



Submitted By: Warwick Manfrinato

Organization: Plant Environmental Intelligence

Country: Brazil

This comment was received via email by the VCS Association.

1. There is a strong weakness in the proposed document as it does not point a leakage analysis. In principle, it is my belief that no project based activity or system is leakage-free.

2. In this case, it should not be different. Based on the fact that emissions outside the project boundaries, caused by project activities will be fully possible. To pose a negative assumption to that, project proponent would have to demonstrate the nexus between its proposed activities and the reduction of consumption of gasoline in the region, outside its fleet or even worse in the country of interest. Thus, methodology would have to include a mechanism that demonstrate the reduction of use of gasoline the proposed project is actually achieving and that it is also not being used by others outside the project. This would entail, necessarily, the involvement of the refinery plants responsible for the gasoline consumed by project proponents of such methodology, demonstrating that it has reduced its production of gasoline due to the project itself. Of-course that crude arriving at the refinery could be shipped elsewhere for production of gasoline, but this could be an acceptable limit for leakage analysis.

3. It also could be argued that the production of gasoline has been increasing steadily over the years in the region of project, since the moment that a steady-state use of ethanol occurred. A much more complex analysis is needed to be possible to identify the additionality level that a fleet exchange of fuel consumption would have today.

4. Therefore, the baseline analysis needs to take in consideration the reduction of emissions due to the ethanol use in the country fleet has taken place in the initial years of the intruduction of a new fuel in the system. We believe that it is very difficult to demonstrate – by methodology based on additionality criteria – i.e. that emission reductions can be accounted for by simple comparison of change in fuel

consumption. This would be the case for Brazil, where we assume this methodology was born.

Whereas we believe in the benefit of use of ethanol in emission reductions, we also believe this methodology needs improvement in concept to make possible the desired benefit to be achieved.