



**FRAMEWORK CONVENTION ON CLIMATE CHANGE - Secretariat
CONVENTION - CADRE SUR LES CHANGEMENTS CLIMATIQUES -
Secrétariat**

Date: 15 July 2011
Ref: CDM-EB-62

**EXECUTIVE BOARD OF THE CLEAN DEVELOPMENT MECHANISM
SIXTY-SECOND MEETING**

Report

Date of meeting: 11–15 July 2011

Location: Marrakesh, Morocco

Attendance: The names of members and alternate members present at the meeting are in bold print below. Where only the name of an alternate member is in bold print, the alternate participated as a member.

Members	Alternates
Mr. Pedro Martins Barata ¹	Mr. Lex de Jonge ¹
Mr. Maosheng Duan ¹	Ms. June Hughes ¹
Mr. Philip M. Gwage ¹	Mr. Paulo Manso ¹
Ms. Diana Harutyunyan ¹	Ms. Danijela Bozanic ¹
Mr. Martin Hession ²	Mr. Thomas Bernheim ²
Mr. Victor Kabengele ²	Ms. Fatou Gaye ²
Mr. Shafqat Kakakhel ²	Mr. Hussein Badarin ²
Mr. Akihiro Kuroki ²	Mr. Peer Stiansen ²
Mr. Clifford Mahlung ¹	Mr. Asterio Takesy ¹
Mr. Daniel Ortega Pacheco ²	Mr. José Miguel Leiva ²

¹ Term: Two years (term of service ends immediately before the first meeting in 2012)

² Term: Two years (term of service ends immediately before the first meeting in 2013)

NB: The term of service of a member, or an alternate member, starts at the first meeting of the Executive Board in the calendar year following his/her election and ends immediately before the first meeting of the Executive Board in the calendar year in which the term ends (see Rules of procedure of the Executive Board).

Quorum (in parenthesis required numbers): **10** (7) members or alternate members acting as members present of which **4** (3) from Annex I Parties and **6** (4) from non-Annex I Parties.

WWW broadcasting : <<http://cdm.unfccc.int/EB/Meetings>>.

**Agenda item 1. Adoption of the agenda**

1. Mr. Martin Hession, Chair of the Executive Board of the clean development mechanism (CDM) (hereinafter referred to as the Board), opened the meeting with remarks on the tenth anniversary of the Marrakesh Accords, which contain the rules that govern the CDM, and thanked the Government of Morocco and in particular its designated national authority (DNA) for hosting the meeting in Marrakesh.
2. The Chair asserted that the quorum requirement was met. The Board noted that the secretariat was informed that Mr. José Miguel Leiva was unable to attend the meeting. Mr. Daniel Ortega-Pacheco attended only the first day of the meeting and was unable to attend the rest of the meeting. Both members had provided proper justification for their absence.
3. The Board adopted the agenda of the meeting.

Agenda item 2. Membership issues (including disclosure of possible conflict of interest)

4. The Board considered information provided by members and alternate members, including with respect to any potential conflict of interest. The statements on conflict of interest from members and alternate members can be viewed on the UNFCCC CDM website at <http://cdm.unfccc.int/EB/index.html>.

Agenda item 3. Work plan**Agenda sub-item 3 (a): Accreditation of operational entities**

5. The Board took note of the progress report of the fifty-fifth meeting of the CDM Accreditation Panel (CDM-AP), and an oral report by its Chair, Mr. Akihiro Kuroki. The report summarized information relating to the work of the panel, including the status of applications and developments with respect to performance assessments, and other accreditation related issues.

Case specific

6. The Board took note of a notification by the CDM-AP on the positive outcome of a regular surveillance assessment of the following entities:
 - (a) CDM-E-0001 “Japan Quality Assurance Organisation” (JQA), central office (Tokyo, Japan);
 - (b) CDM-E-0003 “DNV Climate Change Services AS” (DNV), non-central site (Beijing, China);
 - (c) CDM-E-0016 “ERM Certification and Verification Services Ltd.” (ERM CVS), central office (London, United Kingdom);
 - (d) CDM-E-0022 “TÜV NORD CERT GmbH” (TÜV Nord), non-central site (Shanghai, China).
7. The Board took note of a notification by the CDM-AP on the positive outcome of performance assessments of the following entities:
 - (a) CDM-E-0010 “SGS United Kingdom Limited” (SGS);
 - (b) CDM-E-0011 “Korea Energy Management Corporation” (KEMCO);
 - (c) CDM-E-0016 “ERM Certification and Verification Services Ltd.” (ERM CVS);



- (d) CDM-E-0022 “TÜV NORD CERT GmbH” (TÜV Nord).
8. The Board took note of a notification on withdrawal of accreditation of the following entity:
- (a) CDM-E-0048 “Deloitte Cert Umweltgutachter GmbH” (Deloitte Cert).

General guidance

9. The Board considered the recommendation of the CDM-AP and agreed on an interim measure for initial qualification of validation/verification team members for complex technical areas. The Board agreed to revise the CDM accreditation standard to include this measure and adopted version 03 of the CDM accreditation standard, as contained in [annex 1](#) to this report, with immediate effect.
10. The Board welcomed the work of the CDM-AP on the development of the guidance document to support the CDM-AP's decision-making and recording of decisions on assessment cases. The Board requested the CDM-AP to submit a draft guidance document to the Board for its consideration at a future meeting.

