

Carbon Market Watch's recommendations to the A6.4 Methodological Expert Panel

Comprehensive Lowered Emission Assessment and Reporting (CLEAR)

Methodology for Cooking Energy Transitions

4 July, 2025

Carbon Market Watch welcomes the opportunity to submit comments during the global stakeholder consultation of the proposed new methodology "<u>Comprehensive Lowered Emission Assessment and Reporting (CLEAR) Methodology for Cooking Energy Transitions</u>". The CLEAR methodology is a step in the right direction for clean cookstove methodologies.

Nevertheless, the methodology still contains shortcomings which must be addressed. Otherwise, this methodology risks perpetuating some of the same elements which have been found to be <u>linked to pervasive overcrediting</u> in many existing cookstove methodologies. We have outlined some of the main issues with the current proposal below, but this is not exhaustive: we urge the Methodological Expert Panel and the CLEAR methodology proponents to follow the Paris Agreement Crediting Mechanism's (PACM) rules and regulations, and to align the methodology with the best available science wherever possible, and where this is not possible, to opt for the most conservative estimations.

Monitoring adoption, usage, and stacking

First of all, the methodology contains optionalities in several instances, with varying levels of conservativeness and robustness. This makes it difficult to guarantee robust outcomes: a methodology is only as robust as its weakest requirements. For example, the difference

between Continuously Tracked Energy Consumption (CTEC) and non-CTEC projects will be large, as research has found directly tracking project stove and fuel use is a much more robust way of tracking adoption, usage and stacking rates. Giving the option for non-CTEC projects undermines the overall robustness of the methodology.

For non-CTEC projects relying on Kitchen Performance Tests (KPTs) without additional Stove Use Monitor (SUM) measurements, a default downward adjustment of 25% is made to the emission reductions to account for the Hawthorne effect. However, one <u>study</u> has quantified the Hawthorne effect, and found a 53% increase in project stove usage and a 29% decrease in stacking as a result. This would translate to a 35% downward adjustment to the emission reductions. For this reason, a 25% default downward adjustment may not be sufficient to fully compensate for the Hawthorne effect on both usage and stacking rates. We therefore recommend that in the case of reliance on KPTs, instead of an arbitrary downward adjustment of 25%, the adjustment for the Hawthorne effect follows the latest scientific evidence.

Wood-to-charcoal conversion factor

Another example of optionality that negatively impacts the methodology's robustness is the optionality for conversion factors to assimilate charcoal and firewood as equivalents, where projects can choose to either use a 6:1 or a 4:1 conversion factor. A 6:1 conversion factor is not conservative enough, as indicated by the Methodological Panel's recommendation to review the CDM's conversion factor from 6:1 to 4:1 already in 2022: "While noting that the conversion factor could vary with charcoal production technique and several other factors (e.g. type of kiln, moisture content of wood, weather conditions), the MP observed that a conservative value should be used as a default value. The MP recommends a default value of 4 because it is the lower end of the range indicated in most literature reviewed, including the Revised 1996 IPCC Guidelines, Unified bioenergy terminology (FAO, 2004), Chidumayo, E.N. and Gumbo, D. J. (2013) and Energypedia. The MP also noted that proposed default value will not preclude the project proponent from using a higher value as long as credible justification can be provided."

This is further underscored by ICVCM's <u>decision</u> to require a 4:1 conversion factor as a condition for its Core Carbon Principles label. The CLEAR methodology should therefore also set a 4:1 conversion factor as the default value.

Downward adjustment

While the CLEAR methodology applies a 10% to 25% downward adjustment to the baseline initially, it does not apply the annual downward adjustment required by the PACM

Standard for setting the baseline in mechanism methodologies. The requirement is for an annual increase in the downward adjustment that corresponds to at least 1% of the baseline emissions in the calendar year of the start date of the first crediting period. The argumentation given is not convincing, because accounting for overestimation in measurement is not a stand-in for the requirement for all mechanism methodologies to increase ambition over time. Moreover, there are no possibilities for an exemption, as exemptions shall only apply to baselines based on BAT or ambitious benchmarks, which the CLEAR methodology does not use. The downward adjustment requirements of the mechanism are clear: the CLEAR methodology must apply them.

Fraction of non-renewable biomass

We welcome the use of fNRB values derived from the MoFuSS model. The fNRB parameter is "Updated at crediting period renewal" and is "Determined once ex-ante" (page 56). We recommend that the fNRB value should be updated more regularly than only at crediting period renewal, and especially when new data and information becomes available, as crediting periods for emission reduction projects can be up to 10 years. This latter requirement is important to make explicit, as the methodology states on page 51 that: "The CLEAR methodology requires the application of a *scientifically derived* and *periodically updated* fNRB value to emissions reduction estimates" (emphasis added). The wording "scientifically derived and periodically updated" could give the impression that fNRB values are updated when new scientific ways to determine the value are published, which would be a welcome provision. However, this is currently not explicitly stated.

Leakage adjustment factor

A 2% default adjustment factor to approximate leakage of emissions is less conservative than even the cookstove methodologies of the CDM (AMS-II-G, for example, has a leakage adjustment factor of 5%). In light of current scientific research on leakage risks for clean cookstove projects being inconclusive, and self-reporting from projects being potentially biased, for the moment we see no compelling reason to have a less conservative default adjustment factor for leakage than the current standard of 5%.

Additionality

The CLEAR methodology explicitly states it does not require an investment analysis for demonstration of financial additionality, due to its unsuitability for many household-level cookstove projects, and instead proposes only a barrier analysis. While CLEAR details various barriers (knowledge, financial, infrastructural, institutional), a standalone barrier

analysis as demonstration of additionality has historically been criticised for being less rigorous and more susceptible to subjectivity than other financial analyses. This remains a significant area of flexibility that could lead to crediting non-additional projects. Gill-Wiehl, Kammen & Haya (2023). noted that additionality testing for clean cookstove projects requires more research and that existing studies have been inconclusive. We therefore recommend the methodology reflects the latest science, updating the additionality testing as more evidence on the suitability of a standalone barrier analysis is produced.

For the common practice analysis, the CLEAR methodology should indicate more clearly that this is a requirement by including stronger 'shall' language on page 18 and 45 of the methodology. In addition, the selection of 30% as a threshold for common practice rather than the 20% that is used in the common practice tool of the CDM is not well justified. Even at 20%, the common practice analysis has been critiqued for not being robust (though this was not specifically in the context of clean cookstove projects). Therefore, the CLEAR methodology should at the very least select a 20% common practice threshold. Proposals to increase this threshold to 30% should be made based on scientific evidence rather than speculation.

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