centres (RCCs) which played a role in the successful implementation of the PoAs. Having a policy legislative institutional framework helped in the implementation

Other factors: The PoA approach was not well understood by DNAs. Developing baselines was a challenge and a lengthy process due to the back and forth with the UNFCCC. Carbon market is not understood by implementors and beneficiaries.

**Evaluation Q6:**

- **Policy and regulatory aspects in PoA relevant sectors**
- **Technical and implementation capacity of PPs**
- **Access to financing**
- **Institutional capacity of DNAs and sector ministries/agencies**
- **Other**

**Q7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided?**

Mistakes to be avoided: The registration process was too technical that they can only be done by consultants who are also not known to the implementors.

CDM takes too long for the registration process. It should be simplified while also taking in considerations for right standardization for MRV.

**Q8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?**

Disadvantage: There are too many uncertainties. Kenya is waiting for the rules and modalities of A6.4 to establish host country procedures and identify the new DNA.

Advantages: The A6 has methodologies that many project developers could use. Other factors have opened up such as having Kenya as a seller and buyer.

**Evaluation Q8: High**

**Q9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?**

Not Applicable

**Evaluation Q9:**

**Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?**

Not Applicable

**Evaluation Q10A:**

**Q10B: Have the relationship with the NDC and related institutional capacity requirements already been identified?**

Not Applicable

**Evaluation Q10B:**

**Q11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant?**

The Article 6 transition guidelines must be attractive enough for project developers to want to transition into A6. The transition process should not be too complicated for newcomers and the transitioners.

### EVALUATION GUIDE

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<b>Q3B</b>	Lower cost or time efforts for registration of CPAs compared to stand-alone CDM activities	No difference in cost or time efforts for registration of CPAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of CPAs compared to stand-alone CDM activities
<b>Q4</b>	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	No difference in rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities

<b>Q5</b>	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
<b>Q8</b>	There are more advantages than disadvantages	There are the same amount of advantages as disadvantages	There are more disadvantages than advantages
<b>Q9</b>	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
<b>Q10A</b>	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## INTERVIEW WITH THE ARTICLE 6 FOCAL POINT OF MALI

Date: 07.09. 2022

Time: 14h05 GMT

Mr. Yéhia ABDOU  
Assistant Point Focal NDC,  
Ministère de l'Economie et des Finances  
Chef de Section Méthodes-Etudes-Recherches

### DISCUSSION MEMO

#### Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?

The Article 6 Focal Point confirmed that Mali has participated in the implementation of a number of PoA activities. Altogether, eleven PoA activities (six shown in the table below and five identified in the UNFCCC CDM-PoA database) have been implemented in Mali.

Code	Project	Type	Status	# of CPAs in Mali	CERs issued from Mali's CPAs
7359	PoA for the Reduction of emission from non-renewable fuel from cooking at household level	EE households	Registered	0	-
9666	Promoting Efficient Stove Dissemination and Use in West Africa	EE households	Registered	0	-
9941	Programme of Activities for Local Improved Cookstoves in West Africa	EE households	Registered	1	17,084
10320	Scaling-Up Solar Photovoltaic Power Generation	Solar	Registered	1	-
10429	Mali Rural Electrification Program	Solar	Registered	3	-
-	International renewable Electrification and Sae Drinking Water Supply Program	EE Service	At Validation	0	-

Source: Article 6 Readiness Scoping Study by West African Alliance on Carbon Markets)

**Evaluation Q1A: High**

#### Question 1B: Have there been any new PoAs approved in the last 24 months?

No PoA have been approved in the last 24 months.

**Evaluation Q1B: Low**

#### Question 2: Which of the following considerations strongly underpins the implementation of PoAs in your country?

- (1) Simplified standards and procedures for registration, verification, certification and issuance of CERs
- (2) Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)
- (3) Ability to apply multiple technologies and measures in a PoA
- (4) Other?

The main motivation for PoA activities in Mali is the standardization of procedures and simplification of implementing project cycle activities. However, the respondent noted that PoA has not really contributed to the advancement of sectoral approach in Mali NDCs.

**Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e. PoA-DD and CPa-DDs) , have PoAs managed to lower transaction cost and time savings?**

In Mali, PoAs have contributed to the lowering of transaction costs and time savings in comparison to regular stand-alone CDM projects.

**Evaluation Q3A: High**

**Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?**

In my view, the time and costs required for adding CPAs to registered PoAs is less in comparison to stand-alone projects

**Evaluation Q3B: High**

**Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?**

PoA approach has contributed to the design and registration of CPAs to already registered PoA in Mali

**Evaluation Q4: High**

**Question 5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?**

The Article 6 Focal Point in Mali mentioned that implementation of PoA activities has somewhat contributed to raising of mitigation ambition in Mali although there are other associated factors.

**Evaluation Q5: Medium**

**Question 6: To which extent has the performance of PoAs been affected in your country by any of these factors:**

1. Policy and regulatory aspects in PoA relevant sectors
2. Developments in the international carbon (CER) markets
3. Technical and implementation capacity of PPs
4. Access to financing
5. Institutional capacity of DNAs and sector ministries/agencies
6. Others?

The Article 6 Focal Point confirmed that the performance of PoA in Mali was affected by most of the factors listed above.

**Evaluation Q6:**

- Insufficient institutional capacities with relevant sector ministries/agencies
- Policy and regulatory aspects in PoA relevant sectors
- Technical and implementation capacity of PPs
- Limited finance

Question 7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided? Which PoA elements should be retained, and what needs to be improved?

The respondent did not provide information on this question.

Question 8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?

The potential advantages which may come into place with the transitioning of PoA to Article 6 activities in Mali include;

1. Facilitating SDGs targets
2. Enhancing institutional readiness for enhanced actions
3. Promoting sectoral approach
4. Enhancing opportunities for job creation

**Evaluation Q8: High**

Question 9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?

The respondent was unable to provide comments to this question.

**Evaluation Q9: Low**

Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?

I am not aware of any such a plan or whether it is being conceived or discussed.

**Evaluation Q10A: Low**

Q10B: Have the relationship with the NDC and related institutional capacity requirements already been identified?

**Evaluation Q10B: No**

Question 11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant? What do you think about moving forward with PoA approach in Article 6 activities?

The Article 6 Focal Point noted that through the development of PoA infrastructure, the implementation of mitigation activities from other carbon programmes have been facilitated.

## EVALUATION GUIDE

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.

	High	Medium	Low
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<b>Q1A</b>	More than 5 CPA/PoAs registered	2-5 CPA/PoAs registered	0-1 CPA/PoAs registered
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<b>Q9</b>	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
<b>Q10A</b>	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## INTERVIEW WITH THE CLIMATE CHANGE FOCAL POINT OF MOROCCO

Date: 06.10.2022

Time: 11h00 CET

Mrs Souad El Asraoui  
Former CDM DNA, Head of CDM Unit,  
Multilateral Cooperation Service,  
International Cooperation Division, until 2015

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### DISCUSSION MEMO

*The answers to the questions below have been translated from French*

**Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?**

Some information provided by interview only valid until 2015.

Morocco has one project in waste management. The process for setting up the waste management PoA was complex. There was a second project on wind farm. The development of the PoA was easier for the wind farm project as the national utility company has a monopoly on electricity production.

Interviewer note: There are a total of 3 PoAs.

**Evaluation Q1A: Medium**

**Q1B: Have there been any new PoAs approved in the last 24 months?**

There are no new projects in the last 2 years. There was a discontinuation of new projects after 2015 as the carbon market was not ideal and it was not attractive to invest in new projects.

**Evaluation Q1B: Low**

**Q2: Which of the following considerations strongly underpins the implementation of PoAs in your country?**

The complexity of the PoA process had an impact. The international visibility was limited then and even now. There are a lot of risk for the project developers (issuance of credits, finding buyers). Currently there is no activity in this field in the country. The impression is that there are no committees or representatives that are active in the CDM carbon market.

**Evaluation Q2:**

- Simplified standards and procedures for registration, verification, certification and issuance of CERs
- Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)
- Ability to apply multiple technologies and measures in a PoA
- Other?
- **Information not available**

**Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e. PoA-DD and CPa-DDs), have PoAs managed to lower transaction cost and time savings?**

One PoA project developed with the support of the world bank. The cost of transaction for this project was high. The program was registered but no additional projects was implemented. Cannot say if the transitional cost as no additional CPAs was registered. Likely that the transactional cost would have been less, but there are no experiences to validate this.

**Evaluation Q3A: Information not available**

**Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?**

No answer as CPAs where not added to existing PoAs.

**Evaluation Q3B: Information not available**

**Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?**

No answer as CPAs where not added to existing PoAs.

**Evaluation Q4: Information not available**

**Q5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?**

There was no awareness raising to promote this mechanisms at the institutional level, therefore the mechanisms did not benefit from market's full potential was not achieved did not benefit the full potential. The promoters were interested and motivated to participate but this is no longer the case.

**Evaluation Q5: Information not available**

**Q6: To which extent has the performance of PoAs been affected in your country by any of these factors:**

The capacity building needs was a key impact, especially the technical know-how for the developers. The entity responsible for territorial collection of waste was the implementer of the waste management PoA and they were unable to convince people to participate in the program.

The project promoters/developers were later no longer interested in carbon market financed projects as they were no longer financially attractive.

**Evaluation Q6:**

- Policy and regulatory aspects in PoA relevant sectors
- Geo-political influence
- **Technical and implementation capacity of PPs**
- **Access to financing**
- **Institutional capacity of DNAs and sector ministries/agencies**
- Other

**Q7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided?**

In Morocco a lot of work has gone into developing a collection of potential projects by analysing project types at various levels, including at the financial level and technical level.

As there were very few issuance of CERs to the registered PoAs so far, the registered PoAs could benefit from the issuance of credits under Article 6.

The projects that are in the pipeline to be registered should be taken into account during the transitioning to Article 6. The PoA projects in the pipeline should be considered when developing the NDCs.

The interviewee is not involved in the ongoing negotiations relating to this topic.

**Q8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?**

The approach with transitioning to Article 6 should be that the collection of projects that have been identified and developed over decades should be given priority. The carbon market sector in the country should be reenergised as potential is still there.

**Evaluation Q8: High**

**Q9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?**

The projects in Morocco were only conducted by public entities.

The private sector have several barriers, such as: lack of awareness of the mechanisms; limited time needed to develop a project; gaps in national framework; and the current international carbon market context. The international carbon context relate to the low prices for carbon credits and the complexity of the process to acquire the carbon credits.

**Evaluation Q9: Information not available**

**Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?**

The colleagues in the respective institutions are working on the NDC but the impression is that considerations for past PoA projects is not being taken.

**Evaluation Q10A: High**

**Q10B: Have the relationship with the NDC and related institutional capacity requirements already been identified?**

No answer as the interviewee is not involved in the ongoing negotiations relating to this topic.

**Evaluation Q10B: Yes**

**Q11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant?**

There appears to be limited activity in the CDM field at the UNFCCC level in terms of engagement with DNAs. The convention should pull together the DNAs to evaluate the Kyoto protocol mechanism situation and other activities related to the regulated carbon market.

## EVALUATION GUIDE

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.

	<b>High</b>	<b>Medium</b>	<b>Low</b>
<b>Q1A</b>	More than 5 CPA/PoAs registered	2-5 CPA/PoAs registered	0-1 CPA/PoAs registered
<b>Q1B</b>	More than 1 CPA/PoA registered	1 CPA/PoAs registered	0 CPA/PoAs registered
<b>Q3A</b>	Lower cost or time efforts for registration of PoAs compared to stand-alone CDM activities	No difference cost or time efforts for registration of PoAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of PoAs compared to stand-alone CDM activities
<b>Q3B</b>	Lower cost or time efforts for registration of CPAs compared to stand-alone CDM activities	No difference in cost or time efforts for registration of CPAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of CPAs compared to stand-alone CDM activities
<b>Q4</b>	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	No difference in rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities
<b>Q5</b>	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
<b>Q8</b>	There are more advantages than disadvantages	There are the same amount of advantages as disadvantages	There are more disadvantages than advantages
<b>Q9</b>	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
<b>Q10A</b>	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## INTERVIEW WITH THE WEST AFRICAN ALLIANCE FOCAL POINT OF NIGERIA

Date: 16.09.2022

Time: 13h00 CET

Asmau Jibril  
West African Alliance Member Country Focal Point for Nigeria  
Chief Scientific Officer  
Federal Ministry of Environment of Nigeria

### DISCUSSION MEMO

**Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?**

Yes, CDM-PoAs have been successfully implemented in Nigeria. The determining factors are quantifying the mitigation of the GHG and the social economic impact of the project.

**Evaluation Q1A: High**

**Question 1B: Have there been any new PoAs approved in the last 24 months?**

Yes, Nigeria has authorized 4 PoAs in the past 24 months.