Further schedule

11. The Board noted that the fifty-sixth meeting of the CDM-AP will be held on 23–26 August 2011 in Bonn, Germany.

Agenda sub-item 3 (b): Methodologies for baselines and monitoring plans

12. The Board took note of the progress report of the fiftieth meeting of the Methodologies Panel (Meth Panel), and an oral report by its Chair, Mr. Phillip Gwage, on the work of the Meth Panel.

Case specific

13. The Board approved the following new methodologies:
- (a) AM0092 “Substitution of PFC gases for cleaning Chemical Vapour Deposition (CVD) reactors in the semiconductor industry” based on the proposed new methodology NM0330 “Substitution of Fluorinated Compound (FC) gases for cleaning Chemical Vapor Deposition (CVD) reactors in the semiconductor industry”. The approved methodology is contained in [annex 2](#) to this report;
 - (b) AM0093 “Avoidance of landfill gas emissions by passive aeration of landfills” based on the proposed new methodology NM0333 “Avoidance of landfill gas emissions by passive aeration of landfills”. The approved methodology is contained in [annex 3](#) to this report; and
 - (c) AM0094 “Distribution of biomass based stove and/or heater for household or institutional use” based on the proposed new methodology NM0337 “Replacement of fossil fuel fired heaters with biomass residue fired heaters”. The approved methodology is contained in [annex 4](#) to this report.
14. The Board took note that the Meth Panel could not conclude its consideration of the following proposed new methodologies:
- (a) NM0332: “PFCs emission reduction from installation of an abatement device in a semiconductor manufacturing facility”;
 - (b) NM0334: “Installation of high efficient technology for power transmission”;



- (c) NM0338: “Methodology for GHG emission reductions using advanced electric arc furnace integrated with high-efficiency shaft-type scrap preheater”;
- (d) NM0343: “Methodology for RHF-based energy efficient iron-making technology”;
- (e) NM0344: “Introduction of a New Natural Gas Based Gas Turbine Cogeneration in Existing CHP Facilities Connected to the Electricity Grid”;
- (f) NM0345: “Methodology for conversion of a Combined Cycle Power Plant to an Integrated Solar Combined Cycle (ISCC)”;
- (g) NM0346: “Utilization of ammonia-plant off gas for heat generation”; and
- (h) NM0347: “Biomass residue co-firing at an existing or a new boiler(s)”.

15. The Board requested the Meth Panel to provide additional information on the rationale for the threshold value of 20 per cent for iron and steel plants in the host country which have combined- or open-cycle gas based power generation using waste gas, as described in the common practice analysis of the proposed reformatted methodology based on NM0292 “Highly efficient power plant fuelled with blast furnace gas at TKCSA, in Rio de Janeiro, Brazil”, and report back to the Board at its next meeting.

Responses to requests for revision

16. The Board took note that the Meth Panel could not conclude its consideration of the requests for revision AM_REV_0212 and AM_REV_0213, and will continue the consideration of these requests at a future meeting.

Responses to requests for clarification

17. The Board took note of the responses provided by the Meth Panel to the requests for clarification AM_CLA_0208 and AM_CLA_0209, as referred to in the report of the fiftieth meeting of the Meth Panel.

18. The Board took note that the Meth Panel could not conclude its consideration of the request for clarification AM_CLA_0191, and will continue the consideration of this request at a future meeting.

Revision of approved methodologies and tools

19. The Board considered an information note prepared by the Meth Panel on issues identified in the consolidated methodology ACM0013 “Consolidated baseline and monitoring methodology for new grid connected fossil fuel fired power plants using a less GHG intensive technology” as well as the recommendation to put the methodology on hold with immediate effect and initiate a revision of the methodology. In this regard, the Board agreed to request the Meth Panel to:

- (a) Carry out a thorough analysis of the issues raised in the information note, including the assumptions underlying the recommendation and the potential overestimation of emission reductions, taking into consideration the available sources of data;
- (b) Prepare a report of this analysis for consideration by the Board at its next meeting; and
- (c) Initiate a revision of the methodology, if the thorough analysis concludes that the methodology requires improvement.

20. The Board took note of a presentation made by the secretariat to further clarify the options proposed by the Meth Panel for the revision of AM0001 “Incineration of HFC 23 waste streams”. The Board agreed to continue the consideration of the revision of methodology AM0001 at its sixty-third meeting.



21. The Board took note that, in response to the task of improving approved methodologies and tools as contained in the 2011 work plan of the Meth Panel, the panel finalized a draft revision to the methodology AM0023 “Leak reduction from natural gas pipeline compressor or gate stations”, and the Chair of the Meth Panel launched a call for public inputs on the draft revised methodology that started on 7 July 2011 for 10 days calendar.

22. The Board took note that, in response to the task of improving approved methodologies and tools as contained in the 2011 work plan of the Meth Panel, the Meth Panel continued its work to improve the following methodologies and tool:

- (a) AM0025: “Avoided emissions from organic waste through alternative waste treatment processes”;
- (b) ACM0001: “Consolidated baseline and monitoring methodology for landfill gas project activities”; and
- (c) “Tool to determine methane emissions avoided from disposal of waste at a solid waste disposal site”.

The panel intends to continue its work at a future meeting, with the aim of providing draft revisions to these methodologies and tool for consideration by the Board at a future meeting.

23. The Board took note of the response from the Meth Panel to the request contained in paragraph 20 of the report of the forty-sixth meeting of the Board, concerning the possibility of incorporating an option in the approved consolidated methodology ACM0009 “Consolidated baseline and monitoring methodology for fuel switching from coal or petroleum fuel to natural gas” to use the weighted average emission factor of multiple baseline fuels, as contained in paragraph 18 of the report of the fiftieth meeting of the Meth Panel.

