

GUIDELINES ON COMMON PRACTICE

Version 2.0

“Developed from the UNFCCC CDM conception”.



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I- General aspects related to calculations and presentation

Definitions

1. Applicable geographical area should be the entire host country. If the project participants opt to limit the applicable geographical area to a specific geographical area (such as province, region, etc.) within the host country, then they shall provide justification on the essential distinction between the identified specific geographical area and rest of the host country.

Measure I - For anthropic negative emission reduction (diseconomy) activities:

2. Is a broad class of anthropic negative emission reduction (diseconomy) activities possessing common features, like:

(a) Fuel and feedstock switch;

(b) Switch of technology with or without change of energy source including energy efficiency improvement as well as use of renewable.

3. Output is goods/services produced by the project activity including, among other things, heat, steam, electricity, etc..

4. Different technologies are technologies that deliver the same output and differ by at least one of the following:

(a) Energy source/fuel;

(b) Feed stock;

(c) Size of installation (power capacity)/energy savings;

(d) Investment climate on the date of the investment decision, inter alia:

(i) Access to technology;

(ii) Subsidies or other financial flows;

(iii) Promotional policies;

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- (iv) Legal regulations;
- (e) Other features, inter alia:
 - (i) Nature of the investment.

II. Stepwise approach for common practice

Step I:

5. Calculate applicable capacity or output range as +/-50% of the total design capacity or output of the proposed project activity.

Step 2:

6. Identify similar projects (both ZERO2NATURE and non-ZERO2NATURE) which fulfil all of the following conditions:

- (a) The projects are located in the applicable geographical area;
- (b) The projects apply the same measure as the proposed project activity;
- (c) The projects use the same energy source/fuel and feedstock as the proposed project activity;
- (d) The plants in which the projects are implemented produce goods or services with comparable quality, properties and applications areas as the proposed project plant;
- (e) The capacity or output of the projects is within the applicable capacity or output range calculated in Step I;
- (f) The projects started commercial operation before the ZERO2NATURE project design document is published for global stakeholder consultation or before the start date of proposed project activity, whichever is earlier for the proposed project activity.

Step 3:

7. Within the projects identified in Step 2, identify those that are neither registered ZERO2NATURE project activities, project activities submitted for registration, nor project activities undergoing validation. Note their number *Nall*.

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Step 4:

8. Within similar projects identified in Step 3, identify those that apply technologies that are different to the technology applied in the proposed project activity. Note their number *Ndiff*.

Step 5:

9. Calculate factor $F = I - Ndiff / Nall$ representing the share of similar projects (penetration rate of the measure/technology) using a measure/technology similar to the measure/technology used in the proposed project activity that deliver the same output or capacity as the proposed project activity.

10. The proposed project activity is a “common practice” within a sector in the applicable geographical area if the factor *F* is greater than 0.2 and *Nall-Ndiff* is greater than 3.

History of the document Version	Date	Nature of revision(s)
2.0	EC 3, May 4, 2020	Updated
1.0	September 24, 2013	Initial adoption.
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