**Evaluation Q1B: High**

**Question 2: Which of the following considerations strongly underpins the implementation of PoAs in your country?**

- (1) Simplified standards and procedures for registration, verification, certification and issuance of CERs
- (2) Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)
- (3) Ability to apply multiple technologies and measures in a PoA
- (4) Other?

Nigeria considers that the three points mentioned above are relevant for the implementation of PoAs in Nigeria.

**Evaluation Q2:**

7. Simplify standards and procedures for registration, verification, certification and issuance of CERs
8. Support sectoral mitigation targets
9. Ability to apply multiple technologies and measures in a PoA

**Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e. PoA-DD and CPa-DDs) , have PoAs managed to lower transaction cost and time savings?**

In Nigeria, there are none.

**Evaluation Q3A: N/A**

Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?

**Evaluation Q3B: N/A**

Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?

Nigeria mentioned that the rate of design and registration of CPAs to already registered PoAs is easier when compared to stand-alone CDM activities.

**Evaluation Q4: Medium**

Question 5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?

To a very high extent.

**Evaluation Q5: High**

Question 6: To which extent has the performance of PoAs been affected in your country by any of these factors:

1. Policy and regulatory aspects in PoA relevant sectors
2. Developments in the international carbon (CER) markets
3. Technical and implementation capacity of PPs
4. Access to financing
5. Institutional capacity of DNAs and sector ministries/agencies
6. Others?

Most importantly for Nigeria, the financing and the technical implementation capacity affects the projects significantly with some of them not seeing the light of day. Some of the projects are getting registered but then nothing ensues. Nigeria considers all factors important but emphasises the importance of the technical implementation capacity of PPs and access to financing.

**Evaluation Q6:**

- **Technical and implementation capacity of PPs**
- Access to financing

Question 7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided? Which PoA elements should be retained, and what needs to be improved?

- Host country supervision at a regular interval instead of just registering the project, there should be supervision undertaken by the Designated National Authorities (DNAs)
- Each country should have a carbon market framework so that the projects undertaken can align with the carbon framework. Additionally, this framework will increase awareness for developers and investors that would be informed which areas need support and about the potential purchase of carbon credits.
- The process should be further simplified, it was quite difficult with the CDM. Further simplification of the PoA process should be undertaken as it is highly technical.

Question 8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?

- Nigeria sees advantages from transitioning PoAs to Article 6 activities, specifically with regards to benefits to the proponents and the continuity of the projects. The continuity of the projects that would transition to Article 6 is crucial as it would prevent starting the processes from scratch. Additionally.
- Scaling up and aligning with Article 6 rules. It might be that the guiding principles of Article 6 are too complex and technical which could lead to the collapse of PoAs since the project guidelines might not align to that of Article 6.

**Evaluation Q8: High**

**Question 9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?**

In Nigeria, we have conducted a stakeholder mapping where they key stakeholders have been captured and have/will be capacitated on Article 6. This will ensure that all relevant stakeholders will understand their roles.

**Evaluation Q9: N/A**

**Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?**

Yes, the institutional capacity has been identified and is ongoing and is a continuous process. There is need for capacity building and more awareness among the mapped sectors.

**Evaluation Q10A: High**

**Evaluation Q10B (on NDCs): Yes**

**Question 11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant? What do you think about moving forward with PoA approach in Article 6 activities?**

Nigeria would like to apply a PoA approach to Article 6 activities as well as it is developing its Article 6 framework.

### EVALUATION GUIDE

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.

	High	Medium	Low
<b>Q1A</b>	More than 5 CPA/PoAs registered	2-5 CPA/PoAs registered	0-1 CPA/PoAs registered
<b>Q1B</b>	More than 1 CPA/PoA registered	1 CPA/PoAs registered	0 CPA/PoAs registered
<b>Q3A</b>	Lower cost or time efforts for registration of PoAs compared to stand-alone CDM activities	No difference cost or time efforts for registration of PoAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of PoAs compared to stand-alone CDM activities



<b>Q3B</b>	Lower cost or time efforts for registration of CPAs compared to stand-alone CDM activities	No difference in cost or time efforts for registration of CPAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of CPAs compared to stand-alone CDM activities
<b>Q4</b>	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities	Higher rate of design and registration of CPAs compared to stand-alone CDM activities
<b>Q5</b>	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
<b>Q9</b>	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
<b>Q10A</b>	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## INTERVIEW WITH THE CLIMATE CHANGE FOCAL POINT OF PAKISTAN

Date: 27.10.2022

Time: 15h30

Mr Irfan Yousuf and  
Ms Hadika Jamshaid  
National climate change focal point  
Ministry on Climate Change

### DISCUSSION MEMO

**Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?**

CDM PoAs have not been successfully implemented in Pakistan. In principle the country would offer a good potential to develop PoAs. There are four registered PoAs in the country, which have not seen any investment in mitigation activities and they have not issued any CERs. The PoAs are all energy related; one PoA aims to distribute CFLs in the different districts of the country, then there is a PoA on biogas and cow dung complemented by a solar- and a combined wind and solar PoA.

The lack of investment was related to two aspects – the work on the PoAs started at a time, when the carbon price was in the range of 20€/CER. This CER price decreased significantly.

At the same time, the national Policy for Development of Renewable Energy for Power, Generation 2006 (under Section 8.3.3) foresees that project sponsors must share the 50% of the profits from carbon finance with the power purchaser.

The combination of these two aspects, a decrease of the carbon price and sharing of carbon profits with offtakers led to the fact that solar CDM projects (that before would have generated 30-40 kUSD carbon finance per annum) were no longer feasible.

**Evaluation Q1A: Low**

**Question 1B: Have there been any new PoAs approved in the last 24 months?**

No, during the last 24 months, no new PoAs were developed.

**Evaluation Q1B: Low**

**Question 2: Which of the following considerations strongly underpins the implementation of PoAs in your country?**

- (1) Simplified standards and procedures for registration, verification, certification and issuance of CERs
- (2) Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)
- (3) Ability to apply multiple technologies and measures in a PoA
- (4) Other?

The PoA procedure is easy. And perfectly fine. Policies can be targeted and it allows to address a wider scope (e.g. distributed RE generation with different technologies). However, the PoA approach could not be succeeded in Pakistan due to various reasons including (i) ownership of the process, (ii) lack of confidence among the sponsors in leading the process of registration till sale of proceeds, (iii) difference of opinion regarding approach to be followed and approaching potential buyers of the credits, and (iv) financial transactions and financial management. There were considerations of creating wind PoA with one CME and different wind project owners. There were discussions on whether each owner can sell his own CERs.

In the end the different wind projects decided to pursue different roadways. After the success of initial CDM registered wind power projects, the later found it difficult to manifest the additionality.

**Evaluation Q2:**

1. **Simplified standards**
2. **Support sectoral targets**
3. **Ability to apply multiple technologies and measures in a PoA**

Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e. PoA-DD and CPa-DDs) , have PoAs managed to lower transaction cost and time savings?

In general CDM POAs may take a bit longer than CDM projects. However in Pakistan we had a project that took 18 months to register, and then the PP decided to move to Gold Standard, leading to a total lead time of 30 months. CDM PoAs in Pakistan have been registered in less than that.

**Evaluation Q3A: High**

Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?

**Evaluation Q3B: High**

Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?

N.A:

**Evaluation Q4: N.A.**

Question 5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?

The simplified procedures have been relevant and allowed also RE projects to establish additionality on the level of PoA and then register more projects as CPAs, as power sector development moves forward.

**Evaluation Q5: High**

Question 6: To which extent has the performance of PoAs been affected in your country by any of these factors:

1. Policy and regulatory aspects in PoA relevant sectors
2. Developments in the international carbon (CER) markets
3. Technical and implementation capacity of PPs
4. Access to financing
5. Institutional capacity of DNAs and sector ministries/agencies
6. Others?

Policy aspects were relevant, in a negative way, (see above 50% rule for RE Policy). Equally the development of the CER price was very important and the decreasing price led then to not implementing the PoAs that have been registered.

**Evaluation Q6:**

- **Policy and regulatory aspects in PoA relevant sectors**
- **Development of carbon markets**
- Technical and implementation capacity of PPs
- Access to financing

- Institutional capacity of DNAs and sector ministries/agencies
- Other

**Question 7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided? Which PoA elements should be retained, and what needs to be improved?**

Looking ahead, there is a need for a programmatic approach under A6, e.g. to combine i) increased RE electricity generation with ii) regulatory aspects and iii) electric vehicles. Such different concepts could be joined under an A6 PoA. Ultimately such approaches should allow for achieving larger emission reductions.

Moving forward, the mistake to avoid is not to be short thinking. Different agents and sectors have to work together to generate trust and create win / win situations. There is a very nice example to underpin the benefits of working together. ADB was working on a GCF program which aims to address cattle dung issues (having negative environmental impacts) of a cattle herd of 500,000 heads. The concept foresees that instead of disposing the dung, the dung is collected, used for biogas generation, which will fuel the operation of 50 buses in the region.

**Question 8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?**

We hope that the programmatic approaches under A6 allow for addressing cross-cutting issues. To give an example, since 2020 Pakistan implements net metering. As a result of exponential growth of the net metering based systems, the sales growth rates of regional power distributions companies is affecting and it is expected that their planned sales growth i.e. between 4.7% - 5.3% p.a. may go down to 4.7% - 3.5 % p.a. As distributions companies do not meet their sales growth targets (defined for a 5 year period), this results in negative financial consequences according to the national tariff methodology. Moving forward with PoA under A6 would allow to develop integrated concepts, and possibly compensating the distribution companies for their losses due to net metering.

**Evaluation Q8: High**

**Question 9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?**

It is obvious that A6 will lead to higher interaction between project owner and climate change focal point.

**Evaluation Q9: High**

**Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?**

No, not at this stage. However, this approach can be pursued in various sectors.

**Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?**

Yes there are plans for using A6 and programmatic approaches, possibly to be developed under the SPAR6C program, as well as Project Proponents may like to register their own PoAs.

**Evaluation Q10A: High**

**Q10B: Have the relationship with the NDC and related institutional capacity requirements already been identified?**

No, the concepts have not yet been identified and hence the relationship with the NDC is not clear.

**Evaluation Q10A: Low**

Question 11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant? What do you think about moving forward with PoA approach in Article 6 activities?

The PoA framework is currently missing under A6 and operational procedures should be developed. Once this is established, the Ministry on Climate Change should notify stakeholders on the process.

### EVALUATION GUIDE

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Q3A	Lower cost or time efforts for registration of PoAs compared to stand-alone CDM activities	No difference cost or time efforts for registration of PoAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of PoAs compared to stand-alone CDM activities
Q3B	Lower cost or time efforts for registration of CPAs compared to stand-alone CDM activities	No difference in cost or time efforts for registration of CPAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of CPAs compared to stand-alone CDM activities
Q4	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities	Higher rate of design and registration of CPAs compared to stand-alone CDM activities
Q5	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
Q9	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
Q10A	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## INTERVIEW WITH THE CLIMATE CHANGE FOCAL POINT OF SAUDI ARABIA

Date: 06.10.2022

Mr Abdullah N. Al Sarhan

CDM DNA Saudi Arabia

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### DISCUSSION MEMO

**Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?**

Two PoAs have successfully been implemented in Saudi Arabia:

- 1- PoA 9153 : Advanced Energy Solutions for Buildings. Programme of Activities (PoA)
- 2- PoA 9299 : Renewable Energy Programme of Activities in Middle East and North Africa

**Evaluation Q1A: Medium**

**Q1B: Have there been any new PoAs approved in the last 24 months?**

No new PoAs have been approved in the last 24 months in Saudi Arabia.

**Evaluation Q1B: Low**

**Q2: Which of the following considerations strongly underpins the implementation of PoAs in your country?**

For PoA 9153, the ability to apply multiple technologies and measures in a PoA was one of the main reasons which underpinned the implementation of the programmatic approach, as the application of such technologies for buildings resulted in energy savings.

For PoA 9299, the programmatic approach enabled flexible additions of component projects to a PoA over time. It was suggested that in the absence of PoA, the total amount of electricity generation from renewable energy sources would remain very low. This is partly due to the increase in global oil consumption and the largely untapped potential of renewable energy generation in the region. This situation, which is compounded by the high regional emission intensity from energy use, made the importance of supporting mitigation policies through a programmatic approach stand out.

**Evaluation Q2:**

- **Simplified standards and procedures for registration, verification, certification and issuance of CERs**
- **Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)**
- **Ability to apply multiple technologies and measures in a PoA**

**Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e. PoA-DD and CPa-DDs) , have PoAs managed to lower transaction cost and time savings?**

One of the aims of PoAs is to lower transaction cost and time savings, something which has been achieved in Saudi Arabia for the following reasons:

- a) Collective verification can be done utilizing sampling approach

- b) No need for individual PPs to be directly engaged in the CDM process
- c) Simplifies developing/registering/verifying individual projects, shortens timelines and speeds up the approval process

For instance, as part of the PoA 9299 the following two CPAs are listed:

1. 9299-P1-0002-CP1 12.6 MW Solar PV Layla Project
2. 9299-P1-0001-CP1 1 MW Solar Project at Bahrah, Saudi Arabia (CPA Saudi Arabia 1)

**Evaluation Q3A: High**

**Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?**

In turn, adding CPAs is considered to save significant costs and time.