24. The Board took note that, in response to the request contained in paragraph 28 of the report of the fifty-third meeting of the Board, the Meth Panel continues its work to develop the provisions required for the determination of baseline emissions in case of greenfield cement plants within the context of ACM0015 “Consolidated baseline and monitoring methodology for project activities using alternative raw materials that do not contain carbonates for clinker production in cement kilns”, with the aim of providing a recommendation for consideration by the Board at a future meeting.

25. The Board took note of the response from the Meth Panel to the request contained in paragraph 21 of the report of the fifty-eighth meeting of the Board, concerning the exclusion of consumers from the project boundary in the approved consolidated methodology ACM0017 “Production of biodiesel for use as fuel”, as contained in paragraph 21 of the report of the fiftieth meeting of the Meth Panel.

26. The Board took note that:

- (a) In response to the requests contained in paragraph 25 of the report of the fifty-fourth meeting of the Board and in paragraph 32 of the report of the fifty-sixth meeting of the Board, concerning the analysis to determine, if the use of ex ante dispatch analysis is suitable when compared with other methods of estimating the operating margin in the “Tool to calculate the emission factor for an electricity system”, the Meth Panel was not able to conclude its work on this issue. The Meth Panel will continue to work on the analysis requested by the Board with the view to provide a recommendation at its next meeting; and
- (b) In response to the request by the SSC WG related to the approved SSC methodology AMS-I.D, concerning issues with the “Tool to calculate the emission factor for an electricity system”, the Meth Panel provided a draft response to the request for revision SSC_486 as



contained in annex 12 of the report of the fiftieth meeting of the Meth Panel.

27. The Board took note that, in response to the requests contained in paragraph 30 and 31 of the fifty-sixth meeting of the Board and paragraph 43 of the report of the sixtieth meeting of the Board concerning the “Tool to assess the validity of the original/current baseline and to update the baseline at the renewal of a crediting period”, the Meth Panel could not conclude its consideration of this matter. The Meth Panel will continue to work on a draft revision of the tool with a view to finalize a recommendation at a future meeting.

General guidance

28. The Board agreed on the revised “Guidelines on the assessment of investment analysis”, as contained in [annex 5](#) to this report. The Board also took note that the Meth Panel prepared an information note that outlines the rationale of the default values for the cost of equity that are included in the guidelines, as contained in annex 8 of the report of the fiftieth meeting of the Meth Panel.

29. The Board took note that, in response to the task of developing top-down methodologies and tools, as contained in the 2011 work plan of the Meth Panel, the Meth Panel continued its work to develop the following top-down methodology and tools:

- (a) Draft methodology for renewable power generation in isolated systems;
- (b) Draft tool to determine project emissions from anaerobic digesters; and
- (c) Draft tool to determine project emissions from aerobic treatment of solid waste.

The Meth Panel intends to recommend these draft top-down methodology and tools for their consideration by the Board at a future meeting.

30. The Board took note that, in response to the task of developing standardized baselines as contained in the 2011 work plan of the Meth Panel, the Meth Panel:

- (a) Further considered which approved methodologies could be used to derive standardized baselines with a view to recommend a first standardized baseline to the Board at a future meeting; and
- (b) Reviewed the draft framework for the establishment of sector specific standardized baselines, as contained in annex 2 of the annotations of the sixty-second meeting of the Board, and provided remarks on the draft, as contained in annex 11 of the report of the fiftieth meeting of the Meth Panel.

31. The Board took note that the Meth Panel reviewed the draft standard on consideration of suppressed demand in CDM methodologies, as contained in annex 1 of the proposed annotated agenda of the sixty-second meeting of the Board, and provided recommendations to the Board, as contained in paragraph 29 of the report of the fiftieth meeting of the Meth Panel.

32. The Board took note that, in response to the task of supporting the secretariat on the development of tables of calculation for approved methodologies as contained in the 2011 work plan of the Meth Panel, the Meth Panel agreed to initiate the assessment of a calculation table for the “Tool to calculate the emission factor for an electricity system” with a view to finalize the assessment at its next meeting.

33. The Board adopted the “Guidelines on the consideration of suppressed demand in CDM methodologies”, as contained in [annex 6](#) to this report. The Board also requested the secretariat to prepare, in consultation with the relevant panels and working groups, a work programme for the implementation of these guidelines in relevant CDM methodologies. The work programme will be



considered by the Board at a future meeting.

34. The Board agreed to launch a call for public inputs on the work related to the use of the first-of-its-kind barrier and the assessment of common practice. The Board also agreed to specific questions for stakeholder inputs, as contained in [annex 7](#) to the report. This call will be open from **18 July 2011** and will close on **15 August 2011**. The Board further requested the secretariat to prepare:

- (a) A note that summarizes the inputs that will be received from the call, taking feedback from the small group of Board members working on the issue; and
- (b) A new proposal on the use of first-of-its-kind barrier and the assessment of common practice, taking into account the inputs received from the call.

The note and the new proposal will be considered by the Board at a future meeting.

35. The Board adopted the “Guidelines for the establishment of sector specific standardized baselines”, as contained in [annex 8](#) to this report. The Board also requested the secretariat to continue, in consultation with the relevant panels and working groups, analyzing other approaches and to further develop the guidelines through the expansion of their applicability and their improvements based on lessons learnt from their application. The Board further requested the secretariat to prepare a work programme to implement, in consultation with the relevant panels and working groups, the guidelines. The work programme should cover, inter-alia:

- (a) The development of options for the setting and approval of values of the thresholds Xa, Xb, Ya and Yb used in the guidelines as well as an analysis of the implications of these options for sectors covered by the guidelines;
- (b) The determination of the vintage of the relevant data as well as the frequency of update of the relevant parameters used in the guidelines.

