

Standardized Crediting Framework - Senegal Pilot

Background Note for Governing Board meeting

31 October 2019

1 Introduction

Senegal formally launched the first pilot of the Standardized Crediting Framework (SCF) in 2017. The SCF is an initiative by the Carbon Initiative for Development (Ci-Dev) to support the transition of their Clean Development Mechanism (CDM) programs - including the Senegal program contracted to provide emission reductions - to the new regulatory framework of the Paris Agreement, as well as to provide relevant inputs and lessons learned into the ongoing negotiations of Article 6. The SCF provides for a host country-led approach to crediting that simplifies scaling-up and replication of project activities within defined sectors of the economy – starting with energy access – as well as a potential transition to sectoral or sub-sectoral approaches to crediting emission reductions that go beyond the current CDM Programme of Activities (PoA) model. The pilot is based on the ASER rural electrification program, which was also registered as a CDM PoA in May 2018

2 Structure and progress of SCF pilot in Senegal

The national authority overseeing the SCF Pilot is the “Governing Board”, as shown in Figure 1, led by the Ministry of Environment and Sustainable Development. The Climate Change Division of DEEC also serves as the SCF Administrator.

Figure 1. Governance structure for the SCF Pilot in Senegal

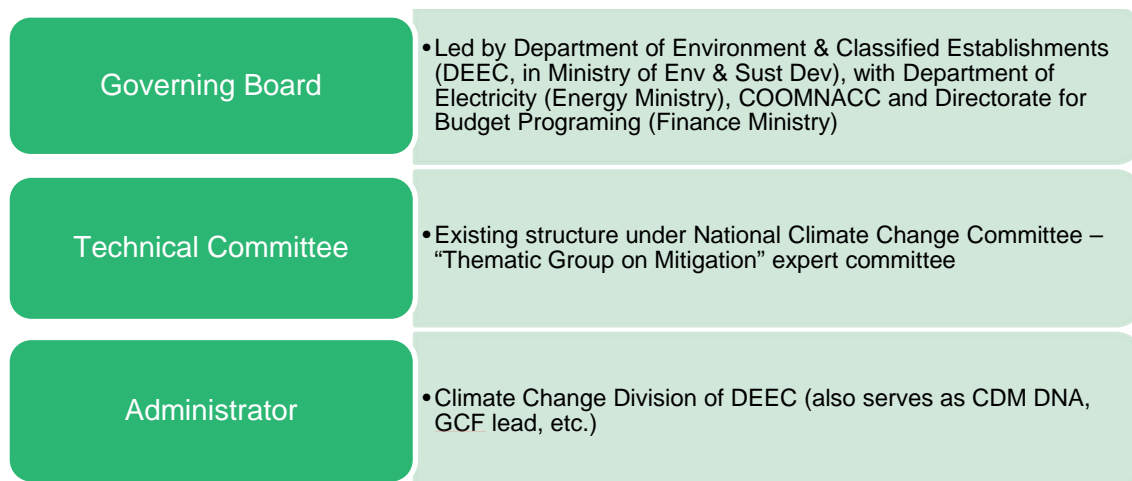
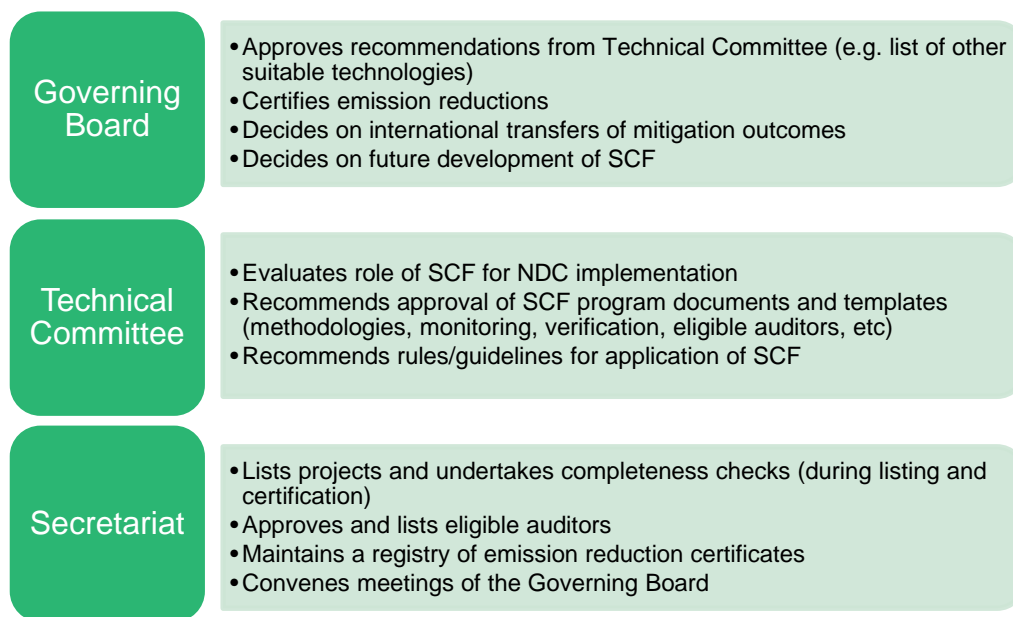


Figure 2 presents the roles and responsibilities of each of these bodies.