**Evaluation Q3B: High**

**Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?**

PoAs save time when it comes to the design and the registration of CPAs, as they simplify developing/registering/verifying individual projects. This is considered to result in considerable timelines shortening and speeding up of the approval process.

**Evaluation Q4: High**

**Q5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?**

The initial procedures for PoAs were introduced in 2007 in Saudi Arabia. Since then, the procedures have undergone significant improvements. PoAs of the Kingdom were registered in 2014 and 2019 and are considered to have benefited from the revised CDM standards for PoAs.

**Evaluation Q5: High**

**Q6: To which extent has the performance of PoAs been affected in your country by any of these factors:**

Many factors are understood to play a role and influence the performance of PoAs in Saudi Arabia. Capacity building and technology transfer are especially important for developing countries, and it is also the case in the Saudi Arabian context. The Kingdom of Saudi Arabia is situated in a geographical region which is rich in natural resources including hydrocarbons. This has resulted in the regional energy mix being mostly limited to oil and gas. One of the aims of PoA “Renewable Energy Programme of Activities in Middle East and North Africa” is therefore to increase the attractiveness of including renewable energy in the energy mix of the region, including the Kingdom of Saudi Arabia. As noted above, two CPAs for renewable energy projects are listed in the same PoA.

**Evaluation Q6:**

- **Policy and regulatory aspects in PoA relevant sectors**
- **Geo-political influence**
- **Technical and implementation capacity of PPs**

- Access to financing
- Institutional capacity of DNAs and sector ministries/agencies
- Other

**Q7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided?**

Baseline and crediting schemes around the world have been built based on the experiences gained from the CDM. This includes lifecycle process and methodological approaches. Lessons learned include standardization of baselines, avoidance of over-crediting, and additionality requirements. This has been taken into consideration and embodied in the spirit of the A6 and the decisions adopted at COP26 in Glasgow to ensure robust accounting and environmental integrity.

**Q8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?**

The benefits from PoAs in reducing costs, time, uncertainty and investment risk are all considered valid beyond the CDM. The experiences of PoAs will continue to inspire mechanisms aligned with A6, as they can be transitioned in creative ways, while also ensuring alignment with A6 requirements.

**Evaluation Q8: High**

**Q9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?**

Article 6 provides a high-level framework allowing Parties to implement schemes in line with countries' national circumstances. It is considered that only time will tell how countries will use experiences gained from PoAs and to apply them to the fulfillment of A6 requirements. It was also noted that the aim would be to ensure robustness and environmental integrity while saving time and reducing costs as much as possible.

**Evaluation Q9: High**

**Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?**

It was noted that as part of the CDM experiences, PoAs will continue to inspire countries in their application of schemes aligned with Article 6 and the rulebook agreed on at COP26 in Glasgow. Different schemes or programs will have their own ways to ensure an efficient process while at the same time ensuring environmental integrity. The CPA indicated that the main aim of Article 6 is to support the implementation of NDCs so as to allow for higher ambitions.

**Evaluation Q10A: High**

**Q10B: Have the relationship with the NDC and related institutional capacity requirements already been identified?**

Not Applicable.

**Evaluation Q10B: Yes**



**Q11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant?**

It was mentioned that a balance must be struck in the development/transition of activities so as to benefit from the possibility to adopt PoAs while also aligning with Article 6 requirements. PoAs should therefore not be bypassing measures that safeguard environmental integrity and robustness in accounting.

### EVALUATION GUIDE

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.

	<b>High</b>	<b>Medium</b>	<b>Low</b>
<b>Q1A</b>	More than 5 CPA/PoAs registered	2-5 CPA/PoAs registered	0-1 CPA/PoAs registered
<b>Q1B</b>	More than 1 CPA/PoA registered	1 CPA/PoAs registered	0 CPA/PoAs registered
<b>Q3A</b>	Lower cost or time efforts for registration of PoAs compared to stand-alone CDM activities	No difference cost or time efforts for registration of PoAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of PoAs compared to stand-alone CDM activities
<b>Q3B</b>	Lower cost or time efforts for registration of CPAs compared to stand-alone CDM activities	No difference in cost or time efforts for registration of CPAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of CPAs compared to stand-alone CDM activities
<b>Q4</b>	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	No difference in rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities
<b>Q5</b>	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
<b>Q8</b>	There are more advantages than disadvantages	There are the same amount of advantages as disadvantages	There are more disadvantages than advantages
<b>Q9</b>	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
<b>Q10A</b>	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## INTERVIEW WITH THE ARTICLE 6 FOCAL POINT OF SENEGAL

Date: 13. 09.2022

Time: 12h40 CEST

Pape Lamine DIOUF

Assistant Point Focal Division Changement Climatique,  
Ministere de l'Environnement et du Developpement Durable  
Senegal

### DISCUSSION MEMO

**Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?**

Yes PoA has been successfully implemented in Senegal. So far and to the best of my knowledge, more than five PoAs have been implemented. The table below drawn from the Factsheet of the Article 6 readiness scoping study report lists ten PoA activities in Senegal. Altogether, there ten (10 ) registered PoAs .

Code	Project	Type	Status	# of CPAs in Senegal	CERs issued from Senegal's CPAs
5927	Promotion of Energy-Efficient lighting using Compact Fluorescent Light Bulbs in rural areas in Senegal	EE households	Registered	1	-
7359	PoA for the Reduction of emission from non-renewable fuel from cooking at household level	EE households	Registered	0	-
9007	Distribution of Improved Cook Stoves in Sub-Saharan Africa	EE households	Registered	1	-
9136	Landfill gas capture, flaring and utilization program in Africa	Landfill gas	Registered	0	-
9666	Promoting Efficient Stove Dissemination and Use in West Africa	EE households	Registered	8	-
10124	CDM Sustainable Energy Programme	EE households	Registered	2	-
10411	Senegal Rural Electrification Program	Solar	Registered	6	19,992
-	The Haidar El Ali Mangrove Initiative (HEAMI)	Reforestation	At Validation	1	-
10641	The African Cookstoves Initiative PoA	EE households	Registered	1	-
-	International Renewable Electrification and safe Drinking water supply	EE service	At Validation	0	-

**Source:** Article 6 Readiness Scoping Study by West African Alliance on Carbon Markets)

**Evaluation Q1A: High**

**Question 1B: Have there been any new PoAs approved in the last 24 months?**

Only 1 PoA has been approved in the last 24 months.

**Evaluation Q1B: Medium**

**Question 2: Which of the following considerations strongly underpins the implementation of PoAs in your country?**

- (1) Simplified standards and procedures for registration, verification, certification and issuance of CERs
- (2) Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)
- (3) Ability to apply multiple technologies and measures in a PoA
- (4) Other?

PoA is an innovative approach and according to the Alliance Focal Point, he finds that the simplified and standardized procedures has supported the implementation of PoA in Senegal. He also noted that PoA has facilitated the implementation of sectoral approach in Senegal.

- Simplified standards and procedures for registration, verification, certification and issuance of CERs
- Support for sectoral mitigation policies through programmatic approach (flexible)

**Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e. PoA-DD and CPa-DDs) , have PoAs managed to lower transaction cost and time savings?**

The respondent agreed that PoAs have contributed to the lowering of transaction costs and also reduced the amount of time needed for registering project activities in comparison to stand-alone CDM activities.

**Evaluation Q3A: High**

**Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?**

The rate of addition of new CPAs to existing PoA programme activities in Senegal has improved in comparison to stand-alone projects.

**Evaluation Q3B: High**

**Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?**

In Senegal, project developers are being motivated to design and register new activity measures and projects due to the flexibility which PoA offers.

**Evaluation Q4: Medium**

**Question 5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?**

The Article 6 Focal Point in Senegal noted that PoA activities have greatly contributed to ambition raising in Senegal as more and more private sectors are getting involved.

**Evaluation Q5: High**

**Question 6: To which extent has the performance of PoAs been affected in your country by any of these factors:**

1. Policy and regulatory aspects in PoA relevant sectors
2. Developments in the international carbon (CER) markets
3. Technical and implementation capacity of PPs
4. Access to financing
5. Institutional capacity of DNAs and sector ministries/agencies
6. Others?

According to the Article 6 Focal Point in Senegal, some of the listed factors have affected the implementation of PoAs in Senegal

**Evaluation Q6:**

- Policy and regulatory aspects in PoA relevant sectors
- Technical and implementation capacity of PPs
- Access to financing
- Institutional capacity of DNAs and sector ministries/agencies

**Question 7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided? Which PoA elements should be retained, and what needs to be improved?**

In my view, the simplification of procedures for project cycle implementation should be retained. Institutional capacities and better co-ordination between participating public agencies should be enhanced.

**Question 8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?**

In my view, there are a handful of advantages with transitioning of PoA to Article 6 activities. It will improve opportunities for many project developers to participate in the design and implementation of mitigation activities. According to the Article 6 Focal Point in Senegal, it will also ;

- Help strengthen inter-agency collaboration for the implementation of NDC and SDG targets
- Improve competence and capacities for sectoral and cross-border implementation of activities.

**Evaluation Q8: Medium**

**Question 9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?**

If and when PoAs are transitioned to the new market mechanism, there will be increase in coordination and interactions between private sector and responsible public institutions in my opinion.

**Evaluation Q9: High**

**Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?**

I am not aware whether such a plan is being conceived or discussed.

**Evaluation Q10A: Low**

**Q10B: Have the relationship with the NDC and related institutional capacity requirements already been identified?**

**Evaluation Q10B: Yes**

**Question 11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant? What do you think about moving forward with PoA approach in Article 6 activities?**

In the view of the Article 6 Focal Point in Senegal, the implementation of PoA has contributed to the institutionalization of PoA-type procedure, processes and infrastructure. Transitioning or deploying PoA approach to Article 6 will save time, efforts in as well as help standardize the project cycle for Article 6 activities.

## EVALUATION GUIDE

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.

	<b>High</b>	<b>Medium</b>	<b>Low</b>
<b>Q1A</b>	More than 5 CPA/PoAs registered	2-5 CPA/PoAs registered	0-1 CPA/PoAs registered
<b>Q1B</b>	More than 1 CPA/PoA registered	1 CPA/PoAs registered	0 CPA/PoAs registered
<b>Q3A</b>	Lower cost or time efforts for registration of PoAs compared to stand-alone CDM activities	No difference cost or time efforts for registration of PoAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of PoAs compared to stand-alone CDM activities
<b>Q3B</b>	Lower cost or time efforts for registration of CPAs compared to stand-alone CDM activities	No difference in cost or time efforts for registration of CPAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of CPAs compared to stand-alone CDM activities
<b>Q4</b>	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities	Higher rate of design and registration of CPAs compared to stand-alone CDM activities
<b>Q5</b>	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
<b>Q9</b>	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
<b>Q10A</b>	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## INTERVIEW WITH THE WEST AFRICAN ALLIANCE FOCAL POINT – SIERRA LEONE

Date: 07.09.2022

Time: 14h00 CET

Henry David Bayoh  
Head of the Climate Change Unit  
National Tourist Board of Sierra Leone

### DISCUSSION MEMO

**Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?**

- Major challenges in Sierra Leone in terms of the successful implementation of PoAs.
- 1 project is implemented and registered in UNFCCC (ADAX-bioenergy – private sector) – this was the first UN CDM project in Sierra Leone. Done in collaboration with the national government.
- Energy sector is attractive. Another pipeline project for the renewable energy sector (CDM-PoA)
- Capacities and technical challenges with the responsible sectors that handle this mechanism in-country for emission reductions.
- NAMA – policy document developed, requires updating to align policies with the CDM.

**Evaluation Q1A: Low**

**Question 1B: Have there been any new PoAs approved in the last 24 months?**

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**Evaluation Q1B: N/A**

**Question 2: Which of the following considerations strongly underpins the implementation of PoAs in your country?**

- (1) Simplified standards and procedures for registration, verification, certification and issuance of CERs
- (2) Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)
- (3) Ability to apply multiple technologies and measures in a PoA
- (4) Other?

Sierra Leone views (1) and (2) as the key priorities.

- Sierra Leone mentions that priority sectors in the economy exist but effective coordination between them is lacking to implement such projects.
- Sierra Leone includes a wide range of VCM mitigation activities and many of these activities are not well accounted for.

**Evaluation Q2:**

- 10. Simplify standards and procedures for registration, verification, certification and issuance of CERs**
- 11. Support sectoral mitigation targets**
- 12. Other: Implementation of mitigation activities**

Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e. PoA-DD and CPa-DDs) , have PoAs managed to lower transaction cost and time savings?

Yes, it is still time consuming and requires additional fine-tuning to effectively lower costs and save time.

**Evaluation Q3A: Medium**

Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?

**Evaluation Q3B: N/A**

Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?