The work programme will be considered by the Board at a future meeting.

36. The Board took note of the elimination of the backlog in consideration of new methodologies.

Further schedule

37. The Board noted that the fifty-first meeting of the Meth Panel will be held from 15–19 August 2011 in Bonn, Germany.

38. The Board also noted that the thirty-fourth meeting of the Afforestation/Reforestation Working Group (A/R WG) will be held from 22–24 August 2011 in Bonn, Germany.

Agenda sub-item 3 (d): Issues relating to small-scale CDM project activities

39. The Board took note of the progress report of the thirty-second meeting of the Small-scale Working Group (SSC WG) and an oral report by its Chair, Ms. Fatou Gaye, on the work of the group.

Case specific

40. The Board approved the new small scale methodology AMS-II.M “Demand-side energy efficiency activities for installation of low-flow hot water savings devices”, as contained in [annex 9](#) to this report. The methodology comprises activities for installation of low-flow hot water saving devices in residential buildings for personal bathing (i.e., low-flow showerheads), kitchen faucets, and/or bathroom faucets. Such low-flow devices are to permanently replace baseline faucets.



41. The Board took note that the proposed new SSC methodology SSC-NM065 “Introduction of fuel efficiency improvement technologies for motorcycles” was deemed not suitable for recommendation to the Board by the SSC WG.

42. The Board took note that, in response to the task of developing top-down methodologies and tools, as contained in the 2011 work plan of the SSC WG, the group will continue working on the following two methodologies with a view to present final recommendations at its thirty-fourth meeting:

- (a) Draft methodology for demand side energy efficiency for agricultural pumping and irrigation activities, focusing on replacement of existing inefficient pumps;
- (b) Draft methodology for building modelling and thermal applications in buildings, taking into consideration further inputs from the experts.

43. The Board took note that the SSC WG prepared a first draft of a new methodology for energy efficient lighting and controls for buildings, with a view to finalize it at the thirty-fourth meeting of the group after taking into consideration experts' and public inputs. This methodology will address lighting technologies not covered under AMS-II.J, which is exclusively for residential compact fluorescent lamps (CFLs).

Responses to requests for clarification

44. The Board took note of the responses provided by the SSC WG on the requests for clarification SSC_534, SSC_536 - SSC_537, SSC_539 - SSC_540, and the responses to the requests for revisions SSC_535, SSC_538, SSC_541, as provided by the SSC WG and referred to in the report of the thirty-second meeting of the SSC WG.

Revisions of approved methodologies:

45. The Board agreed to the following revised approved small-scale methodologies:

- (a) AMS-III.AJ “Recovery and recycling of materials from solid wastes”, to include simplified requirements such as the use of default values for project emissions, and to exclude distance restrictions to source recyclable materials from known solid waste sources, as contained in annex 10 to this report;
- (b) AMS-III.AV “Low greenhouse gas emitting water purification systems”, as contained in annex 11 to this report. The revision includes an increase in the eligibility threshold of portion of population with access to improved water supply, clarifies water quality testing requirements and specifies the eligible threshold per capita daily water consumption when water boiling is the baseline method of water purification.

46. The Board took note that SSC WG could not conclude its work on revision of AMS-III.AR “Substituting fossil fuel based lighting with LED lighting systems” and will continue considering it at its next meeting, taking into consideration experts' and public inputs.

47. The revised versions of the SSC methodologies referred to in the paragraph above will come into effect on 29 July 2011 (24:00 GMT) in accordance with the procedure for the revision of approved SSC methodologies.



General guidance

48. The Board considered the technical assessment of seven submissions from DNAs pertaining to criteria 2 (d) of “Guidelines for the demonstration of additionality of microscale project activities”, as contained in annex 7 of the thirty-second meeting report of the SSC WG. The Board agreed to provide the following clarifications and guidance:

- (a) “Specific renewable energy technologies/measures” in criteria 2 (d) refers to grid connected renewable energy technologies of installed capacity equal to or smaller than 5 MW;
- (b) “National annual electricity generation” refers to grid electricity;
- (c) Most recent available data on the percentage of contributions of specific renewable energy technologies shall be provided to demonstrate the compliance with the 5 per cent threshold. In no case shall data older than three years from the date of submission be used;
- (d) Technologies/measures recommended by DNAs and approved by the Board to be additional in the host country remain valid for three years from the date of approval, however, additionality of eligible project activities applying the guidelines remains valid for the entire crediting period;
- (e) A microscale CDM project activity shall demonstrate that it is not a debundled component of a SSC CDM project activity by applying the criteria in the “Guidelines on assessment of debundling for SSC project activities”, e.g. by suitably considering microscale thresholds in the place of SSC thresholds;
- (f) Renewable technologies that do not generate electricity, e.g. heating and cooling technologies, are currently not eligible to apply criteria 2 (d);
- (g) DNA submissions shall include the specific grid connected renewable electricity generation technologies that are being recommended and provide the required data as indicated above (e.g. wind power, biomass power, solar photovoltaic power, geothermal power, concentrating solar thermal power, ocean energy, hydropower);
- (h) The Board requested the SSC WG to analyse the implications of implementation of the 5 per cent threshold in criteria 2 (d) for the additionality of microscale projects, i.e. implications on the environmental integrity and on attractiveness. Based on the outcome of this analysis, the SSC WG may propose an alternative threshold, if it is deemed more appropriate, providing rationale;
- (i) The Board further requested the SSC WG to propose options to estimate the threshold recommended, as per the above mentioned analysis, providing rationale indicating potential implications of the implementation of options including the method: ratio of installed capacity of microscale renewable energy technology T and total installed capacity of renewable energy technology T (e.g. installed capacity of microscale hydro as a percentage of total installed capacity of hydro in the country);
- (j) The SSC WG should also assess the need and options for inclusion of off grid electricity generation in the “National annual electricity generation” referred to under paragraph 48 (b) and make recommendation to the Board accordingly.



