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Document reference number and title: (Recommendation from the MEP to SBM020)

Draft mechanism methodology: Energy efficiency measures in household cooking (version 01.0)

Item	Section no. (as indicated in the document)	Paragraph/Table/Figure no. (as indicated in the document)	Comment (including justification for change)	Proposed change (including proposed text)
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1	APPLICABILITY	11 (c)	Paragraph 11(c), read together with footnote 10, actively excludes peri-urban and urban households from this methodology wherever a national or sub-national classification system exists. We submit that this exclusion is inconsistent with the empirical reality of biomass cooking in the developing world and request the MEP to reconsider. Rural–urban migration in developing countries does not transfer households into energy security. For instance, Ravallion, Chen & Sangraula (2007) demonstrate in the Journal of Development Economics that urbanization in developing countries redistributes poverty spatially rather than reducing it — a dynamic UN-Habitat has explicitly linked to the persistence of energy deprivation in informal urban and peri-urban settlements. Another study, Batchelor et al. (2021) (in Energy Research & Social Science) find that informal urban households continue to rely on solid biomass for cooking due to the unaffordability of cleaner fuels and barriers to grid access, with this reliance persisting even after years of urban residence. Ssekimpi et al. (2022) (BMC Public Health) document that 89% of households in an informal urban settlement in Uganda cook primarily with charcoal, with indoor air pollution levels indistinguishable from the rural settings this methodology targets. Please consider these references as a non-exhaustive list. These households satisfy the pre-activity conditions of paragraph 13(a) in every material respect. Their exclusion under 11(c) is an artifact of administrative classification, not a reflection of their cooking practices or energy access. References (inexhaustive list) Ravallion et al. (2007). On the Urbanization of Global Poverty. Journal of Development Economics. ScienceDirect UN-Habitat. Statement to the UN Department of Economic and Social Affairs. UNDESA Batchelor et al. (2021). City living but still energy poor. Energy Research & Social Science. ScienceDirect Ssekimpi et al. (2022). Biomass fuels and indoor air pollution in urban Uganda. BMC Public Health. PubMed	Remove the "rural-only" restriction. Revise paragraph 11(c) to include peri-urban and urban households, subject to project-level safeguards consistent with paragraph 13(a), and provide a deemed poverty compliance pathway for LDCs.
2		paragraph 27(b)(ii)	As currently drafted, paragraph 27(b)(ii) operates as an absolute bar: any host country fiscal incentive or partial public co-	Revise paragraph 27(b)(ii) so that where partial subsidies exist, the activity may remain eligible provided it demonstrates financial

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	DEMONSTRATION OF ADDITIONALITY		financing, however modest, and however clearly directed at alleviating severe energy poverty, immediately disqualifies an activity from the mechanism. The provision thereby creates a perverse disincentive against domestic policy ambition, forcing an artificial choice between national public policy and access to international carbon markets. The blanket exclusion is also structurally redundant in light of the requirements set out in the Additionality Standard where investment analysis is specifically designed to assess whether an activity genuinely requires mechanism revenues to proceed, taking into account any partial subsidies or fiscal support.	additionality. Proposed text: " (ii) Public sector finance is not completely providing a subsidy for the adoption of efficient cookstoves or cooking fuels or energy sources cleaner..... than fuelwood or artisanal charcoal in the geographic boundary of the Article 6.4 activity where activity cookstoves are distributed."

3	EMISSION REDUCTIONS	103	The draft methodology introduces a series of deductions that collectively will likely generate a steep decline in creditable volumes than any comparable framework for the same real-world fuel displacement. The cumulative reductions stem from several concurrent provisions such as the application of a universal ambitious benchmark in place of regional / directly observed baseline consumption (paragraph 45, table 4), a Ψ ceiling, a Hawthorne correction of 25% by default when SUMs are not used, baseline downward adjustment requirement of 1% reduction per year (paragraph 67), A BAU ceiling when comparing the downward adjusted baseline (BEadj,y) with the conservative BAU baseline (BAUcons,y), a combined 7% levy from the Share of Proceeds and OMGE, and a yet-to-be-determined contribution to the Reversal Risk Buffer Pool. These provisions, many of which target the same underlying principle rather than distinct risk categories, operate cumulatively in ways the methodology neither acknowledges nor quantifies. When assessed against current carbon prices — even accounting for the premiums provided by sovereign Article 6 buyers compared to current VCM prices — the resulting framework renders projects economically unviable. Submissions made by the project developer forum and other project developers provide concrete proofpoints to substantiate the risk we refer to. The outcome is irreconcilable with the foundational commitments of the Article 6.4 mechanism. The RMPs explicitly direct the Supervisory Body to recognise the particular vulnerabilities of LDCs and SIDS (Decision 3/CMA.3, annex, paragraphs 29 and 39) and to actively support their participation (Decision 3/CMA.3, paragraph 5(f) and (g)). A framework that makes clean cooking activities economically unworkable in precisely those contexts, at a time when the sector should be expanding access to clean cooking.	In light of the above, we request the MEP to consider the following adjustments: Adopt a substitution rule for overlapping provisions addressing the same underlying risk. For example, the Ψ cap and the Hawthorne adjustment both address the gap between observed and actual usage, developers should be permitted to apply the more conservative of the overlapping provisions rather than combining them. Anchor the methodology in measurement rather than assumed defaults. Where project-specific empirical data are available and meet statistical reliability requirements, allow them to be used directly in place of methodology defaults. Allow for alternative nationally appropriate benchmarks under paragraph 45, proposed by project developers and/or DNAs where well-evidenced. Exempt qualifying projects from the baseline downward adjustment under section 7.5.1, in line with the rationale set out in our accompanying comments and as per provisions of the baseline standard, paragraph 28, 65 and 66. Apply our comments on the treatment of permanence, as set out separately, in conjunction with the above.
4	NON-PERMANENCE PROVISIONS	-	Recently the Gold Standard released their new suite of Paris aligned clean cooking methodologies in which the following is stated with regards to their treatment of non-permanence in clean cooking programs: "In the context of decentralized thermal energy service activities, the activity developer	Adopt the no-control approach and do not require clean cooking programs to contribute to a buffer pool as crediting is based on energy efficiency improvements and reductions in emissions rather than CO2 sequestered into biomass. Thus, permanence is a non issue and

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			operates the technology distribution and data management infrastructure but possesses no legal control, land tenure, or management authority over the physical greenhouse gas reservoir (the forest or land area). Consequently, the activity is formally classified under the "No Control" exemption regarding the carbon reservoir. Non-permanence buffer pool deductions are therefore fundamentally inappropriate for avoidance activities applying this methodology and shall not be required." Thus, to ensure continuity between standards and methodologies it is advised to adopt a similar approach to how other carbon crediting standards deal with non-permanence in clean cooking programs. The ICVCM has come to a similar conclusion as the rest of the comment, where the following was stated from the Board Observations on Cookstoves and Biodigesters: "The assessment process considered numerous viewpoints on this issue and noted that methodologies may not directly measure and address reversal risks because emission reductions are derived from energy displaced or saved, rather than from maintaining biomass stocks" . https://icvcm.org/wp-content/uploads/2025/03/Board-Observations_Cookstoves-and-Biodigesters-FINAL.pdf	should not be considered in these project types.