Sierra Leone views the process as time consuming but still made easier through CPAs.

**Evaluation Q4: Medium**

Question 5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?

**Evaluation Q5: N/A**

Question 6: To which extent has the performance of PoAs been affected in your country by any of these factors:

1. Policy and regulatory aspects in PoA relevant sectors
2. Developments in the international carbon (CER) markets
3. Technical and implementation capacity of PPs
4. Access to financing
5. Institutional capacity of DNAs and sector ministries/agencies
6. Others?

Overall, Sierra Leone is lagging behind and there are a myriad of factors preventing the successful implementation of PoAs in-country.

The most relevant factors are: access to finance, enhancing the institutional capacity of DNAs and sector ministries, specifically ensuring proper coordination, governance and the challenge of the duplication of functions within the government. The nexus between energy and climate is really challenging, especially between the Climate Change and Energy secretariat. There is a clear adoption of silo approaches that requires attention.

Regarding the technical and implementation capacity of PPs, NDCs take into consideration mitigation action but we need to implement that concretely.

**Evaluation Q6:**

- Technical and implementation capacity of PPs
- Access to financing
- Institutional capacity of DNAs and sector ministries/agencies

Question 7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided? Which PoA elements should be retained, and what needs to be improved?

The following lessons can be taken into consideration for the design and implementation of Article 6:

- The reduction in transaction costs, the decreased investment risks
- There is a potential to access carbon finance through PoAs
- There is potential to include technologies with high co-benefits

Under Article 6, the presence of the MRV system ensures enhanced transparency and should be maintained. Now we are faced with the critical Article 6-NDC synergy alignment challenge that we would like to tackle too.

### Question 8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?

Regarding the advantages:

- Ensuring the existence of the broad programme of activities taking into consideration different underlying components.
- There is potential to mobilise adequate financing since there are existing structures in place that Sierra Leone can tap into.
- The broad applicability of PoAs and CPAs and the scaleup nature of the activity

Regarding disadvantages:

- The process will be challenging and the complexity of Article 6 could lead to challenges. Compared to the CDM, the complexity of Article 6 and the new rules and procedures could be a disadvantage.
- Share of Proceeds under Article 6 is also seen as a disadvantage.

**Evaluation Q8: Medium**

### Question 9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?

It's a challenge within both sectors. Under the CDM, it was mainly private sector-led, specifically with regards to energy and forestry projects. There are ways forward for the Public-Private Partnership (PPP) that can address this issue. The public entity is there to create the enabling environment and design and enact policies for the private sector to thrive and should continue working in parallel with the interests of the private sector.

Additionally, the private sector is on the lookout for attractive revenue-generating activities and the PPP can harmonize and align these interests.

**Evaluation Q9: High**

### Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?

Yes, considering the benefits of PoAs (e.g. transaction costs, time savings). Capacity needs in Sierra Leone remain a challenge and have not been fully identified from different institutions.

Institutional capacity is a major challenge and there is a great need for assessing these needs. Capacity building actions and considerations can be subsequently identified. Aligning PoAs with Article 6 includes many benefits.

**Evaluation Q10A: High**

**Evaluation Q10B (on NDCs): Yes**

Question 11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant? What do you think about moving forward with PoA approach in Article 6 activities?



Overarching Article 6 projects with underlying activities can be beneficial. Applying small-scale methodologies can help in Article 6 activities. The projects in Sierra Leone can move into Article 6 too.

### EVALUATION GUIDE

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.

	High	Medium	Low
<b>Q1A</b>	More than 5 CPA/PoAs registered	2-5 CPA/PoAs registered	0-1 CPA/PoAs registered
<b>Q1B</b>	More than 1 CPA/PoA registered	1 CPA/PoAs registered	0 CPA/PoAs registered
<b>Q3A</b>	Lower cost or time efforts for registration of PoAs compared to stand-alone CDM activities	No difference cost or time efforts for registration of PoAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of PoAs compared to stand-alone CDM activities
<b>Q3B</b>	Lower cost or time efforts for registration of CPAs compared to stand-alone CDM activities	No difference in cost or time efforts for registration of CPAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of CPAs compared to stand-alone CDM activities
<b>Q4</b>	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities	Higher rate of design and registration of CPAs compared to stand-alone CDM activities
<b>Q5</b>	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
<b>Q9</b>	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
<b>Q10A</b>	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## INTERVIEW WITH THE CLIMATE CHANGE FOCAL POINT OF SOUTH AFRICA

Due to time constraints, the interview questionnaire was filled out in writing.

Date: 31.10..2022

Time: ---

Mr. Takalani Rambau  
Climate Change Focal Point

Department of Mineral Resources and Energy (DMRE)

### DISCUSSION MEMO

Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?

Name of PoA	Country	Date of Approval	Date of Registration	Who is acting as CME?
(1) South African Solar Water Heater (SWH) Programme	South Africa			Unlimited Energy Resources (Pty) Ltd
(2) Standard Bank Low Pressure Solar water heater Programme for South Africa	South Africa	21 June 2011	24 April 2012	Standard Bank Plc
(3) Microscale solar electrical programme, South Africa	South Africa			Blue World Carbon Capital PCC
(4) New Energies Commercial Solar Water Heating Programme in South Africa	South Africa			Prostart Traders 40 (Pty) Ltd, t/a, NewEnergies (Pty) Ltd
(5) Green Steam Low Pressure Solar Water Heater Programme for South Africa	South Africa			African Carbon Trust
(6) Refrigeration Plant Efficiency Programme of Activities	South Africa			Standard Bank of South Africa Ltd
(7) Landfill Gas Utilisation Programme of South Africa	South Africa			Landfill Carbon(Pty) Ltd
(8) Biomass Energy Generation through Gasification or Direct Combustion in South Africa.	South Africa			Farmsecure Carbon (Pty) Ltd
(9) Vertical Shaft Brick Kiln (VSBK) Programme of Activities for South Africa	South Africa			Cool nrg.

(10) Grid-Connected Wind Power Programme in South Africa	South Africa			EnBW Kraftwerke AG
(11) Capture and combustion of Methane in coal mines	South Africa			Environmental Intermediaries & Trading Group Limited
(12) Installation of energy efficient ventilation fans	South Africa			Nedbank Limited
(13) Compressed Air Energy Efficiency PoA	South Africa			Nedbank Ltd
(14) Heat Retention Cooking in South Africa	South Africa			Natural Balance Pty
(15) City of Cape Town Treatment of Organic Waste Streams	South Africa			The City of Cape Town
(16) Solar Energy and Energy Efficiency in Africa	South Africa			Environmental Intermediaries & Trading Group Limited
(17) Southern African Solar Electrical Energy Programme (SASEE)	South Africa and 7 countries			Ecometrix Solar Ventures
(18) CDM Africa Small Scale Hydro PoA for Southern Africa	South Africa and 13 countries			PoA Africa Hydro (Pty) Ltd
(19) Fuel switch for Thermal Energy Production Programme	South Africa, Zimbabwe			EcoMetrix Africa (Pty) Ltd
(20) Heat Retention Cooking in South Africa	South Africa			J.P.Morgan Ventures Energy Corporation (JPMVEC)
(21) SASSA Low Pressure Solar Water Heater Programme	South Africa	12 November 2010	12 April 2011	Academy of Sub Saharan Africa (Pty) Ltd
(22) South African Grid Connected Wind Farm Programme	South Africa			Blue World Carbon Asset Management (Pty) Ltd.
(23) Energy Efficient Cook stoves in South Africa	South Africa	28 August 2012	12 December 2012	Clean Air Renewable Energy (Pty) Ltd
(24) LED's kick-off	South Africa	22 February 2012	05 December 2012	Lemnis Lighting B.V.

(25) CDM Africa Wind and Solar Programme of Activities for South Africa	South Africa	11 June 2012	21 November 2012	PoA Africa Wind and Solar (Pty) Ltd
(26) Hot Water Heating Programme for South Africa	South Africa	13 June 2012	15 Oct 2012	Low E Solutions (Pty) Ltd
(27) South Africa Renewable Energy Programme (SA-REP)	South Africa	19 September 2012	05 November 2012	Standard Bank Plc
(28) South Africa Wind Energy	South Africa	06 August 2012	14 September 2012	Mabanaft Carbon B.V.
(29) ETA Solar Water Heater Programme in South Africa	South Africa	91 March 2012	25 July 2013	ETA Energy (Pty) Ltd
(30) Standard Bank Low Pressure Solar Water Heater Programme for South Africa	South Africa	09 September 2011	24 April 2012	Standard Bank Plc
(30) Cogeneration and/or tri-generation at commercial sites.	South Africa	31 October 2012	31 Dec 2012	Carbon Protocol of SA
(31) Southern African Solar LED Programme	South Africa; Namibia, Zambia	13 July 2012	31 December 2012	Tough Stuff International Ltd
(32) Renewable Energy Carbon Programme for Africa (RECPA)	South Africa	31 October 2012	28 December 2012	Climate Corporation Emissions
(33) Small Scale Renewable Energy Carbon Programme (SRECP)	South Africa		28 December 2012	Trading GmbH"
(34) Wind and solar PoA in South Africa	South Africa	11 June 2012	26 December 2012	Carbon Africa Ltd.
(35) Small Scale Grid-connected Solar Power Programme	South Africa	16 August 2012	24 December 2012	CDC Climat Asset Management
(36) NuPlanet Small Scale Hydropower PoA	South Africa	19 September 2012	21 December 2012	Camco Carbon Africa Ltd
(37) Sustainability CFL Replacement Programme of Activities in South Africa	South Africa	24 April 2012	19 Dec 2012	NuPlanet Project Development (Pty) Ltd
(38) Solar Energy Programme for South Africa	South Africa	20 September 2012	18 December 2012	Eskom Holdings SOC Limited
(39) Grid Connected Photovoltaic (PV) Renewable Electricity Generating Facilities PoA	South Africa	20 September 2012	18 December 2012	Carbon Protocol of SA
(40) South African Wind Power Projects	South Africa	20 September 2012	18 December 2012	Carbon Protocol of SA
(41) Green Power for South Africa	South Africa	11 June 2012	14 December 2012	Carbon Protocol of SA

(42) Small-scale solar electrical programme, South Africa	South Africa	08 May 2012	26 November 2012	Blue World Carbon Asset Management (Pty) Ltd
(43) City of Cape Town Land-fill Gas Extraction and Utilisation Programme	South Africa	16 October 2012	16 September 2014	City of Cape Town
(44) Biomass residues power generation Programme	South Africa	31 October 2012	03 March 2014	Standard Bank Plc
(45) Anaerobic Digestion and Renewable Energy Generation in South Africa.	South Africa	08 February 2012	22 August 2013	Farmsecure Carbon (Pty) Ltd
(46) Standard Bank Energy Efficient Commercial Lighting Programme of Activities	South Africa; Kenya, Botswana	11 April 2012	05 August 2013	Standard Bank Plc
(47) Southern African Solar Thermal Energy (SASTE) programme	South Africa; Botswana, Lesotho	28 August 2012	15 May 2013	K2011/117952/07 (Pty) Ltd (South Africa) trading as African Sustainability Initiative (ASI)
(48) Southern African Renewable Energy (SARE) Programme	South Africa; Botswana, Lesotho	05 September 2012	25 January 2013	K2011/117952/07 (Pty) Ltd (South Africa) trading as African Sustainability Initiative
(49) South African Large Scale Grid Connected Solar Park Programme	South Africa	31 October 2012	02 January 2013	Blue World Carbon Asset Management (Pty) Ltd.
(50) Residential Hot Water Efficiency Programme in South Africa	South Africa	12 September 2012	31 December 2012	eThekweni Municipality
(51) Southern African Fuel Switch Programme (maybe same as 48)	Botswana, South Africa, Zimbabwe			African Sustainability Initiative (Pty) Ltd

The Government of the Republic of South Africa (SA) through Department of Mineral Resources and Energy (under SA DNA Office) is responsible for host country approval for all Clean Development Mechanism (CDM) Projects, either standalone or Programme of Activities (PoAs).

South Africa has catalysed and strengthened partnerships with existing and potential local, regional and international institutions participating in CDM. Programme of Activities makes it easier and possible for Africa including South Africa to be able to implement CDM projects

**Evaluation Q1A: High**

**Question 1B: Have there been any new PoAs approved in the last 24 months?**

No

**Evaluation Q1B: Low**

**Q2: Which of the following considerations strongly underpins the implementation of PoAs in your country?**

All of the above proposed responses support the implementation of PoAs in South Africa.

Small Scale PoAs are entitled to use the simplified baseline and monitoring methodologies developed for small-scale project activities which time and efforts required to perform this task.

The Grid Emission Factor for the Southern African Power Pool as a standardized baseline has assisted in reducing transaction cost – determining emission baseline, save time, fastrack project registration and implementation of PoAs across Southern Africa.