49. The Board further noted that the submissions of DNAs of Chile, Cote d'Ivoire, India, Peru, Thailand, Sri Lanka and Mongolia need to be processed in an expeditious manner and in this regard new procedures pertaining to the process as well as additional supporting data from the DNAs in some instances would be required. The Board requested the SSC WG and the secretariat to recommend the following for the Board's consideration at its sixty-third meeting:

- (a) Revised microscale additionality guidelines to include the above clarifications (paragraph 48);
- (b) Analysis by the SSC WG as indicated above (paragraph 48);
- (c) Proposed procedures to make criteria 2 (d) of the microscale guidelines operational, e.g. template forms for the DNAs' submissions of recommended technologies and development of the submission and approval procedures.

50. The Board agreed to clarify the requirements for demonstrating comparability of project and baseline vehicles when applying AMS-III.C, as contained in annex 12 to this report.

51. The Board approved the recommendation to combine AMS-I.D and AMS-I.F for application in a programme of activity (PoA).

52. The Board noted that the SSC WG undertook an initial analysis of methodologies potentially suitable for top-down development of standardized baselines, particularly in agriculture, energy generation in isolated systems and transport sectors, as per CDM management plan (CDM-MAP) objective 2 (d) for development of standardized baselines and in accordance with 2011 SSC WG work plan.

53. The Board considered the draft revised "Procedures for the revision of an approved small scale methodology by the CDM Executive Board". The Board requested the secretariat to modify the draft taking into account the comments made and present it at a future meeting, together with a draft revised "Procedure for the submission and consideration of requests for revision of approved baseline and monitoring methodologies and tools for large scale CDM project activities", with a view to aligning both procedures to the extent appropriate.

Further schedule

54. The Board noted that the thirty-second meeting of the SSC WG will be held from 22–25 August 2011 in Bonn, Germany.

Agenda sub-item 3 (e): Matters relating to programme of activities

55. The Board noted that 10 CDM PoAs have been registered by 15 July 2011. The status of requests for registration of PoAs can be viewed on the UNFCCC CDM website at <https://cdm.unfccc.int/ProgrammeOfActivities/>.

Agenda sub-item 3 (f): Matters relating to the registration of CDM project activities

56. The Board noted that 3,262 CDM project activities have been registered by 15 July 2011. The status of requests for registration of project activities can be viewed on the UNFCCC CDM website at <http://cdm.unfccc.int/Projects/>.

***Case specific - processed in accordance with previous review procedures***

57. In accordance with the procedures for review, as referred to in paragraph 41 of the CDM modalities and procedures, the Board considered one (1) request for renewal of a crediting period which was placed “under review” at the fifty-sixth meeting of the Board.

58. With regard to the request for renewal of the crediting period for project activity “HFC Decomposition Project in Ulsan” (0003) submitted by the designated operational entity (DOE) (DNV), the Board was not able to reach an agreement and decided to continue its deliberations on the request at its sixty-third meeting.

Case specific - processed in accordance with Procedures for review of requests for registration (EB 55, annex 40)

59. In accordance with the “Procedures for review of requests for registration”, adopted by the Board at its fifty-fifth meeting, the Board considered 14 requests for registration for which assessments of the secretariat and the Registration and Issuance Team (RIT) contained different proposed decisions or the same proposed decision which received an objection from a member of the Board.

60. The Board agreed to register the project activities:

- (a) “Chengbu Miao Minority Autonomous County Liuma 6.4MW Hydro Power Station Project” (1646);
- (b) “Aguan biogas recovery from Palm Oil Mill Effluent (POME) ponds and biogas utilisation - Exportadora del Atlántico, Aguan/Honduras” (3197);
- (c) “Argos CO₂ Offset Project, through reforestation activities for commercial use” (3233);
- (d) “Waste Heat Recovery and Utilisation for Power Generation Project of Xing’an Conch Cement Company Limited” (3366);
- (e) “3 MW Wind Power Project by Jalaram Ceramics at Bhachau in Kutch, Gujarat” (3586);
- (f) “Bajo Tuluá Minor Hydroelectric Power Plant” (3599);
- (g) “Low Pressure Gas Recovery Project of Shandong Weifang Hongrun Petrochemical Auxiliary Co., Ltd., China” (3775);
- (h) “Low Pressure Gas Recovery Project of Shandong Changyi Petrochemical Co., Ltd., China” (3776);
- (i) “Methane Recovery Project of Lianyungang Jinchanglin Alcohol Co., Ltd.” (4032);
- (j) “8MW Bundled Hydropower Project in Hubei Province” (4115);
- (k) “Low Temperature Waste Heat Power Generation Project in Zibo Sunnsy Cement Corporation Limited” (4116);
- (l) “Yunnan Tianhuaban Hydropower Project” (4133);
- (m) “Inner Mongolia Goldwind Damao Wind Farm Phase II Project” (4222);
- (n) “SF₆ recovery and reclamation project, South Korea” (4274).

