

REPORT OF THE EIGHTH MEETING OF THE METHODOLOGIES PANEL
 UNFCCC Headquarters, Bonn, Germany
 3-5 November 2003

I. RECOMMENDATIONS BY THE METHODOLOGIES PANEL TO THE EXECUTIVE BOARD

A. Consideration of proposed new methodologies (Third round and “B” cases)

1. The Methodologies Panel (Meth Panel) considered the following proposed new methodologies:

Clarifications made by project participants on preliminary recommendations made at the seventh meeting of the Methodologies Panel (Meth Panel):

• NM0001-rev (B case)	TUV-SUED - Vale do Rosario Bagasse Cogeneration (VRBC) Project
• NM0017	SGS - Steam System Efficiency Improvements in Refineries in Fushun
• NM0018	DNV - Metrogas Package Co-generation Project
• NM0020	DNV - La Vuelta and La Herradura Hydroelectric Project
• NM0021	PWC - CERUPT Methodology for Landfill Gas Recovery

Proposed new methodologies submitted at Round 4 (Deadline 10 September 2003):

• NM0022	DNV - Methane Capture and Combustion from Swine Manure Treatment for Peralillo
• NM0023	DNV - El Gallo Hydroelectric Project
• NM0024	SGS: Colombia: Jepirachi Windpower Project
• NM0025	DNV - 18 MW Biomass Power Project in Tamilnadu, India
• NM0026	DNV - Rang Dong Oil Field Associated Gas Recovery and Utilization Project
• NM0027	TUEV-SUED - CERUPT: Alternative Investment Analysis: Catanduva Sugarcane Mill, Brazil
• NM0028	DNV - TA Sugars Co-generation and Fuel Switch Project - Fuel Switch Component

• NM0029	DNV - V&M do Brasil Avoided Fuel Switch Project
• NM0030	TUEV-RHEIN – Haidergarh Bagasse Based Co-generation Power Project
• NM0031	TUEV-RHEIN - OSIL - 10 MW Waste Heat Recovery Based Captive Power Project
• NM0032	DNV - Municipal Solid Waste Treatment cum Energy Generation, Lucknow, India
• NM0033	KPMG - Holcim Costa Rica's Cartago Plant Expansion Project
• NM0034	PWC - Granja Becker Greenhouse Gas (GHG) Mitigation Project
• NM0035	DNV- TA Sugars Co-generation and Fuel Switch Project - Capacity Augmentation Component

2. Taking into consideration the amendment to procedures for submission, and consideration of a proposed new methodology agreed by the Executive Board at its eleventh meeting, the Meth Panel agreed to request that for cases NM0018 and NM0020 the technical clarifications provided by the project participants should include revisions in annexes 3 and 4 of the CDM-PDD in highlighted form. A final recommendation on these cases shall be prepared at the ninth meeting of the Meth Panel.

3. The Meth Panel recognized that additional expertise on boilers would be necessary for analysis of clarifications, and resubmitted documentation/formulae on proposal NM0017. The Meth Panel agreed to request an additional desk review on the resubmitted documentation on proposal NM0017 with a view to preparing a final recommendation on this proposal at its ninth meeting.

4. The Meth Panel agreed on final recommendations on proposals NM0001 rev and NM0021 for consideration by the Executive Board at its twelfth meeting (please see the UNFCCC CDM web site: <http://cdm.unfccc.int/methodologies/process>).

5. After considering the proposed new methodologies, as well as desk reviews and public inputs received, the Meth Panel:

(a) Agreed on the preliminary recommendations on proposals NM0022, NM0024, NM0025, NM0026, NM0027, NM0030, NM0031, NM0032, NM0033 and NM0034. In accordance with the procedures for submission and consideration of a proposed new methodology, project participants would have the opportunity to provide technical clarifications on these preliminary recommendations;

(b) Agreed to reconsider proposal NM0029 pending the provision of additional guidance by the Executive Board in accordance with section B below;

(c) Due to a lack of time at the meeting, the Meth Panel agreed that it would reconsider proposals NM0028 and NM0035 at its ninth meeting; and

(d) Recommended the approval of proposal NM0023 for consideration by the Executive Board at its twelfth meeting (please see the UNFCCC CDM web site: <http://cdm.unfccc.int/methodologies/process>).

6. Given the very large number of proposals being submitted for new proposed methodologies and the need to ensure consistency and quality of analysis of different proposals, the Meth Panel considers it necessary to have more time for analysis of individual methodology proposals and cross-cutting issues.

In order to ensure that enough meeting time is devoted to these important issues, the Meth Panel considers that the number of proposals under consideration at a Meth Panel meeting should be limited depending on the work load of the Meth Panel. The amount of work relating to the review of proposals, expert and public reviews, and preparation of a draft methodology summary and recommendations takes two or more working days, and justifies the payment of fees to the lead Panel Members for two working days, instead of one day only (as at present).

B. Immaterial projects

7. The Meth Panel seeks the guidance of the Board on the project type of avoided fuel switch and expresses concern, based on the consideration of NM0029, related to immaterial nature of the project activity and the moral hazard that is related to the fact that the project activity consists of continuing current practice.

C. Revisions to the Project Design Document

8. The Panel considered the Project Design Document (CDM-PDD) and agreed on recommendations for revisions as contained in annexes 1, 2 and 3 to this report. In accordance with the request by the Board at its eleventh meeting, these revisions will be made available for public comments from 17 November to 12 December 2003. The Meth Panel will consider the public comments at its ninth meeting and prepare a final recommendation on revisions for the consideration by the Board at its thirteenth meeting.

D. Clarifications and or revisions to Appendix B “Indicative simplified baseline and monitoring methodologies for selected small-scale CDM project activity categories”

9. The Meth Panel considered queries and proposals regarding Appendix B of the simplified procedures for small-scale CDM project activities and agreed on the following recommendations for revisions:

(a) Section A.I, paragraph 1: That the reference to “solar water pumps” be deleted and that it be inserted only under paragraph 9 of section I.B;

(b) Section A.I, paragraph 6: That the following sentence be included after the last sentence: “A small-scale project proponent may, with adequate justification use a higher emissions factor from Table I.D.1”;

(c) Section I.D, paragraph 29 (a) (ii): That the sentence be re-drafted as follows: The “build margin” is the weighted average emissions (in kg CO₂equ/kWh) of recent capacity additions to the system, **which capacity additions are** defined as the ~~lower~~ **greater (in MWh)** of most recent¹ 20%² of **existing plants** ~~built~~ or the 5 most recent plants;

(d) Section II.E, paragraph 69: That the reference to the metering of energy use under monitoring be deleted as this is already required under paragraph 66;

(e) Section III.D: That the title of this section be changed to “Methane Recovery”. And that a new section III.D.2 for “Methane Avoidance” be created. The Meth Panel would further develop the simplified methodologies for the new section III.D.2 for future consideration by the Board.

¹ **Generation data available for the most recent year.**

² **If 20% falls on part capacity of a plant that plant is included in the calculation.**

II. ROSTER OF EXPERTS

10. The Meth Panel noted the satisfactory completion of desk reviews undertaken for the fourth round of submissions of proposed new methodologies.