

**CLEAN DEVELOPMENT MECHANISM GUIDELINES FOR COMPLETING
THE PROJECT DESIGN DOCUMENT FOR A/R (CDM-AR-PDD),
THE PROPOSED NEW METHODOLOGY FOR A/R: BASELINE (CDM-AR-NMB), AND
THE PROPOSED NEW METHODOLOGY FOR A/R: MONITORING (CDM-AR-NMM)**

Version 01

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PART I

**A. General Information on
the Project Design Document for A/R (CDM-AR-PDD),
the Proposed New Methodology for A/R: Baseline (CDM-AR-NMB) and
the Proposed New Methodology for A/R: Monitoring (CDM-AR-NMM)**

1. These guidelines seek to assist project participants in completing the following documents:
 - Project Design Document for A/R (CDM-AR-PDD);
 - Proposed New Methodology: Baseline for A/R (CDM-AR-NMB); and
 - Proposed New Methodology: Monitoring for A/R (CDM-AR-NMM).
2. The CDM-AR-PDD, CDM-AR-NMB and CDM-AR-NMM were developed by the clean development mechanism (CDM) Executive Board in conformity with the relevant modalities and procedures for the Project Design Document for CDM afforestation and reforestation project activities under the CDM as defined in Appendix B “Project Design Document” to the modalities and procedures for afforestation and reforestation project activities under the CDM (hereafter referred as “CDM A/R modalities and procedures”, see decision 19/CP.9 and its annex contained in document FCCC/CP/2003/6/Add.2).
3. If project participants wish to submit an afforestation or reforestation (hereafter referred as A/R) project activity for validation and registration, they shall submit a fully completed CDM-AR-PDD.
4. If project participants wish to propose new baseline and monitoring methodologies for A/R they shall complete and submit the CDM-AR-NMB, CDM-AR-NMM and a draft CDM-AR-PDD with only sections A-E filled.
5. The CDM-AR-PDD, CDM-AR-NMB and CDM-AR-NMM may be obtained electronically from the UNFCCC CDM web site (<http://unfccc.int/cdm>), by e-mail (cdm-info@unfccc.int) or in printed format from the UNFCCC secretariat (Fax: +49-228-8151999).
6. Terms, which are underlined with a broken line in the CDM-AR-PDD, the CDM-AR-NMB and the CDM-AR-NMM, are explained in the “Glossary of A/R CDM Terms”, included in these guidelines. It is recommended that before or during the completion of the forms that project participants consult the most recent version of the “Glossary of A/R CDM Terms”.
7. Project participants should also consult the section “Guidance – clarifications” available on the UNFCCC CDM web site (<http://unfccc.int/cdm>) or available from the UNFCCC secretariat by e-mail (cdm-info@unfccc.int) or in print via fax (+49-228-815 1999).
8. The Executive Board may revise the CDM-AR-PDD, the CDM-AR-NMB, and the CDM-AR-NMM, if necessary.

GUIDELINES FOR COMPLETING CDM-AR-PDD, CDM-AR-NMB and CDM-AR-NMM

9. Revisions come into effect, once adopted by the Executive Board.
10. Revisions to the CDM-AR-PDD do not affect A/R project activities:
 - a. Already validated, or already submitted to the OE for validation prior to the adoption of the revised CDM-AR-PDD;
 - b. Submitted to the OEs within a month of the adoption of the revised CDM-AR-PDD
 - c. The Executive Board will not accept documentation using previous versions of the CDM-AR-PDD six months after the adoption of the new version.
11. Revisions to the CDM-AR-NMB and CDM-AR-NMM do not affect new baseline and monitoring methodologies:
 - a. Submitted to the OEs prior to the adoption of the revised CDM-AR-NMB and CDM-AR-NMM;
 - b. Submitted to the OEs within a month of the adoption of the revised CDM-AR-NMB and CDM-AR-NMM;
 - c. The Executive Board will not accept documentation using previous versions of the CDM-AR-NMB and CDM-AR-NMM three months after the adoption of the new versions.
12. In accordance with the modalities and procedures for a CDM (“hereafter referred as CDM modalities and procedures”, see decision 17/CP.7 and its annex contained in document FCCC/CP/2001/13/Add.2), the working language of the Board is English. The CDM-AR-PDD, the CDM-AR-NMB and the CDM-AR-NMM shall therefore be completed and submitted in English language to the Executive Board. However, the CDM-AR-PDD, CDM-AR-NMB and CDM-AR-NMM are available on the UNFCCC CDM web site for consultation in all six official languages of the United Nations.
13. The CDM-AR-PDD, CDM-AR-NMB and CDM-AR-NMM templates shall not be altered, that is, shall be completed using the same font without modifying its format, font, headings or logo.
14. Tables and their columns shall not be modified or deleted, rows may however be added, as needed.