*General guidance*

61. The Board discussed policy issues encountered by the secretariat through the experience of the assessment of cases regarding the continuing and real actions for proposed CDM project activities requesting registration. The Board agreed to the revised “Guidelines on the demonstration and assessment of prior consideration of the CDM”, as contained in annex 13 to this report.

62. The Board considered an information note on application of the requirements for consideration of stakeholders' inputs during the validation process and agreed to launch a call for public inputs on this issue. The call will be open from **18 July 2011** and will close on **15 August 2011**. The call specifically seeks for inputs on the implementation of local stakeholders consultation and global stakeholder consultation during the validation process. The Board further requested the secretariat to prepare an analysis on how the validation by DOEs on the adequacy of the stakeholder consultation process have been done and propose options for improvements, taking into account the inputs received, for the consideration by the Board at a future meeting.

63. The Board considered an information note on concepts for streamlining the authorization of participation in the CDM and agreed to not launch a call for public inputs at this moment. The Board also requested the secretariat to prepare a further analysis on any problems faced with the current authorization process and potential solutions to be considered at a future meeting.

64. The Board welcomed the secretariat's update on experience with implementation of the procedures for requests for registration and issuance and procedures for review, including, among other issues, the revisions of completeness check list, and noted its satisfaction with the secretariat's progress in implementing the procedures. The Board requested the secretariat to provide the next update at its sixty-fourth meeting.

Agenda sub-item 3 (g): Matters relating to the issuance of CERs and the CDM registry

65. The Board noted that 655,054,635 certified emission reductions (CERs) have been issued as of 15 July 2011 and that the secretariat, in its capacity as the CDM registry administrator, continues to process requests for opening of holding accounts and for forwarding of CERs. The status of requests for issuance of CERs can be viewed on the UNFCCC CDM website at <<http://cdm.unfccc.int/Issuance>>.

Case specific

66. In accordance with the “Procedures for review of requests for issuance”, adopted by the Board at its fifty-fifth meeting, the Board considered two requests for issuance for which assessments of the secretariat and the Registration and Issuance Team (RIT) contained different proposed decisions or the same proposed decision which received an objection from a member of the Board.

67. The Board agreed to approve the request for issuance of the following project activities:

(a) “La Esperanza Hydroelectric Project” (009) submitted by the DOE (TÜV Nord) for the monitoring period 1 September 2009 - 31 May 2010;

(b) “Anshan Iron and Steel Group Corporation (Yingkou) Blast Furnace Gas Combined Cycle Power Plant Project” (1608) submitted by the DOE (DNV) for the monitoring period 1 January 2010 - 30 September 2010.



68. In accordance with paragraph 96 of the report of the twenty-eighth meeting and paragraph 86 of the thirty-first meeting of the Executive Board, the Board considered the request for permission to resubmit five (5) previously rejected requests for issuance and agreed to:

- (a) Permit the following resubmissions:
 - (i) “Hapugastenne and Hulu Ganga Small Hydropower Projects” (0085) submitted by the DOE (DNV) for the monitoring period 1 January 2007 - 30 September 2008;
 - (ii) “Bundled Wind power project in Tamilnadu, India co-ordinated by the TamilNadu Spinning Mills Association (TASMA)” (0991) submitted by the DOE (TÜV Nord) for the monitoring period 1 Jul 2009 - 31 Mar 2010;
 - (iii) “N₂O decomposition project of PetroChina Company Limited Liaoyang Petrochemical Compan” (1238) submitted by the DOE (SGS) for the monitoring period 1 December 2009 - 13 March 2010;
 - (iv) “Chuanhua N₂O Abatement Project” (1781) submitted by the DOE (DNV) for the monitoring period 24 October 2008 - 15 November 2009;
- (b) Not permit the following resubmission:
 - (i) “Demand side energy conservation and reduction measures at ITC Tribeni Unit” (0745) submitted by the DOE (DNV) for the monitoring period 1 January 2008 - 31 December 2008, as this request was submitted beyond 60 days of the date of rejection.

69. In accordance with paragraph 9 (c) of the annex 33 to the report of the fifty-fourth meeting of the Board, the Board considered the request for permission to resubmit four (4) previously withdrawn requests for issuance and agreed to permit the following resubmissions:

- (a) “Shaanxi Province Xunyang County Guihua Small Hydropower Project (SXGSHP)” (1212) submitted by the DOE (DNV) for the monitoring period 1 July 2008 to 24 December 2009;
- (b) “China Changniping Hydropower Project” (1367) submitted by the DOE (TÜV Nord) for the monitoring period 21 August 2009 to 25 June 2010;
- (c) “China Fujian Putian LNG Generation Project” (1859) submitted by the DOE (BVC) for the monitoring period 14 January 2009 to 27 September 2009.
- (d) “China Fujian Putian LNG Generation Project” (1859) submitted by the DOE (BVC) for the monitoring period 28 September 2009 to 27 March 2010.

70. In accordance with the “Procedures for notifying and requesting approval of changes from the project activity as described in the registered PDD”, the Board considered the submissions by the DOE with regard to notification of changes or request for approval of changes from the registered PDD and agreed to accept the changes and allow the subsequent requests for issuance for the following submissions:

- (a) “Moldova Biomass Heating in Rural Communities (Project Design Document No. 1)” (0159) submitted by the DOE (DNV);
- (b) “Incomex Hydroelectric Project” (0968) submitted by the DOE (DNV).