PoAs has supported sectoral mitigation in South Africa. For example, there are registered PoAs focusing on the renewable energy sector and apply multiple technologies in one PoA. A direct example will be CDM Africa Wind and Solar Programme of Activities for South Africa.

**Evaluation Q2:**

13. Simplified standards and procedures for registration, verification, certification and issuance of CERs
14. Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)
15. Ability to apply multiple technologies and measures in a PoA
16. Other

**Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e. PoA-DD and CPa-DDs) , have PoAs managed to lower transaction cost and time savings?**

PoAs has drastically managed to reduce transaction costs in comparison with stand-alone CDM projects.

Smaller projects which would not be viable as stand-alone projects become viable when grouped together in a PoA and time saving when adding a CPA into a registered PoA as opposed to registering a new stand-alone project.

PoA reduces uncertainty as they are registered for a longer period and reduce the risk as CPA are included into a registered PoA.

Most of the projects in South Africa are small or micro-scale projects thus making them not feasible to be developed or registered as CDM projects. PoAs has made most of these projects viable and has resulted in achieving real emissions reductions in South Africa.

CDM-PoAs also assists developing countries like South Africa in achieving sustainable development goals. Some of the CDM benefits include: job creation; poverty alleviation; reduction of greenhouse gases emissions, improvement of individual health; improvement of air quality, contribution to technology transfer and income generation through the sale of Certified Emission Reductions.

**Evaluation Q3A: High**

**Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?**

**Evaluation Q3B: High**

**Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?**

N/A

**Evaluation Q4: N.A.**

**Question 5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?**

The CDM Standards for PoAs has improve the implementation of PoAs in South Africa.

South Africa has conducted a case study in line with the Standard for demonstration of additionality, development of eligibility criteria and application of multiple methodologies for Programme of Activities and it was found that more PoAs were submitted to the DNA after the introduction of these standards by the CDM Executive Board which simply application and approval procedures for registration, monitoring and verification including the process for issuance.

**Evaluation Q5: High**

**Question 6: To which extent has the performance of PoAs been affected in your country by any of these factors:**

- Policy and regulatory aspects in PoA relevant sectors
- Developments in the international carbon (CER) markets
- Technical and implementation capacity of PPs
- Access to financing
- Institutional capacity of DNAs and sector ministries/agencies
- Others?

Lack of uncertainty in the international carbon market, reduce in the demand for CERs and drop in the price of CERs has adversely affected the implementation of PoAs in South Africa. Lack of clarity on the transition of CDM projects into Article 6 under the Paris Agreement has also affected the implementation of PoAs.

Access to finance for project administration, registration and implementation has also limited the uptake of CDM and particularly CPAs in South Africa.

**Evaluation Q6:**

- Policy and regulatory aspects in PoA relevant sectors
- Access to financing

**Question 7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided? Which PoA elements should be retained, and what needs to be improved?**

Challenge with CME that disappear during implementation of PoAs as they are registered for a longer period i.e. 21 years and more years.

**Question 8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?**

**Advantage**

- The PoAs will continue to realize or contribute towards emission reduction or avoidance once accepted under Article 6;
- There will be investment continuity if the PoAs are transited into Article 6;
- Reduces the transaction costs as verification can be done on a collective basis and can utilize a sampling approach;
- Decentralizes decision making which can speed up the approval process and allow for the scaling-up of the emission reductions achievable through the CDM;

- Not all individual activities have to be known or identified at initial stage when the PoA is registered, but can be included periodically as the programme develops;
- PoAs can shorten the time needed for a project to be included in the CDM to a period of weeks rather than years;
- PoAs allow for the development and inclusion of CPAs in several different host countries (regional PoAs);
- PoAs increase the opportunities of poor countries or organisations to access the carbon market, as in instances where single projects may be too small to be commercially attractive, where the solution would be to combine several small-scale CPAs under an umbrella of PoA.
- It is less expensive to register a PoA where CPAs can then be included later on as they get identified as compared to registering individual projects separately;
- It allows the promotion of a policy goal, e.g. improved efficiency standards;
- Reduces the regulatory risks and uncertainties

#### Disadvantage

- Registration Costs: It will be disadvantaging if the existing PoAs will have to pay the same registration cost similar to a new project submitted under Article 6 as these PoAs have already paid fortune under the current CDM approval process. This does not support the main aim of PoAs which is time saving and less costly.

#### Evaluation Q8: High

Question 9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?

Indeed, most of the PoAs are on small scale projects such as efficient lighting and cookstoves project in the residential sector and these require frequent interaction with the relevant community or the public during implementation and monitoring. Therefore, PoAs under article 6 will still be required under Article 6

#### Evaluation Q9: Medium

Question 10: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities? Have the relationship with the NDC and related institutional capacity requirements already been identified?

Yes, PoA approaches will be applied as most of the projects are at a small-scale size and would not be feasible on their own to carry the related costs of projects and would be feasible when grouped together as CPAs in a PoA.

#### Evaluation Q10A: Medium

#### Evaluation Q10B: No

Question 11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant? What do you think about moving forward with PoA approach in Article 6 activities?

n/a

## EVALUATION GUIDE

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.



	High	Medium	Low
Q1A	More than 5 CPA/PoAs registered	2-5 CPA/PoAs registered	0-1 CPA/PoAs registered
Q1B	More than 1 CPA/PoA registered	1 CPA/PoAs registered	0 CPA/PoAs registered
Q3A	Lower cost or time efforts for registration of PoAs compared to stand-alone CDM activities	No difference cost or time efforts for registration of PoAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of PoAs compared to stand-alone CDM activities
Q3B	Lower cost or time efforts for registration of CPAs compared to stand-alone CDM activities	No difference in cost or time efforts for registration of CPAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of CPAs compared to stand-alone CDM activities
Q4	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities	Higher rate of design and registration of CPAs compared to stand-alone CDM activities
Q5	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
Q9	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
Q10A	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## INTERVIEW WITH THE CLIMATE CHANGE FOCAL POINT OF SRI LANKA

Date: 24.10.2022

Time: 07h30 CET

Ms Ambika  
Mr Ariyathilaka Chamara  
National Focal Point  
Ministry of Environment

### DISCUSSION MEMO

**Question 1: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?**

**PoAs (found in international data bases)**

Name of PoA	Country	Date of Approval	Date of Registration	Who is acting as CME?
(1) Programme of Activities for Small Scale Solar and Wind Power Generation in Sri Lanka	Sri Lanka	June 2018	November 2018 Reg-Nr 10441	Koho Trading & Consultancy (Private) Limited
(2) Programme of Activities for Small Scale Hydropower CDM in Sri Lanka	Sri Lanka	April 2013	November 2013 Reg-Nr 9705	Sri Lanka Carbon Fund (Pvt) Ltd.
(3) Municipal Waste Compost Programme in Sri Lanka	Sri Lanka	March 2012	November 2012 Reg-Nr. 7237	Waste Management Authority of Western Province
(4) Programme of Activities for Small Scale Biomass Based Thermal Energy Generation CDM in Sri Lanka	Sri Lanka			Sri Lanka Carbon Fund (Private) Limited
(5) Programme of Activities for Small Scale Biomass Power CDM in Sri Lanka	Sri Lanka			Sri Lanka Carbon Fund (Private) Limited
(6) Programmatic CDM of Industrial Thermal Energy Generation by Indigenous Renewable Fuel Wood in Sri Lanka	Sri Lanka			Bio Energy Association of Sri Lanka (BEASL)

3 CDM PoAs (1,2 and 3 listed above) have been successfully implemented in Sri Lanka and are active. PoAs 4,5 and 6 listed above were not followed up by project proponents and have not been implemented. Project Nr 3 is not renewed or not functioning yet. Project 1 and 2 have generated emission reductions.

Regarding the issuance of an approval for a proposed PoA, the Focal Point considers criteria such as contribution to national SDGs, the potential for climate change achievements and financial additionality.

The Directorate of Climate Change at the Ministry of Environment is approving the PoAs. However, there is a knowledge gap regarding the provision of information on activities carried out by the PoAs (lifetime of activities, etc.)

#### Question 1B: Have there been any new PoAs approved in the last 24 months?

The PoA for Small Scale Solar and Wind Power Generation was the last one approved by the Focal Point in November 2019.

#### Question 2: Which of the following considerations strongly underpins the implementation of PoAs in your country?

- (1) Simplified standards and procedures for registration, verification, certification and issuance of CERs
- (2) Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)
- (3) Ability to apply multiple technologies and measures in a PoA
- (4) Other?

Number 1 (simplified standards and procedures) is most important. The Focal Point is aware of the advantages and opportunities of PoAs and strongly supports the implementation of PoAs (e.g. support of sectoral policies or the application of multiple technologies), but there is a lack of awareness, both by the private sector (CPA implementers) and relevant government authorities. Providing updated information to these potential participants is required for the successful implementation of PoAs in the country.

#### Question 3: When comparing regular stand-alone CDM and PoA projects, have PoAs managed to lower transaction cost and time savings?

Yes, PoAs offer the advantage of lower transaction cost, but still the cost issue causes a major problem also for PoAs (see (Question Nr. 6). Other success factors for PoAs in Sri Lanka are that the concept helps small-scale CPAs to be included at rather low costs and time for the inclusion of a CPA in a PoA is shortened. Simplified proc

However, the implementation of PoAs still takes too much time. Time frame for the issuance of first CERs can be up to 7 years. Continuous monitoring of PoAs, which is needed, is also to some extent difficult due to travel restrictions, etc. PoAs also face high registration cost.

#### Question 4: Do registered PoAs continue to register new CPAs?

The registered PoAs (Nr. 1 and Nr. 2) continuously register new CPAs, e.g. project Nr. 2 has added 12 CPAs and project Nr. 2 has added 4 CPAs and one is in the pipeline for being included. Both programs are active and register new CPAs.

#### Question 5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?

The simplified procedures for proving additionality are very important.

#### Question 6: To which extent has the performance of PoAs been affected in your country by any of these factors:

1. Policy and regulatory aspects in PoA relevant sectors
2. Developments in the international carbon (CER) markets
3. Technical and implementation capacity of PPs
4. Access to financing
5. Institutional capacity of DNAs and sector ministries/agencies
6. Others?

All 5 factors are relevant for PoAs in Sri Lanka. High transaction cost for monitoring and verification (Nr. 4) are a barrier. Technical capacity is lacking and limited staff capacity at sector ministries and agencies (Nr. 5) also have an influence on the performance of PoAs. More capacity is needed (especially now when it comes to the transition to Art. 6). No updated information on the transition process is available (see Question 10).

**Question 7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided? Which PoA elements should be retained, and what needs to be improved?**

In principle, no negative aspects of CDM PoAs or mistakes are observed. The PoA concept is regarded as a success. Of major importance is the fact that it improves the chances for small-scale projects to attract carbon finance. In Sri Lanka this is of major importance as most of the mitigation activities are taking place on small scale, but are important for addressing the energy crisis in the country.

More information (capacity building, training) is required for doing a thorough assessment of the question on which elements of PoAs should be retained or improved under the transition to Art. 6. A “CDM Development Forum” would be required to update information on Art. 6 and to get more PoAs developed (also then under Art. 6).

**Question 8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?**

Continuation of PoA under Art. 6 will be an advantage. Project developers will engage more but updated information on current status of PoAs under Art. 6 is needed. Currently, no disadvantage is expected, but some items on the transfer to the PoA concept to Art. 6 need to be further clarified.

**Question 9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?**

For the time being, there is no exact knowledge concerning the application of Corresponding Adjustments for CDM projects and CDM PoAs to the NDC. Based on the current knowledge it is assumed that a stronger interaction and coordination between public and private sector will be needed. Public private partnerships (PPPs) could be needed. Both sectors must be accommodated.

As the transfer of ITMOs would affect the NDC, stronger MRV systems need to be in place. Negative impacts with regard to the achievements of NDCs must be minimized.

**Question 10: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities? Have the relationship with the NDC and related institutional capacity requirements already been identified?**

Private sector participants are already approaching the government asking questions and for updated information on Art. 6. The Focal Point plans to inform market participants on the outcomes of the next COP concerning decisions (next steps) taken on Art. 6. Updating project developers is essential for maintaining the interest of the private sector for engaging in mitigation activities also under Art. 6. Yet, no final decisions have been taken on the continuation of the existing PoAs under Art. 6. The Focal Point is waiting for final decisions taken by UNFCCC and COP parties. There are still open questions on methodologies, etc.

**Question 11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant? What do you think about moving forward with PoA approach in Article 6 activities?**

For moving forward with PoAs under Art. 6 institutional capacity building is required!

## INTERVIEW WITH THE CLIMATE CHANGE FOCAL POINT OF SUDAN

Date: 12.10.2022

Mrs Nagla Mahgoub

### DISCUSSION MEMO

**Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?**

Sudan was successful in designing and submitting eight CDM projects primarily related to the energy and agricultural sector. However, out of the eight submissions two certificates were issued. Four CDM projects had to go through final review, while the two other projects have not passed the requirements of the first proposal.