Figure 2. Roles of each element of governance structure



3 Governing Board Meeting Session 1: SCF Pilot Certification

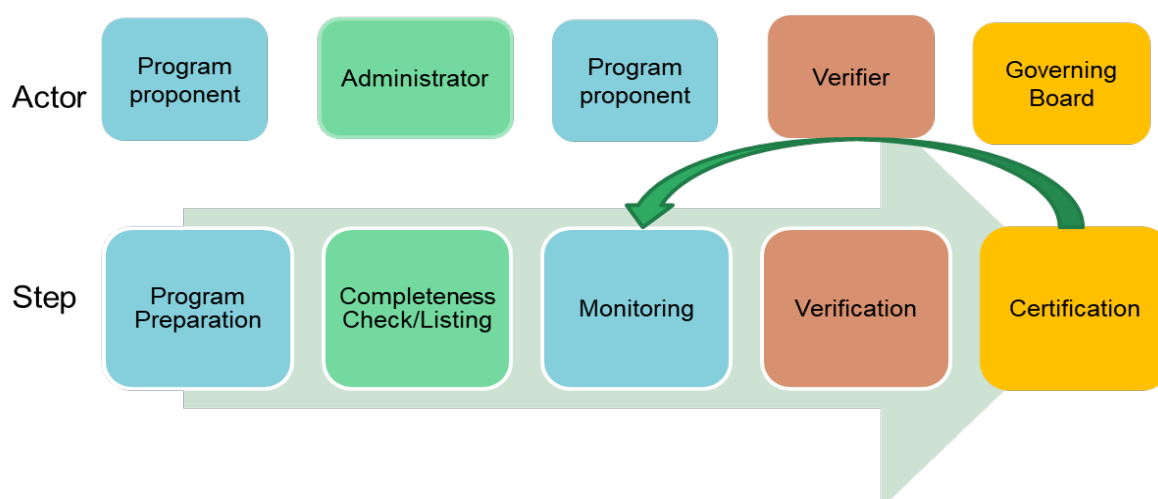
Figure 3 below shows the timeline of the SCF pilot. The monitoring and verification phases are complete, which is why the Governing Board is convening to certify the emission reductions (i.e. to accept the verification report from the third-party auditor). The lessons learned workshop is scheduled for November 8, 2019.

Figure 3. timeline for SCF pilot



The certification step is also shown in Figure 4, which illustrates the SCF project cycle. The purpose of this step is for the Governing Board, with the advice of the Technical Committee, to acknowledge the Final Verification Report and confirm that the emission reductions have been achieved by the pilot. Note that this is *not a technical review* of the emission reductions, because the third-party verifier has already undertaken an extensive technical review, based on their expertise in carbon market mechanism auditing.

Figure 4: SCF project cycle



In the final verification report, the verifier (TUV Nord) states: “Based on the process and procedure conducted, [TÜV NORD CERT GmbH] provides reasonable assurance that the emissions reductions for [ASER Rural Electrification Program] are: - Free from material errors and are a fair representation of the GHG data and information, and - Prepared in line with the related SCF Program Protocol, methodology and other guidance documents.” The full verification report is attached to this document.

Note that the verifier also recommended some editorial changes in the templates to improve their user friendliness and clarify. The consulting team has also identify some similar editorial changes. The Governing Board could authorize the SCF Administrator to accept these changes after the Lessons Learned workshop, bearing in mind that they are not substantive changes.

3.1 Possible actions for the Governing Board

The Governing Board may wish to:

- Acknowledge the Verification Report from TUV Nord, which presents an unqualified positive verification opinion
- Certify that the SCF Pilot Program has resulted in emission reductions of 5,198 tCO₂ during the period 01/10/2016 – 31/03/2018, based on the rules and procedures for the SCF pilot adapted by Senegal’s SCF Governing Board
- Authorize the SCF Administrator to accept editorial changes to SCF templates and forms on the basis the monitoring and verification experience

4 Governing Board Meeting Session 2: future of SCF

The lessons learned from the SCF Pilot and the possible options for the future are summarized in two short papers:

- “Lessons Learned Note”: Executive Summary (2 pages)
- “What next for the SCF?” - Executive Summary (4 pages)

These will be presented to the Governing Board by the consultant team for discussion.

In terms of a specific next step, Senegal's National Biogas Program (PNB) has been developing a possible Article 6 program with Switzerland's Klik Foundation. Klik Foundation has provided project development funding to support the initial technical work to assess how the PNB program might be recognized as a future Article 6 program for Senegal and Switzerland.

Senegal could potentially build on the governance structure and processes established in the SCF pilot – including the Governing Board and Technical Committee – to oversee the process of project evaluation and approval for the PNB-Klik program as well. Some ideas on how this might work and possible next steps will be presented to the Governing Board for discussion.

4.1 Possible actions for the Governing Board

Possible actions will be discussed during the meeting.

5 Attachments

- Senegal SCF Pilot Second Governing Board Meeting: Draft Agenda
- Verification Report for SCF Pilot – ASER Rural Electrification Program (9 pages)
- “Lessons Learned Note”: Executive Summary (2 pages)
- “What next for the SCF?” - Executive Summary (4 pages)