General guidance

71. The Board considered an information note on the implications of the end of the Kyoto Protocol's first commitment period for the issuance of CERs. The Board agreed to clarify that project participants may choose to adjust monitoring periods to coincide with the end of the first commitment period. In the instances where requests for issuance cover monitoring periods that start before 31 December 2012 and end anytime thereafter, a pro-rata approach shall be used:

- (a) To overall emission reductions: CERs achieved in a monitoring period would be allocated proportionally to the duration of the period up to 31 December 2012 and the period from 1 January 2013 onwards;
- (b) In cases where annual caps being applied in the calculation of emission reductions: the annual caps should be pro-rated to the period before and after 31 December 2012. In cases where further apportionment is required, the total emission reductions shall be pro-rated.

The Board requested the secretariat to ensure that appropriate actions are taken to address potential technical implications from handling submissions of requests for issuance with such monitoring periods.

Agenda item 4. CDM management plan and resources for the work on the CDM

Resources

72. The Board took note of the report on the status of income and expenditure and human resources to support CDM activities during 2011, as reflected in [annex 14](#) to this report. It was noted that the total income generated up to 31 May 2011 amounted to USD 69,126,697, which includes the carry-over from 2010 of USD 38,045,707. The Board further noted that figures for fees for the period 1 January to 31 May 2011 were also provided, indicating income of USD 10,743,594 from registration fees and USD 20,296,097 from shares of proceeds. The Board also noted the data contained in the same annex regarding the current status of recruitment.

73. The Board took note of a presentation by the secretariat detailing the progress on implementing a new monitoring and tracking system for deliverables associated with the CDM business plan. The Board also noted its use in assisting with the allocation of secretariat resources and scheduling of the agenda items for future Board meetings given the increasing demands on both.

74. The Board took note of the issues to be considered at its next meeting, in accordance with the timelines described in the CDM-MAP for 2011, and requested the secretariat to prioritize the issues with a view to accomplish the CMP mandates to the Board and the key areas contained in the CDM-MAP.

75. The Board considered an assessment of compliance with indicative timelines set by the Board in different processes and requested the secretariat to continue to report on all processes. The Board noted the new standard set of reports with graphic aids for all processes.

Agenda item 5. Other matters

**Agenda sub-item 5 (a): Regional and sub-regional distribution and capacity-building**

76. The Board took note of an oral update on the African Carbon Forum held in Marrakesh on 4–6 July 2011 in collaboration with the Nairobi Framework partner agencies and of the intention of the partners to organize a similar event in March 2012 at a venue to be determined. The Board also noted that the partner agencies have agreed to focus their coordinated activities in the areas of promoting PoAs and the development of grid emission factors. In addition, the Board welcomed the secretariat's initiative to establish a proactive help-desk for projects in countries with fewer than 10 projects that are facing delays in the validation process.

Agenda sub-item 5 (b): Relations with Designated Operational and Applicant Entities

77. The Board took note of the report by the chair of the CDM DOE/AE Coordination Forum, Mr. Werner Betzenbichler.

78. The chair of the DOE/AE Coordination Forum informed that for this meeting no input was received from entities for the consideration of the Board. Mr. Betzenbichler highlighted the following issues for the consideration of the Board:

- (a) Concerns of DOEs with regard to the status of the proposed procedures for the validation of grid emission factors;
- (b) Concerns of DOEs with regard to the high costs of accreditation;
- (c) DOEs satisfaction with the proposed interim measure with regard to the qualification requirements for validation/verification team members for projects in complex technical areas.

The chair of the forum also answered questions from the Board regarding the availability of DOE resources to meet market demand in the coming two years.

79. The Board expressed concern with the information that two DOEs expected to cease conducting validation activities in the coming months and the fact that certain DOEs are charging premium payments for access to their services. The Board noted that these issues impact the access of market participants to DOE services and requested the secretariat to prepare an assessment of the issue and report to the Board at a future meeting. In addition, the Board confirmed that the issue of grid emission factors will be dealt together with the procedures for the submission of standardized baselines. With regard to the issue of accreditation costs, the Board noted that the needs of the CDM accreditation process are not necessarily comparable with other established systems. However, the Board agreed that the forum and the CDM-AP could interact further on this issue in the coming months.

80. The chair of the Board thanked Mr. Betzenbichler for his inputs and encouraged the forum to continue to raise issues related to the implementation of its guidance.

Agenda sub-item 5 (c): Relationship with stakeholders, intergovernmental and non-governmental organizations (registered accredited observers)

81. Responding to the request from the CMP at its fifth and sixth sessions, the Board adopted "Modalities and procedures for direct communication with stakeholders", as contained in [annex 15](#) to this report, to consolidate and further enhance the Board's communication with stakeholders.

82. The Board considered an update on recent and planned CDM events and workshops including;

- (a) Two regional DOE/AE calibration workshops held in Pune, India and Beijing, China in June 2011;



- (b) A regional DNA Forum and training for the African region, held in Marrakesh, Morocco in July 2011;
- (c) An integrated workshop on the project cycle and standards for PoAs to be held in Bonn, Germany on 24–26 August 2011;
- (d) A workshop on standardized baselines scheduled to be held in Kathmandu, Nepal on 4–5 September 2011;
- (e) A regional DNA Forum for the Asia-Pacific region to be held in Kathmandu, Nepal on 5–6 September 2011.