B. Glossary of A/R CDM terms

The following CDM glossary intends to assist in clarifying terms used in the Project Design Document for A/R (CDM-AR-PDD), the Proposed New Methodology for A/R: Baseline (CDM-AR-NMB) and the Proposed New Methodology for A/R: Monitoring (CDM-AR-NMM) and the in the CDM A/R modalities and procedures in order to facilitate the completion of the CDM-AR-PDD, CDM-AR-NMB and CDM-AR-NMM by project participants.

Clean development mechanism (CDM):

Article 12 of the Kyoto Protocol defines the clean development mechanism. “The purpose of the clean development mechanism shall be to assist Parties¹ not included in Annex I in achieving sustainable development and in contributing to the ultimate objective of the Convention, and to assist Parties included in Annex I in achieving compliance with their quantified emission limitation and reduction commitments under article 3”.

At its seventh session, the Conference of the Parties (COP) adopted modalities and procedures for a clean development mechanism (hereafter referred as “CDM modalities and procedures”, see decision 17/CP.7 and its annex contained in document FCCC/CP/2001/13/Add.2) and agreed on a prompt start of the CDM by establishing an Executive Board and agreeing that until the entry into force of the Kyoto Protocol (a) this Board should act as the Executive Board of the CDM and (b) the Conference of the Parties (COP) should act as the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP) as required by the Protocol and the CDM modalities and procedures.

At its ninth session, the COP adopted modalities and procedures for afforestation and reforestation project activities under the CDM (hereafter referred as “CDM A/R modalities and procedures”, see decision 19/CP.9 and its annex contained in document FCCC/CP/2003/6/Add.2).

Terms in alphabetical order:

Actual net greenhouse gas removals by sinks:

“Actual net greenhouse gas (GHG) removals by sinks” is the sum of the verifiable changes in carbon stocks in the carbon pools within the project boundary, minus the increase in emissions of the GHGs measured in CO₂ equivalents by the sources that are increased as a result of the implementation of the afforestation or reforestation (A/R) project activity within the project boundary, attributable to the A/R CDM project activity.

Afforestation:

“Afforestation” is the direct human-induced conversion of land that has not been forested for a period of at least 50 years to forested land through planting, seeding and/or the human-induced promotion of natural seed sources.

¹ In this glossary, the term “Party” is used as defined in the Kyoto Protocol: “Party” means, unless the context otherwise indicates, a Party to the Protocol. “Party included in Annex I” means a Party included in Annex I to the Convention, as may be amended, or a Party which has made a notification under Article 4, paragraph 2(g), of the Convention.

A/R CDM Project activity:

An A/R CDM project activity is an afforestation or reforestation measure, operation or action that aims at achieving net anthropogenic GHG removals by sinks. The Kyoto Protocol and the CDM modalities and procedures use the term “project activity” as opposed to “project”. An A/R CDM project activity could, therefore, be identical with or a component or aspect of a project undertaken or planned.

“Attributable”:

See “measurable and attributable”.

Authorization of a private and/or public entity to participate in an A/R CDM project activity:

The authorization of a private and/or public entity, to participate in an A/R CDM project activity referred to in paragraph 33 of the CDM modalities and procedures, is provided in writing by the DNA of the Party pursuant to the laws of which the private and/or public entity is constituted as a legal entity.

In the case of a bilateral or multilateral fund wishing to be a project participant, Party(ies) which is/are directly or indirectly party(ies) to the fund shall provide the required authorization.

In the case of a private equity fund wishing to be a project participant, the DNA of the Party in which the entity is a legal entity shall provide the required authorization.

The authorization referred to in the above three paragraphs:

- may be included in the written approval referred to in paragraph 15 (a) of the CDM A/R modalities and procedures.
- can pertain to a specific A/R CDM project activity or be of a general character.

The DOE shall receive documentation of the authorization.

Baseline:

See baseline scenario for A/R project activities.

Baseline approach:

See baseline approach for A/R CDM project activities.

Baseline approach for A/R CDM project activities:

A baseline approach is the basis for a baseline methodology. The Executive Board agreed that the three approaches identified in sub-paragraphs 22 (a) to (d) of the CDM A/R modalities and procedures shall be the only ones applicable to A/R CDM project activities. These are:

- (a) Existing or historical, as applicable, changes in carbon stocks in the carbon pools within the project boundary;
- (b) Changes in carbon stocks in the carbon pools within the project boundary from a land use that represents an economically attractive course of action, taking into account barriers to investment;
- (c) Changes in carbon stocks in the pools within the project boundary from the most likely land use at the time the project starts.

