

## **Agenda item 4.1 (c) (i).**

Paragraph 24 of the annotated agenda, Annex 3 to MP79

# SSC-III.XX: Ride-hailing services

**CDM EB 103**

Bonn, Germany, 12 to 14 June 2019



## Procedural background

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- Proposal submitted by “Beijing Didi Infinity Technology and Development Co., Ltd.”.
- EB 102 considered MP78 recommendation and requested the MP to further work on the proposal addressing comments it has raised.



## Purpose

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Brief how MP79 addressed comments from EB102.



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## Key Issues - Comments from EB102

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1. Clarify what specific measures and investments may constitute a CDM project activity and how these measures and investments trigger the calculated emission reductions; for example, whether a new software is developed or use of an existing software is promoted;
2. Assess how the prior consideration of the CDM can be assessed in case of use of an existing software;
3. Further assess whether the proposed measure related to booking online taxis is not a business-as-usual activity;
4. Ensure that all possible baseline transportation modes are considered including use of taxis booked using other software.



## Proposed solution – Reply from MP to comments from EB102

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1. Clarify what specific measures and investments may constitute a CDM project activity and how these measures and investments trigger the calculated emission reductions; for example, whether a new software is developed or use of an existing software is promoted.
  - Measures included in the proposed meth;
    - **Measure 1: Booking of taxis** – Avoid empty cruising or waiting of taxis to find passengers;
    - **Measure 2: Booking ride sharing with another passenger(s)** – Avoid duplicate driving of passengers in separate vehicles with same or similar route;
    - **Measure 3: Booking ride sharing with driver** – Avoid duplicate driving of passengers and driver in separate vehicles with same or similar route.



- Following investments will be considered;
  - **Cost for introduction of the app** to the project city;
  - Cost reg. **establishment of the local company**;
  - Cost reg. **apps localization** including **purchase of local digital map, route planning, service fee settlement** and **daily operation**.
- Cost for investment of encoding and algorithm development **should not** be considered.
- **Impact due to promotional campaigns**
  - Trips taken as a part of promotional campaigns shall not be considered for ER calculations.



## Proposed solution – Reply from MP to comments from EB102

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2. Assess how the prior consideration of the CDM can be assessed in case of use of an existing software.
3. Further assess whether the proposed measure related to booking online taxis is not a business-as-usual activity.
  - Methodology is applicable for **introduction of new ride-hailing app** in the project city;
  - **Existing apps** providing same ride-hailing services in the project city **will not be applicable** under this methodology;
  - **Extension or modification** of existing app **will not be applicable** under this methodology;
- Ensures that project is **not a business-as-usual activity** and **prior consideration of CDM will be demonstrated** using current requirement for prior consideration of CDM.



## Proposed solution – Reply from MP to comments from EB102

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4. Ensure that all possible baseline transportation modes are considered including use of taxis booked using other software.
- Following additional baseline transport modes are included in the meth:
    - a) Passenger tricycle;
    - b) Cycle rickshaws;
    - c) Skates;
    - d) Skateboards;
    - e) Push scooters;
    - f) Hand carts; and
    - g) No traveling.





## Impacts

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- Methodology will help development of CDM projects under transport sector and thereby help reducing CO2 emissions in intra-city passenger transport.



## Recommendations to the Board

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- **MP recommends the Board to approve** the proposed new methodology.

