

TEMPLATE

DESIGN CHANGE MEMO

PUBLICATION DATE **04.03.2021**

VERSION **v. 1.1**

KEY PROJECT INFORMATION

GS ID (s)	GS5658
Title of Project	PoA – Climate Finance for Sustainable Development
Start date of any New measures/Technologies:	14/09/2021 ¹
Date of Memo Submission (must be within 1 year of start date above):	08/03/2022

¹ Refer to file "GS11425_Start Date Contract" uploaded to SC platform: this date refers to the start date for the new SWS activities in Madagascar applying the methodology for Emission Reductions from Safe Drinking Water Supply (version 1.0).

Details of Proposed Design Change

This design change memo is prepared for purpose of requesting an approval to expand the PoA 5658 to be applicable also for the safe water supply (SWS) activities following the new methodology for Emission Reductions from Safe Drinking Water Supply (version 1.0).

The Methodology for Emission Reductions from Safe Drinking Water Supply (version 1.0) will be applied only for new SWS VPAs under the PoA i.e. for SWS VPAs for which the Performance Review Process is started after 03/08/2021. The first VPA applying this methodology has been officially listed on SustainCERT on 23/03/2021 (GS11425).

A clarification regarding the applicability of the Simplified Methodology for Efficient Cookstoves v1.1 has also been made for ICS distribution VPAs. The clarification was required for the validation process of VPA GS11029.

An update regarding the applied version of the TPDDTEC methodology (latest release version 4.0) was also performed.

Describe the Impacts of Design Change on the following

a. Additionality

The proposed inclusion of a new methodology doesn't have impacts on the additionality of the project.

The PoA 5658 is currently, as well as after the proposed design change, a micro-scale PoA providing Community Services via safe water supply and treatment technologies or energy efficient cookstoves and therefore, as per paragraph 4.1.9 of the Community Services Activity Requirements (Version 1.2), can be considered as deemed additional and consequently the Financial Additionality is not required to be proofed. The additionality of each VPA will be moreover demonstrated at the time of inclusion of VPAs under the PoA.

b. Applicability of methodology and other methodological regulatory documents with which the project activity has been certified

The new methodology proposed to be included within the PoA will be applied only for new SWS VPAs for which the Design Review Process is started after 03/08/2021.

It is to be noted that the proposed inclusion of new methodology within the PoA is not causing any changes in the applicability of the methodologies or regarding other methodological regulatory documents regarding the VPAs which have been already registered or which are currently under the registration project as the monitoring plans are prepared at activity level for each VPA.

c. Compliance with the monitoring plan and the applied methodology

The new methodology proposed to be included within the PoA will be applied only for new SWS VPAs for which the Performance Review Process is started after 03/08/2021. Section B.2 of the PoA-DD has been updated accordingly.

It is to be noted that the proposed inclusion of new methodology within the PoA is not causing any revision needs of the monitoring plans or on the application of the methodologies for VPAs which have been already registered under the PoA or which are currently under the registration project. Thus, is because the monitoring plans as well as the methodology applicability demonstrations are prepared at activity level separately for each VPA.

d. Level of accuracy and completeness in the monitoring of the project activity compared with the requirements contained in the registered monitoring plan

The new methodology proposed to be included within the PoA will be applied only for new SWS VPAs for which the Design Review Process is started after 03/08/2021.

It is to be noted that the proposed inclusion of new methodology within the PoA is not causing any revision needs of the monitoring plans for VPAs which have been already registered under the PoA or which are currently under the registration project. Thus, is because the monitoring plans as well as the methodology applicability demonstrations are prepared at activity level separately for each VPA.

e. Project Scale (note suppressed demand rules for large scale)

The proposed inclusion of a new methodology doesn't have impacts on the scale of the project.

The PoA 5658 is currently, as well as after the proposed design change, a micro-scale PoA and thus the annual emission reductions achieved by the VPAs under this PoA are limited to a maximum of 10,000 tons of CO₂e, in each and every year of the crediting period.

f. Stakeholder feedback on design change

The new SWS methodology proposed to be included within the PoA is basically an updated and more conservative version of the TPDDTEC methodology version 3.1. which is already included within the PoA. Thus, there is no need for separate Design Change consultation regarding the inclusion of the new SWS methodology under the PoA.

Moreover, for each VPA (or for a group of VPAs) an activity level stakeholder consultation will be made separately anyway.

g. Sustainable Development Assessment

The proposed inclusion of new methodology within the PoA is not foreseen to have impacts which would require revision in Sustainable Development Assessment in generally. In fact, the detailed assessments will be made separately for each new VPA.

h. Safeguarding Assessment

The CME shall conduct the Safeguarding Principles & Requirements assessment at the VPA equivalent level as per Principles & Requirements. The proposed inclusion of new methodology within the PoA is not foreseen to have impacts which would require revision in Safeguarding Assessment in generally. In fact, the detailed assessments will be made separately for each VPA.

i. Legislation

The proposed inclusion of new methodology within the PoA doesn't result in a need for any new approvals/licenses from the environmental and/or regulatory agencies at PoA level. In fact, fulfilling of the host country legislation (for example, requirements concerning environmental impact analysis) will be demonstrated at VPA level.

Emission Reductions Before Change (as per PDD)	Not applicable (as the Design Change is for PoA)
Emission Reductions After Change (as per PDD)	Not applicable (as the Design Change is for PoA)

Documentation submitted

In addition to this design change memo, the following documents have been uploaded to SustainCERT on 07/03/2021 to support this design change request:

- The revised GS5658 PoA-DD (version 09) highlighting the changes in track-change mode

Moreover, the following further supporting documents are already available on SustainCERT:

- Registered version of PoA Design Consultation Report regarding Madagascar and Mozambique
- Registered version of PoA Design Consultation Report regarding Senegal and Ethiopia
- Registered version of PoA Design Consultation Report regarding Uganda
- Registered version of PoA Design Consultation Report regarding Burundi