Baseline - approved methodology:

A baseline methodology approved by the Executive Board is publicly available along with relevant guidance on the UNFCCC CDM website (<http://unfccc.int/cdm>) or through a written request sent to cdm-info@unfccc.int or Fax: (49-228) 815-1999.

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Baseline methodology:

A methodology is an application of an approach as defined in paragraph 22 of the CDM A/R modalities and procedures, to an individual A/R CDM project activity, for the determination of the baseline scenario. A baseline methodology should reflect aspects such as environmental conditions and past land uses and land use changes. No methodology is excluded a priori so that project participants have the opportunity to propose a methodology. In considering paragraph 22, the Executive Board agreed that, the following cases apply:

- (a) Case of a new methodology: In developing a baseline methodology, the first step is to identify the most appropriate approach for the proposed A/R CDM project activity and then an applicable methodology;
- (b) Case of an approved methodology: In opting for an approved methodology, project participants have implicitly chosen an approach.

Baseline net greenhouse gas removals by sinks:

“Baseline net GHG removals by sinks” is the sum of the changes in carbon stocks in the carbon pools within the project boundary that would have occurred in the absence of the A/R CDM project activity.

Baseline - new methodology:

Project participants may propose a new baseline methodology established in a transparent and conservative manner. In developing a new baseline methodology, the first step is to identify the most appropriate approach for the proposed A/R CDM project activity and then an applicable methodology. Project participants shall submit a proposal for a new methodology to a designated operational entity by forwarding a completed “Proposed New Methodology for A/R: Baseline (CDM-AR-NMB)” along with a completed “Proposed New Methodology for A/R: Monitoring (CDM-AR-NMM)” and the Project Design Document for A/R (CDM-AR-PDD) with sections A to E completed in order to demonstrate the application of the proposed new methodology to a proposed A/R CDM project activity.

The proposed new methodology will be treated as follows: If the designated operational entity determines that it is a new methodology, it will forward, without further analysis, the documentation to the Executive Board. The Executive Board shall expeditiously, if possible at its next meeting but not later than four months review the proposed methodology. Once approved by the Executive Board it shall make the approved methodology publicly available along with any relevant guidance and the designated operational entity may proceed with the validation of the proposed A/R CDM project activity (applying the approved methodology) and submit the project design document for registration. In the event that the COP/MOP requests the revision of an approved methodology, no A/R CDM project activity may use this methodology. The project participants shall revise the methodology, as appropriate, taking into consideration any guidance received.

Baseline scenario for A/R CDM project activities:

The baseline scenario for an A/R CDM project activity is the scenario that reasonably represents the sum of the changes in carbon stocks in the carbon pools within the project boundary that would occur in the absence of the A/R CDM project activity. A baseline scenario shall be derived using a baseline methodology referred to in paragraphs 12 and 13 of the CDM A/R modalities and procedures.

A baseline shall cover all carbon pools within the project boundary but project participants may choose not to account for one or more carbon pools if they provide transparent and verifiable information indicating that the choice will not increase the expected net anthropogenic GHG removals by sinks.

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Different baseline scenarios may be elaborated as potential projections of the situation existing before the proposed A/R CDM project activity. The continuation of an existing activity could be one of them; the implementation of the proposed A/R CDM project activity may be another; and many others could be envisaged. Baseline methodologies shall require a narrative description of all reasonable baseline scenarios.

To elaborate the different scenarios, different elements shall be taken into consideration, including related guidance issued by the Executive Board. For instance, the project participants shall take into account national / sectoral policies and circumstances, ongoing technological improvements, past land uses and land-use changes, investment barriers, etc. (see paragraph b (vii) of Appendix C to decision 17/CP.7 and paragraphs 20 (e) and 22 of decision 19/CP.9).

Carbon pools:

Carbon pools² are: above-ground biomass, belowground biomass, litter, dead wood and soil organic carbon. Project participants may choose not to account for one or more carbon pools if they provide transparent and verifiable information that indicates that the choice will not increase the expected net anthropogenic GHG removals by sinks.

Certification:

Certification is the written assurance by the designated operational entity that an A/R CDM project activity achieved the net anthropogenic GHG removals by sinks since the start of the project, as verified.

Conservative:

See “Transparent and conservative”.