Sectoral policies were established by the Sudanese state which contributed to the development of project proposals. The initial procedures for submitting projects follows the standards and indicators set according to the sustainable development rules for the activities, and covers economic and financial aspects. A large study regarding the baselines of reference was performed for different sectors according to the classification of the Intergovernmental Authority on Climate Change.

Note: Only one PoA registered.

**Evaluation Q1A: Low**

**Q1B: Have there been any new PoAs approved in the last 24 months?**

Not Applicable.

**Evaluation Q1B: Low**

**Q2: Which of the following considerations strongly underpins the implementation of PoAs in your country?**

The following comments were received regarding the operational PoAs in Sudan:

- Simplified standards and procedures is a key determinant contributing to the implementation of PoA in Sudan.
- The Kampala Research Centre of the United Nations Secretariat for the Convention on Climate Change provided technical support by sending consultants and experts in the field to facilitate and simplify procedures.
- Supportive national policies to adopt a programmatic approach contributed to initiate and develop activities. The policies assisted with the approval of projects for the relevant time period along with guidance to provide the required information.
- In the Sudan context, PoAs supported the implementation of sectoral activities through the adoption of appropriate technologies.

**Evaluation Q2:**

- **Simplified standards and procedures for registration, verification, certification and issuance of CERs**
- **Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)**
- **Ability to apply multiple technologies and measures in a PoA**
- **Other?**

Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e. PoA-DD and CPa-DDs) , have PoAs managed to lower transaction cost and time savings?

Registering CDM POAs and CPA-DDs may be more time and cost effective than developing a standalone project

**Evaluation Q3A: High**

Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?

In turn, adding CPAs is considered to significantly reduce costs, efforts and time spent.

**Evaluation Q3B: High**

Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?

Not Applicable

**Evaluation Q4: Not Applicable**

Q5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?

Although eligibility criteria must be established along with demonstrating the the additionality of each unit in order to develop new projects, compliance with CDM requirements has proven very complex in Sudan. It was therefore difficult to follow the procedures and obligations from the beginning to the end. However, setting sectoral policies and submitting an NDC contributed to develop ambitious mitigation programs adapted to sectorial requirements according to the classification of the Intergovernmental Panel on Climate Change.

**Evaluation Q5: Medium**

Q6: To which extent has the performance of PoAs been affected in your country by any of these factors:

The following comments were received regarding the performance of PoAs in Sudan:

- The performance of PoAs has been affected by policies along with organizational aspects in different sectors. It was noted that public policies may conflict with sectoral policies in terms of their differing priorities. Sudan is one of the developing and least developed countries and it has sometimes proven cumbersome to seek development in the first place while taking into account improving economic aspects and reducing poverty.
- Sudan is considered to have trained technical staff in various sectors to help assist with the implementation of projects. The Supreme Council for the Environment and Natural Resources as a focal point works to raise the capabilities of the staff. When it comes to the carbon market, the Council coordinated the trainings of 16 different institutions on their activities and procedures. Various sectors of ministries and institutions related to climate change specific in carbon markets benefited from this support focused established at a national level.
- Funding is taken to be one of the elements that Sudan lacks, especially since it has not had large projects in the field of clean development that achieved a financial return for the state and the economy. As a developing country, Sudan is looking to increase financing in all program activities related to the carbon market.

**Evaluation Q6:**

- Policy and regulatory aspects in PoA relevant sectors
- Technical and implementation capacity of PPs
- Access to financing
- Institutional capacity of DNAs and sector ministries/agencies

**Q7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided?**

When transitioning to A6, after listing all the possibilities that can contribute to the implementation of Article 2, it was suggested that a national mechanism should be established for following up, evaluating and monitoring the information related to sectoral mitigation activities. Such a system would contribute to update the data, especially if different registries could be linked together.

Working groups should be set up to formulate projects according to the requirements and procedures of the mechanism permitted by Article 6. When appropriate, this would provide the possibility to submit these proposals to the market.

Early training of all currency staff in the relevant sectors, raising the capabilities of the relevant institutions and ministries is something that should be prioritized. Moreover, incorporating A6 concerns in the work plans and national programs by showing the importance of A6 is critical for the transition.

To support a quick start of A6 in Sudan, determining an annual budget for the meetings of the National Committee for the implementation of the Article 6 mechanism is something that should be considered.

**Q8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?**

Among the possible shortcomings that could arise in the transfer of activities to Article 6, their repetition, the risk that they conflict with the development of programs in Sudan, and that they do not place adaptation in their priorities was discussed. The appropriate technologies might still be insufficient to implement the listed transferred activities in Sudan. To curtail some disadvantages which could arise on a technological level, more training needs to be provided in the areas of data review and verification, especially in forestry programs and in the context of dealing with livestock waste.

**Evaluation Q8: Low**

**Q9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?**

The close interaction and coordination between the private and public sector is expected to be maintained or even be deepened in Sudan when transitioning to A6. Sudan has gained much experience over the years by working with the private sector, especially in the agricultural, industry and energy sector. The focal point has worked to include private actors in the programs of the Framework Convention on Climate Change. Representatives of the private sectors are members of all base committees to work in the activities of the Higher Council for Environment and Natural Resources. The private sector figures as a member of the National Committee for the Clean Development Mechanism and works alongside state government institutions in its various sectors.

Moreover, more recently, a law was adopted to facilitate the work of the public and private sectors in all state development and economic programs and the implementation of state policies aimed at promoting sustainable development. Through Sudan's activity in the East African Alliance for Carbon Market and Climate Finance, a specialized workshop was provided to the private sector in 2021 on the carbon market, its mechanisms as well as on Article 6 of the Paris Agreement.

**Evaluation Q9: High**

**Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?**

Sudan has developed an integrated plan to implement many activities related to Article 6, seeking to involve the National Committee which is in charge of authorizing projects in the future. The activities of the East African Alliance for Carbon Market and Climate Finance also helped with understanding how to benefit from the carbon market and the transfer of available units internally and between Sudan and neighbouring countries such as Ethiopia, Tanzania, Kenya, Rwanda as well as with developed countries.

**Evaluation Q10A: High**

**Q10B: Have the relationship with the NDC and related institutional capacity requirements already been identified?**

Sudan has worked to update its NDC in the year 2020, and Article 6 was included through the implementation of Sudan’s contribution to mitigation and adaptation to the effects of climate change. Projects were submitted through contributions plans and programs considering both the carbon account as well as the general carbon market sectoral readiness.

**Evaluation Q10B: Yes**

**Q11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant?**

The CFP noted that a focus should be placed on the ongoing capacity building programs and their implementation considering possible obstacles so as to increase the chances of benefiting activities under A6.

- It is important to know the national networking and partnerships when locally registering units and align project and activities with Article 6.
- To facilitate this transition, it was suggested to include the country’s economists and workers in the banking and exchange sector as proposals are sometimes made in close collaboration with the investment sector and banks (e.g. the Carbon Bank initiative).
- Conducting accompanying studies to know the needs of the country as well as the needs of the citizens who will benefit from the results of A6 in the future would be something to consider more closely as part of the Paris Agreement framework.

**EVALUATION GUIDE**

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.

	High	Medium	Low
<b>Q1A</b>	More than 5 CPA/PoAs registered	2-5 CPA/PoAs registered	0-1 CPA/PoAs registered
<b>Q1B</b>	More than 1 CPA/PoA registered	1 CPA/PoAs registered	0 CPA/PoAs registered
<b>Q3A</b>	Lower cost or time efforts for registration of PoAs compared to stand-alone CDM activities	No difference cost or time efforts for registration of PoAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of PoAs compared to stand-alone CDM activities



<b>Q3B</b>	Lower cost or time efforts for registration of CPAs compared to stand-alone CDM activities	No difference in cost or time efforts for registration of CPAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of CPAs compared to stand-alone CDM activities
<b>Q4</b>	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities	Higher rate of design and registration of CPAs compared to stand-alone CDM activities
<b>Q5</b>	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
<b>Q9</b>	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
<b>Q10A</b>	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## INTERVIEW WITH THE CLIMATE CHANGE FOCAL POINT OF TANZANIA

Date: 25.10.2022

Time: 14h30 CET

Issa Musa

Division of Environment, Vice-President's Office

### DISCUSSION MEMO

**Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?**

By the time of Kyoto Protocol, a number of projects were registered including PoAs. (forestry projects, energy sector). After Kyoto, it became more and more of a challenge and less investors were able to get involved.

Determining factor is the legal framework to their implementation.

**Evaluation Q1A: High**

**Q1B: Have there been any new PoAs approved in the last 24 months?**

No new PoAs approved in the last 2 years.

**Evaluation Q1B: Low**

**Q2: Which of the following considerations strongly underpins the implementation of PoAs in your country?**

Enhancing community ability to participate in the CDM by making it an easy process for them to follow. There needs to be clear rules and instructions for community project developers to follow.

**Evaluation Q2:**

- **Simplified standards and procedures for registration, verification, certification and issuance of CERs**
- Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)
- Ability to apply multiple technologies and measures in a PoA
- Other?

**Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e., PoA-DD and CPA-DDs), have PoAs managed to lower transaction cost and time savings?**

Has managed to reduce the costs but there are still challenges for community projects to participate.

**Evaluation Q3A: High**

**Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?**

Not Applicable

**Evaluation Q3B: information not available**

Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?

Interviewee did not have much information on this.

However, he added that the rate would depend on the nature of co-benefits. If the benefits are not beneficial to the community, they would not be keen to support the registration.

**Evaluation Q4: information not available**

Q5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?

Not Applicable

**Evaluation Q5: information not available**

Q6: To which extent has the performance of PoAs been affected in your country by any of these factors:

All factors apply. There lacks policy delivery framework to deliver the projects.

Financing is a key factor that needs to be addressed.

Politicians mostly want to focus on the community and solve their immediate problems. There is question of if the benefits will improve the local community in the longer term.

**Evaluation Q6:**

- Policy and regulatory aspects in PoA relevant sectors
- Technical and implementation capacity of PPs
- Access to financing
- Institutional capacity of DNAs and sector ministries/agencies
- Other

Q7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided?

What should be avoided are designing projects that do not address national interests (NDC targets) and communities, as well as the scope/ issue of climate change.

Q8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?

There is uncertainty over the advantages and disadvantages.

Tanzania is designing policies that key in the new Art 6 and there is uncertainty if they are the right policy and how to implement them

There's a need for capacity building for Art 6 to help understand the Articles 6.2, 4 and 8 and to develop robust policies that address the requirements of Art 6.

**Evaluation Q8: Medium**

Q9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?

Current policy recognizes the importance of private-public partnerships (PPP) but there needs more collaboration and integration to ensure successful implementation. Tanzania is working to develop more policies that encourage PPP.

**Evaluation Q9: High**

**Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?**

Yes. However, there is need for institutional and legal framework for carbon trading

The National carbon monitoring center that was established as a vehicle for reporting on carbon stocks and their changes as well as coordinating the national MRV-processes for the Government of Tanzania and is the product of a Memorandum of understanding between Vice Presidents Office (VPO) and SUA.

**Evaluation Q10A: Medium**

**Q10B: Have the relationship with the NDC and related institutional capacity requirements already been identified?**

No info on the NDC target, but there needs to have improved MRVs since it has not been done.

**Evaluation Q10B: information not available**

**Q11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant?**

Regional approach is needed to realize carbon trading in EA region. Collective approach needed to realize A6.

**EVALUATION GUIDE**

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.

	<b>High</b>	<b>Medium</b>	<b>Low</b>
<b>Q1A</b>	More than 5 CPA/PoAs registered	2-5 CPA/PoAs registered	0-1 CPA/PoAs registered
<b>Q1B</b>	More than 1 CPA/PoA registered	1 CPA/PoAs registered	0 CPA/PoAs registered
<b>Q3A</b>	Lower cost or time efforts for registration of PoAs compared to stand-alone CDM activities	No difference cost or time efforts for registration of PoAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of PoAs compared to stand-alone CDM activities
<b>Q3B</b>	Lower cost or time efforts for registration of CPAs compared to stand-alone CDM activities	No difference in cost or time efforts for registration of CPAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of CPAs compared to stand-alone CDM activities
<b>Q4</b>	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	No difference in rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities

<b>Q5</b>	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
<b>Q8</b>	There are more advantages than disadvantages	There are the same amount of advantages as disadvantages	There are more disadvantages than advantages
<b>Q9</b>	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
<b>Q10A</b>	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## INTERVIEW WITH THE CLIMATE CHANGE FOCAL POINT OF TUNISIA

Date: 29.09.2022

Time: 13h00 CET

Mr. Néjib Osman  
UNDP technical project coordinator

### DISCUSSION MEMO

*The answers to the questions below have been translated from French*

#### Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?