The Board requested the secretariat to ensure that the inputs received during these workshops are reported to the Board and incorporated into proposed documents for consideration where applicable. The Board further requested the secretariat to facilitate the participation of chairs and vice-chairs of panels and working groups, which were invited to the workshop described in (c) above, to the extent possible.

83. The Board considered an update on the implementation of the CDM communication strategy and agreed to the revised work plan for 2011–2012 in this area. The Board further requested the secretariat to provide an update on a regular basis.

84. The Board met with registered observers for an informal interaction on the last day of the meeting and agreed to continue with such meetings in the afternoon of the last day of its future meetings, unless otherwise indicated. These meetings are available on webcast.

85. The Board further agreed to continue to meet with the same type of arrangement and to reconsider the issue when necessary. Observers to the sixty-third meeting of the Board shall have registered with the secretariat by **5 September 2011**. In order to ensure proper security and logistical arrangements, the Board emphasized that this deadline will be strictly enforced by the secretariat.

Agenda sub-item 5 (d): Other business

86. The Board agreed on objectives for its annual strategy retreat, to be held back-to-back with the sixty-third meeting of the Board, and requested the secretariat to continue the preparations accordingly.

87. The Board considered an initial analysis based on the comments of members received at the last meeting with regard to the recent developments and prospects in the carbon market and related governmental policies.

88. The Board considered the results from the survey on which CDM documents should be translated into the United Nations (UN) official languages. The Board considered that non-technical guides should be considered the highest priority and requested the secretariat to proceed with translations of relevant procedures and guidelines, as indicated in annex 10 of the annotated agenda of the sixty-second meeting of Board. The Board also requested the secretariat to report on actions taken in this regard at future meetings.

89. The Board took note of an update on the implementation of the learning management system (platform) and training activities already provided in 2011.

90. The Board agreed to change the dates of its sixty-third meeting, as contained in [annex 16](#) to this report. The Board agreed to hold an extraordinary meeting at the end of October to finalize its report to the CMP and its recommendations. The dates for this meeting will be set in consultation with the Board. As a consequence, the dates of the meetings of panels and working groups during that period may be modified, in consultation with the chairs to these bodies.



91. The Board agreed on the provisional agenda for its sixty-third meeting to be held on 25–29 September 2011, as contained in [annex 17](#) to this report. The Board will hold this meeting in conjunction with a two-day policy retreat on 23–24 September 2011. Due to the number of issues on the agenda for the next meeting, the Board took note that the Chair will revise the structure of the proposed agenda for the sixty-third meeting in order to streamline the issues on the agenda.

92. In accordance with the “CDM Executive Board decision framework: decision hierarchy, document types and control of documentation issued by the Board”, documents having undergone editorial changes since the last meeting are listed at the end of this report.

Agenda item 6. Conclusion of the meeting

93. The Chair summarized the main conclusions.

Agenda sub-item 6 (a): Summary of decisions

94. Any decisions taken by the Board shall be made publicly available in accordance with paragraph 17 of the CDM modalities and procedures and with rule 31 of the Rules of procedure of the Board.

Agenda sub-item 6 (b): Closure

95. The Chair closed the meeting.

**Annexes to the report***Accreditation of operational entities*

Annex 1 - CDM accreditation standard (version 03)

Methodologies for baselines and monitoring plans

Annex 2 - AM0092 - Substitution of PFC gases for cleaning Chemical Vapour Deposition (CVD) reactors in the semiconductor industry (version 01.0.0)

Annex 3 - AM0093 - Avoidance of landfill gas emissions by passive aeration of landfills (version 01.0.0)

Annex 4 - AM0094 - Distribution of biomass based stove and/or heater for household or institutional use (version 01.0.0)

Annex 5 - Guidelines on the assessment of investment analysis (version 05)

Annex 6 - Guidelines on the consideration of suppressed demand in CDM methodologies (version 01)

Annex 7 - Questions for the call for public inputs on the use of the first-of-its-kind barrier and the assessment of common practice (version 01)

Annex 8 - Guidelines for the establishment of sector specific standardized baselines (version 01)

Issues relating to small-scale CDM project activities

Annex 9 - AMS-II.M “Demand-side energy efficiency activities for installation of low-flow hot water savings devices” (version 01)

Annex 10 - AMS-III.AJ “Recovery and recycling of materials from solid wastes” (version 03)

Annex 11 - AMS-III.AV “Low greenhouse gas emitting water purification systems” (version 02)

Annex 12 - Clarification on the approved methodology AMS-III.C version 13 regarding the requirements for demonstrating comparability of project and baseline vehicles (version 01)

Matters relating to the registration of CDM project activities

Annex 13 - Guidelines on the demonstration and assessment of prior consideration of the CDM (version 04)

Management plan and resources for the work on the CDM

Annex 14 - Status of income and expenditure and human resources to support CDM activities during 2011

Other matters

Annex 15 - Modalities and procedures for direct communication with stakeholders (version 01)

Annex 16 - Tentative calendar of meetings of the CDM Executive Board and its panels and working groups in 2011 (version 06)

Annex 17 - Provisional agenda for the sixty-third meeting of the CDM Executive Board



List of documents undergone editorial changes since the last meeting

- Decision Framework: decision hierarchy, document types and control of documentation issued by the Board (version 03.2)
- AR-ACM0001 (version 05.1.1)
- AR-AM0006 (version 03.1.1)
- AR-AM0011 (version 01.0.1)
- AR-AM0012 (version 01.0.1)
- AR-AMS0007 (version 01.1)
- Report of the sixty-first meeting of the Board (version 01.1)