The experience with PoAs was good and very useful even if it did not materialize into concrete examples in Tunisia. There were difficulties with implementing a CDM project with even more difficulties when setting up a PoA. A solar water heater program was developed that spread out over a period of 5 years. All the work was conducted including the PDD. Support was provided from an organization for selling the carbon credits. It was a good experience to work on the methodological approaches. With the drop in carbon credit prices and the new EU requirements this resulted in the CDM market not being attractive for the financing of activities.

The factors that influenced the registration of PoAs. The long duration for preparation of the PDD. The important pedagogical and methodological aspects that played a role to establish the additionality and the accounting of the emissions which pose a problem for diffused projects types.

**Evaluation Q1A: Low**

#### Q1B: Have there been any new PoAs approved in the last 24 months?

No new projects. Preparations ongoing to implement Art. 6 projects

**Evaluation Q1B: Low**

#### Q2: Which of the following considerations strongly underpins the implementation of PoAs in your country?

Choice of PoA type from a general point of view after the process to identify a project there's barriers to concretize the project. After meetings with key partners several items are identify that inhibit the operability of the project. We can now only consider of eligible projects if it fits with the NDC targets. The buyer will make sure the objectives align with the NDC emission targets.

**Evaluation Q2:**

- Simplified standards and procedures for registration, verification, certification and issuance of CERs
- Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)
- Ability to apply multiple technologies and measures in a PoA
- Other?
- **information not available**

#### Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e. PoA-DD and CPa-DDs) , have PoAs managed to lower transaction cost and time savings?

Depends on the project scale. Priority with PoAs is not always to sell relatively small amounts of CERs in comparison single-project CDMs. For example, a PV PoA project should be undertaken in a programmatic approach to ease management of the implementation.

Article 6 does not yet differentiate the scale of the projects therefore the programmatic approach could play a big role for diffused type of projects in developing countries.

**Evaluation Q3A: -Medium**

**Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?**

information not available

**Evaluation Q3B: information not available**

**Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?**

CDM projects were more popular in Asia. The registration of PoAs were more stringent when considering aspects such as additionality and monitoring.

**Evaluation Q4: information not available**

**Q5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?**

Energy efficiency and renewable energy type PoA projects might be eligible for carbon markets but they are not necessarily the main reason for implementing PoA projects in developing countries.

Carbon market is the cherry on top as source of financing. More important to reduce the GHG emissions and transition the energy source.

**Evaluation Q5: Low**

**Q6: To which extent has the performance of PoAs been affected in your country by any of these factors:**

Experiences from developing a PoA for solar water heaters was then used for establishing a PoA for solar PV activities. The solar water PoA pushed the government to keep improving their solar water heater regulations to ensure continuous implementation of activities. Other sectors such energy efficiency in buildings and waste management could benefit from the replicability of the PoA concept.

**Evaluation Q6:**

- **Policy and regulatory aspects in PoA relevant sectors**
- Geo-political influence
- Technical and implementation capacity of PPs
- Access to financing
- Institutional capacity of DNAs and sector ministries/agencies
- Other

**Q7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided?**

Methodological approach for determining the GHG emission reduction is easier for PV but harder for solar water heaters and energy efficiency projects because statistical approaches need to be applied.

PoAs that use sampling approaches causes problems with monitoring because situation may change and the samples are not comparable after several years. There is a need to establish a standard methodological approach for these types of project in the future, especially for energy efficiency projects for the monitoring of GHG emissions.

**Q8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?**

Preparations are needed in the private market by engaging with companies to ensure the right market conditions are set.

Preparations are needed in advance to prepare for the transition to Article 6. Preparations should start during the setting of the NDC targets by establishing programs, strategies and policy frameworks.

Developing countries are quick to set targets but it is not always clear on how to these targets are to be achieved. Projects of priority that are best fit in terms of methodological approaches should be identified.

Improvements are needed in the governance of CDM and carbon markets as there was not sufficient coordination between different actors and structures. Therefore, it is key to ensure coordination at the national/sectoral level from the start of the activity.

**Evaluation Q8: Medium**

**Q9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?**

PoAs need all sectors including the public and private sector. There could be public organisations that can help with establishing the framework and institutional structures for the targeted project types. The purpose of this public organisation is to establish the market conditions that allow for private companies to engage in projects that use the carbon market.

**Evaluation Q9: High**

**Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?**

The vision of the global energy transition needs more synergies between various mechanisms to avoid the barriers to implementation of activities.

If this global vision is used to guide the setting up of the different mechanisms then we should end up with a collection of projects that are eligible for implementation.

**Evaluation Q10A: High**

**Q10B: Have the relationship with the NDC and related institutional capacity requirements already been identified?**

The reviewed NDC needs to be defined in a manner that allows key projects types identified to access carbon market to meet the NDC targets. The key projects need to be identified at the start when writing the NDC to ensure they meet the eligibility criteria of the carbon markets.

**Evaluation Q10B: High**

**Q11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant?**

A holistic approach is needed when dealing with Article 6. Therefore it is important to have a coordination structure to ensure that the criteria's of eligibility are well defined and considered.



## EVALUATION GUIDE

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.

	<b>High</b>	<b>Medium</b>	<b>Low</b>
<b>Q1A</b>	More than 5 CPA/PoAs registered	2-5 CPA/PoAs registered	0-1 CPA/PoAs registered
<b>Q1B</b>	More than 1 CPA/PoA registered	1 CPA/PoAs registered	0 CPA/PoAs registered
<b>Q3A</b>	Lower cost or time efforts for registration of PoAs compared to stand-alone CDM activities	No difference cost or time efforts for registration of PoAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of PoAs compared to stand-alone CDM activities
<b>Q3B</b>	Lower cost or time efforts for registration of CPAs compared to stand-alone CDM activities	No difference in cost or time efforts for registration of CPAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of CPAs compared to stand-alone CDM activities
<b>Q4</b>	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	No difference in rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities
<b>Q5</b>	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
<b>Q8</b>	There are more advantages than disadvantages	There are the same amount of advantages as disadvantages	There are more disadvantages than advantages
<b>Q9</b>	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
<b>Q10A</b>	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## INTERVIEW WITH THE CLIMATE CHANGE FOCAL POINT OF UAE

Date: 26.10.2022

Time: 14h50 CET

Thomas Bosse

Former Head of Programmes

Dubai Carbon

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### DISCUSSION MEMO

Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?

**Evaluation Q1A: Medium**

Q1B: Have there been any new PoAs approved in the last 24 months?

No PoAs last 2 yrs. 1 POA still under validation for district cooling.

**Evaluation Q1B: Low**

Q2: Which of the following considerations strongly underpins the implementation of PoAs in your country?

They are all relevant.

Simplification of the procedures for small scale PoAs and especially for certain technologies would make implementation easy. But all are important to advance development of programmatic approaches.

For point 3, the Thomas highlighted there was a challenge to really make sure that the relevant technologies would fit into the POA for the energy efficiency PoAs.

**Evaluation Q2:**

- **Simplified standards and procedures for registration, verification, certification and issuance of CERs**
- **Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)**
- **Ability to apply multiple technologies and measures in a PoA**
- Other?

Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e., PoA-DD and CPA-DDs), have PoAs managed to lower transaction cost and time savings?

Thomas mentioned the potential of PoAs in Dubai have not yet been explored

There was a limitation of CPAs that the comparison in terms of transaction cost was a bit difficult.

**Evaluation Q3A: Medium**

Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?

**Evaluation Q3B: Information not available**

**Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?**

It is a simplified approach. The validation of CPAs is quicker and less expensive.

For multinational POAs it becomes a headache because of acquiring the LoAs so then it might be easier to really split it up and focus on the country, per project or even per PoA.

**Evaluation Q4: High**

**Q5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?**

Difficult to say for the UAE because there's really limitation in PoA implementation.

With only two small scale PoAs one of which one was registered and then one large scale POA which didn't really go up to the registration there has been not so much change since they were developed close to each other within two or three years and with different technologies and different scales. So, benefits of changed standards didn't really apply there.

**Evaluation Q5: Low**

**Q6: To which extent has the performance of PoAs been affected in your country by any of these factors:**

Point 3: There was a disconnect of regular monitoring aspects of the project rollout which were sometimes not in line with the requirements of the PoA or the CPA.

Point 5: They were supportive but passive. When the POA was developed, the DNAs would quickly issue the LOA for it. But that was it. It was down to the project proponents, the CME and the consultants to really structure everything including financing of the physical project.

Other:

One of the other challenges as we outlined before is the low energy prices, which affected a proper rollout of the activities.

Also, the right understanding of ownership of the CPAs, was a challenge where several discussions with different PPs and stakeholders had to take place to understand ownership. It did not make sense if the ownership was not with the PP, rather the CME.

Carbon intensities of the grid, especially in the UAE also played a role. If you have a grid factor of 0.44 opposed to other countries, with more grid factors, then the benefit or the additional revenue coming from the CPAs are limited.

**Evaluation Q6:**

- Policy and regulatory aspects in PoA relevant sectors
- Geo-political influence
- **Technical and implementation capacity of PPs**
- Access to financing
- **Institutional capacity of DNAs and sector ministries/agencies**
- **Other**

**Q7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided?**

- How to deal with double counting should be addressed. How to implement corresponding adjustments will be a challenge in some of the countries.

- Large scale renewable energy projects and energy efficiency projects, but no focus on small scale projects.
- The price of the credits has to be right for the PPs otherwise there will be no interest

**Q8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?**

Not much to say since PoAs in UAE are very limited.

**Evaluation Q8: Information not available**

**Q9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?**

POAs in UAE were run by the private sector. They developed the projects but the ownership of the POA was again the government. So, the private sector in the country like the UAE will be super complicated. But it is a lot easier to run it through the government where communities can really benefit from these projects like the cookstoves in East Africa.

But another benefit of other POA in the UAE is that there is no community scale projects so it is a bit easier when it comes to development rather than have single standing project.

**Evaluation Q9: High**

**Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?**

Thomas is not in the UAE anymore and not active in the UAE

**Evaluation Q10A: Information not available**

**Q10B: Have the relationship with the NDC and related institutional capacity requirements already been identified?**

**Evaluation Q10B: Information not available**

**Q11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant?**

- Ultimately, political level of different countries, as well as with the cop negotiations on A6 transition will determine how countries transition. Now more countries are focusing on the voluntary market standards and schemes because they also support programmatic approaches.
- Question is how quickly the UN can act and how quickly can the different countries agree on the mechanisms, the procedures, processes to really hammer something down, which is practical, possible to utilize.

**EVALUATION GUIDE**

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.

	High	Medium	Low
<b>Q1A</b>	More than 5 CPA/PoAs registered	2-5 CPA/PoAs registered	0-1 CPA/PoAs registered
<b>Q1B</b>	More than 1 CPA/PoA registered	1 CPA/PoAs registered	0 CPA/PoAs registered

<b>Q3A</b>	Lower cost or time efforts for registration of PoAs compared to stand-alone CDM activities	No difference cost or time efforts for registration of PoAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of PoAs compared to stand-alone CDM activities
<b>Q3B</b>	Lower cost or time efforts for registration of CPAs compared to stand-alone CDM activities	No difference in cost or time efforts for registration of CPAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of CPAs compared to stand-alone CDM activities
<b>Q4</b>	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	No difference in rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities
<b>Q5</b>	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
<b>Q8</b>	There are more advantages than disadvantages	There are the same amount of advantages as disadvantages	There are more disadvantages than advantages
<b>Q9</b>	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
<b>Q10A</b>	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## INTERVIEW WITH THE CLIMATE CHANGE FOCAL POINT OF UGANDA

Date: 26.10.2022

Time: 14h00 CET

Mrs Irene Chekwoti  
Ministry of Water and Environment

### DISCUSSION MEMO

**Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?**

Not successfully implemented. The PoA approach was envisaged to provide multiple benefits including lowering of transaction costs including related project validation and verification costs. The PoAs transactions cost have not been lowered to ranges easily managed by PoA managers.

However, with PoAs, the country managed to attract several projects. Approving PoAs followed the national set sustainable development criteria for selection of CDM projects in Uganda.

**Evaluation Q1A: Low**

**Q1B: Have there been any new PoAs approved in the last 24 months?**

**Evaluation Q1B: Low**

**Q2: Which of the following considerations strongly underpins the implementation of PoAs in your country?**

All the above. The interviewee highlighted that PoAs present opportunities for small scale projects, such as solar lamps, to spread technology usage.

**Evaluation Q2:**

- Simplified standards and procedures for registration, verification, certification and issuance of CERs
- **Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)**
- Ability to apply multiple technologies and measures in a PoA
- Other?

**Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e., PoA-DD and CPA-DDs), have PoAs managed to lower transaction cost and time savings?**

The transaction costs have been lowered to a lower extent.

**Evaluation Q3A: Medium**

**Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?**

**Evaluation Q3B: Medium**

**Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?**

It is relatively easy to include a CPA on a PoA given the fact that the general CDM activity information is in the PoA Design Document (PoA DD).

**Evaluation Q4: High**

**Q5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?**

Not answered

**Evaluation Q5: Information not available**

**Q6: To which extent has the performance of PoAs been affected in your country by any of these factors:**

1. Policy and regulatory aspects in PoA relevant sectors - Under the KP, there was no national /sectoral policy or regulation that hampered the development of PoAs, infact the initial NDC only indicated that Uganda will use Carbon markets as a resource mobilization tool but there were no further details to that effect. Apart from meeting the Sustainable development criteria that the DNA used to determine registration of a PoA, there was no other hindering policy.
2. Technical and implementation capacity of PPs- This is to a large extent, there is no or a handful of experts who can confidently take a project through the processes of developing a PoA, monitoring etc,at the end Ugandans did not benefit as it should have been.
3. Access to financing: Large extent, developing a PoA is costly, and financing has not been readily available for those interested to develop PoAs. Banks are not able to grant long term loans without a clear collateral.
4. Institutional capacity of DNAs and sector ministries/agencies. The DNA capacity is still limited, moreover, the human resource number is critically low to accommodate demands of all the PPs.

**Evaluation Q6:**

- Policy and regulatory aspects in PoA relevant sectors
- Technical and implementation capacity of PPs
- Access to financing
- Institutional capacity of DNAs and sector ministries/agencies
- Other

**Q7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided?**

Building local capacity is needed.

**Q8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?**

Disadvantage:

- The likelihood of flooding the market with a big volume of CERs from the CDM to Article 6 might reduce demand of credits.

Advantage:

- The transition process would bring confidence to the project developers on the UNFCCC processes
- Transitioning may enable a limited number of CERs to be traded and increase demand for the price of the credits.
- The transition would bring more stakeholders on board.

**Evaluation Q8: High**

**Q9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?**

There should be a coordination platform for sharing best practices and mainstreaming them into policy direction for incentives.

**Evaluation Q9: Information not available**

**Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?**

Yes, the institution has plans of applying PoA approach to Article 6.

**Evaluation Q10A: Yes**

**Q10B: Have the relationship with the NDC and related institutional capacity requirements already been identified?**

The relationship with NDC has not been initiated.

**Evaluation Q10B: No**

**Q11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant?**

- UNFCCC should fast track CDM transition criteria
- Developing Uganda's framework to include carbon regulations and guidelines
- Fast tracking capacity building and financing to support implementation of the capacity needs assessment.

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<b>Q4</b>	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	No difference in rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities



Q5	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
Q8	There are more advantages than disadvantages	There are the same amount of advantages as disadvantages	There are more disadvantages than advantages
Q9	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
Q10A	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities

## INTERVIEW WITH THE CLIMATE CHANGE FOCAL POINT OF ZAMBIA

Date: 14.10.2022

Time: 15h30 SAST

Mr Aurelius Nkonde  
Acting Principal Climate Change Officer-Mitigation & ACE National Focal Point  
Ministry of Green Economy and Environment  
Green Economy and Climate Change Department

### DISCUSSION MEMO

**Q1A: Have CDM-PoAs been successfully implemented in your country? If so, what were the determining factors for approving PoAs?**

**PoAs (found in international data bases)**

Name of PoA	Country	Date of Approval	Date of Registration	Who is acting as CME?
(1) Efficient Cookstoves in Africa	Zambia / Zimbabwe			TASC Korea
(2) Fuel Efficient Stoves in Africa	Zambia			3 Rocks Ltd.
(3) Improved Cookstoves Program for Zambia	Zambia			C_Quest Capital Malaysia Global Stoves Ltd.
(4) Climate Action with Rural Households	Zambia			Climate Future Action Stichting
(5) Biomass Briquette Usage for Energy Use in Zambia	Zambia			EOTF Energy Limited
(6) Southern African Solar LED Programme	South Africa; Namibia, Zambia			Tough Stuff International Ltd

CDM PoAs have been successfully implemented in Zambia. There are more than the 6 PoAs listed above and additionally there are programs under the voluntary carbon market. In general, institutions in Zambia are ready to implement PoAs, CMEs are listed in the actual PoA-DDs. The most recent was Ventures Zambia in cooperation with Green Manufacturers Zambia (2019). The Focal Point has an own Excel-based register for those PoAs that were approved by the Focal Point.

The PoAs approach the climate change focal point, and then become successfully registered. However, the government does not know 'how far they did go'. The Focal Point never hears back from them. The Focal Point would like to obtain more detailed information about the success ("impact on the ground, improving livelihood of communities where they are working, contribution to GDP growth ..") of the PoAs. Only now, the Focal Point has been approached by several CME trying to re-register some PoAs as Art. 6 activities registered after 2013. But before such decisions are taken by the Focal Point, more information must be provided by the CMEs about the progress they have made.

The determining factors for approving or rejecting incoming PoA proposals are determined by a list of criteria, which consider inter alia (a) the opportunity for job creation, (b) contribution towards GDP growth,

(c) emission reduction potential, (d) contribution to environmental sustainability, (e) geographical boundaries, (f) contribution to technology transfer, (g) aspects of capacity building.

**Evaluation Q1A: High**

**Question 1B: Have there been any new PoAs approved in the last 24 months?**

No, during the last 24 months, no new PoAs were developed.

**Evaluation Q1B: Low**

**Question 2: Which of the following considerations strongly underpins the implementation of PoAs in your country?**

- (1) Simplified standards and procedures for registration, verification, certification and issuance of CERs
- (2) Support for sectoral mitigation policies through programmatic approach (flexible additions of component projects to a PoA over time)
- (3) Ability to apply multiple technologies and measures in a PoA
- (4) Other?

Number 2 and 3 are most important. Simplified procedures facilitate the implementation of PoAs in Zambia and new technologies can be attracted and inserted.

Moreover, PoAs are considered to contribute to 'national development' and facilitate the implementation of the national NDC target.

Also adaptation co-benefits (number 4) are of major importance for allowing the implementation of PoAs in Zambia as well as the aspect of the potential of PoAs for supporting development and economic growth for developing countries

**Evaluation Q2:**

**17. Support sectoral targets**

**18. Ability to apply multiple technologies and measures in a PoA**

**19. Other**

**Q3A: When comparing regular stand-alone CDM PDDs and PoA (i.e. PoA-DD and CPa-DDs) , have PoAs managed to lower transaction cost and time savings?**

PoAs are the better option because the concept allows for better use of available resources, but it is more difficult for the government to assess the performance of the PoAs (no data available on the success and impacts of the programs as they are rolling out).

**Evaluation Q3A: High**

**Q3B: How do you rate the time/cost efforts for adding CPAs to registered PoAs, compared to stand alone projects?**

**Evaluation Q3B: High**

**Q4: How would you describe the rate of design and registration of component activities (CPAs) to already registered PoAs in comparison to stand-alone CDM activity?**

The Focal Point does not receive such information from the CMEs, but this information is of major importance.

**Evaluation Q4: N.A.**

Question 5: To which extent have the revised CDM standards for PoAs -- including the development of eligibility criteria, demonstration of additionality and application of multiple methodologies -- facilitated raising mitigation ambition in your country by easing the implementation of PoAs?

The simplified procedures are very important.

**Evaluation Q5: High**

Question 6: To which extent has the performance of PoAs been affected in your country by any of these factors:

1. Policy and regulatory aspects in PoA relevant sectors
2. Developments in the international carbon (CER) markets
3. Technical and implementation capacity of PPs
4. Access to financing
5. Institutional capacity of DNAs and sector ministries/agencies
6. Others?

Most importantly, the PoA performance in Zambia was impacted by the institutional capacity of the DNA (not enough human capacities and technical knowhow to make full benefit of the opportunity) as well as the technical implementation capacity of PPs. Important barriers are also access to finance as well as technical and implementation capacity of PPs (some proposed PoAs simply disappeared).

Policy (national climate change policy of 2016) had a positive impact on CDM and PoAs. Same for the Forest Act of 2015 improved the options for REDD+ projects.

Furthermore, the Focal Point expects the SPAR6C program to contribute to the further development of the institutional capacity, including the development of MRV processes, where the DNA is involved in MRV steps and the functions of the DNA's existing registry are expanded.

**Evaluation Q6:**

- **Policy and regulatory aspects in PoA relevant sectors**
- **Technical and implementation capacity of PPs**
- Access to financing
- **Institutional capacity of DNAs and sector ministries/agencies**
- Other

Question 7: Building on the learning curve from CDM single projects to programmes, what lessons should be taken into consideration for the design and implementation of Article 6? What mistakes do you consider should be avoided? Which PoA elements should be retained, and what needs to be improved?

It is important that the concept of PoAs is 'taken on board' under Article 6, as it allows to address a multitude of small, individual abatement opportunities (blending of activities) in one project. Private players might not be very keen to see a stronger involvement of the government. But a better communication and coordination between government and private sector may prevent the government feeling that it has been ripped off. The government wants a better monitoring of what had happened. The government must have a better control (progress monitoring), e.g. what is the contribution of a program to economic growth and SDGs?

Learning from the past, it is essential that the government is more strongly involved / continuity between CME and DNA. The DNA needs to know what happens with the implementation of mitigation activities after registration. Obviously this aspect is essential for the corresponding adjustment, but equally it is important for the government to understand the co-benefits from mitigation measures (how many stoves have been distributed actually? How much energy was actually saved? What is the economic growth triggered by carbon markets? etc.).

**Question 8: What potential advantage/disadvantage do you expect from transitioning PoAs to Article 6 activities in your country?**

In principle, PoAs could be a solid base for Art. 6 activities. The transition allows to get a stronger control over PoAs. Specifically the cook stove PoAs could be harmonized under one joint cookstove A6 program which a common baseline. The increased transparency will allow to create trust, trust through MRV.

**Evaluation Q8: High**

**Question 9: With PoAs being mostly private sector owned/driven, how do you foresee the increased interaction and coordination needs with the public sector in light of the Article 6 institutional framework / participation requirements?**

Government and private sector should act as partners when it comes to Art. 6 transactions. Obviously the private sector and government have to work closer together, allowing the government to 'have a stronger tap on what is going on' on the ground /whether e.g. efficient cookstoves are actually distributed.

**Evaluation Q9: High**

Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?

Some of the PoAs are eligible to transfer to Article 6 and the CFP considers to develop a framework for assessing whether these PoAs are eligible for claiming ITMOs. This framework has to consider a list of criteria including GDP growth, creation of jobs, contribution to technology transfer etc.

**Evaluation Q10A: High**

**Q10A: Are there any plans for applying a PoA approach in your country (including activity design and activity cycle) to Article 6 activities?**

Zambia intends to use the carbon markets and should communicate this to UNFCCC, including information on which PoAs may be transitioned to A6. For existing A6 pilots, they are included into the NDC.

**Evaluation Q10B: Yes**

**Question 11: Recalling the previous questions, is there anything missing that you consider important for moving forward with PoA approaches in the Article 6 activities? Or is there anything we have talked about that you want to emphasize as particularly relevant? What do you think about moving forward with PoA approach in Article 6 activities?**

Zambia has not yet decided on which PoAs will be entitled to transition, as the country has still to develop criteria, guidelines and systems to assess eligibility for assessing the possible transition of PoAs. Zambia expects SPAR6C to contribute to these developments (roadmap, establishment of structures, etc.).

**EVALUATION GUIDE**

Description: For questions that are evaluated in levels of High – Medium – Low, this section provides guidance to the evaluator to differentiate between the different levels, in relation to the question. The evaluation guide aims to provide consistency between the different evaluators of the questionnaire above.

	High	Medium	Low
Q1A	More than 5 CPA/PoAs registered	2-5 CPA/PoAs registered	0-1 CPA/PoAs registered
Q1B	More than 1 CPA/PoA registered	1 CPA/PoAs registered	0 CPA/PoAs registered

<b>Q3A</b>	Lower cost or time efforts for registration of PoAs compared to stand-alone CDM activities	No difference cost or time efforts for registration of PoAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of PoAs compared to stand-alone CDM activities
<b>Q3B</b>	Lower cost or time efforts for registration of CPAs compared to stand-alone CDM activities	No difference in cost or time efforts for registration of CPAs compared to stand-alone CDM activities	Higher cost or time efforts for registration of CPAs compared to stand-alone CDM activities
<b>Q4</b>	Higher rate of design and registration of CPAs compared to stand-alone CDM activities	Lower rate of design and registration of CPAs compared to stand-alone CDM activities	Higher rate of design and registration of CPAs compared to stand-alone CDM activities
<b>Q5</b>	The revised standards for PoAs have facilitated raising mitigation ambition of the country	The revised standards for PoAs have had no influence on the mitigation ambition of the country	The revised standards for PoAs have inhibited the mitigation ambition of the country
<b>Q9</b>	Increased interaction and coordination needs is foreseen between the public and private sector	No change in interaction and coordination needs is foreseen between the public and private sector	Lower interaction and coordination needs is foreseen between the public and private sector
<b>Q10A</b>	Article 6 pilot projects with programmatic approach are being implemented.	There are plans to adopt a programmatic approach to Art. 6 activities	There no plans to adopt a programmatic approach to Art. 6 activities