Crediting period:

See crediting period for A/R CDM project activities

Crediting period for A/R CDM project activities:

The crediting period for an A/R CDM project activity is the period for which net anthropogenic GHG removals by sinks are verified and certified by a designated operational entity for the purpose of issuance of long-term certified emission reductions (ICERs) or of temporary certified emission reductions (tCERs). The crediting period shall begin at the starting date of the A/R CDM project activity. A crediting period shall not extend beyond the operational lifetime of the A/R CDM project activity.

The crediting period may only start after the date of registration of the proposed activity as an A/R CDM project activity. In exceptional cases, for A/R CDM project activities starting between 1 January 2000 and the date of the registration of a first CDM project, the starting date of the crediting period may be prior to the date of registration of the A/R CDM project activity if the proposed A/R CDM project activity is submitted for registration before 31 December 2005 (please refer to paragraphs 12 and 13 of decision 17/CP.7, paragraph 1 (c) of decision 18/CP.9 and clarifications by the Executive Board, available on the UNFCCC CDM web site).

² For more information on the definition for each carbon pool, you may refer to the Intergovernmental Panel on Climate Change Good Practice Guidance for Land Use, Land-Use Change and Forestry, table 3.2.1 on page 3.15. See <http://www.ipcc-nggip.iges.or.jp/public/gpplulucf/gpplulucf.htm>.

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The project participants may choose between two options for the length of a crediting period: (i) fixed crediting period or (ii) renewable crediting period, as defined in paragraph 23 (a) and (b) of the A/R CDM M & P.

(see also: starting date of an A/R CDM project activity)

Crediting period – fixed:

“Fixed Crediting Period” is one of two options for determining the length of a crediting period. In the case of this option, the length and starting date of the period is determined once for an A/R CDM project activity with no possibility of renewal or extension once the proposed A/R CDM project activity has been registered. The length of the period can be a maximum of thirty years for a proposed A/R CDM project activity. (paragraph 23 (b) of CDM A/R modalities and procedures).

Crediting period – renewable:

“Renewable crediting period” is one of two options for determining the length of a crediting period. In the case of this option, a single crediting period may be of a maximum of twenty years. The crediting period may be renewed at most two times (maximum 60 years), provided that, for each renewal, a designated operational entity determines that the original project baseline is still valid or has been updated taking account of new data, where applicable, and informs the Executive Board accordingly (paragraph 23 (a) of the A/R CDM modalities and procedures). The starting date and length of the first crediting period has to be determined before registration.

Designated operational entity (DOE):

An entity designated by the COP/MOP, based on the recommendation by the Executive Board, as qualified to validate proposed CDM project activities as well as verify and certify net anthropogenic GHG removals by sinks. A designated operational entity shall not perform validation or verification and certification on the same A/R CDM project activity. Upon request, the Executive Board may however allow a single DOE to perform all these functions within a single A/R CDM project activity. COP at its eighth session decided that the Executive Board may designate on a provisional basis operational entities (please refer to decision 21/CP.8).

Forest:

“Forest” is a minimum area of land of 0.05-1.0 hectares with tree crown cover (or equivalent stocking level) of more than 10-30 per cent with trees with the potential to reach a minimum height of 2-5 metres at maturity *in situ*. A forest may consist either of closed forest formations where trees of various storeys and undergrowth cover a high proportion of the ground or open forest. Young natural stands and all plantations which have yet to reach a crown density of 10-30 per cent or tree height of 2-5 metres are included under forest, as are areas normally forming part of the forest area which are temporarily unstocked as a result of human intervention such as harvesting or natural causes but which are expected to revert to forest. A Party not included in Annex I may host an A/R CDM project activity if it has selected and reported to the Executive Board through its designated national authority for the CDM the parameters it has chosen for the definition of “forest” to be used for the purposes of hosting A/R project activities under the CDM.

A Party not included in Annex I may host an A/R CDM project activity if it has selected and reported to the Executive Board through its designated national authority for the CDM:

- (a) A single minimum tree crown cover value between 10 and 30 per cent; and
- (b) A single minimum land area value between 0.05 and 1 hectare; and
- (c) A single minimum tree height value between 2 and 5 metres.

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The selected values referred above shall be fixed for all A/R CDM project activities registered prior to the end of the first commitment period.

Fixed Crediting Period:

See crediting period – fixed.

Host Party:

A Party not included in Annex I to the Convention on whose territory the A/R CDM project activity is physically located. An A/R CDM project activity located in several countries has several host Parties. At the time of registration, a Host Party shall meet the requirements for participation as defined in paragraphs 28 to 30 of the CDM modalities and procedures.

Issuance of temporary certified emission reductions (tCERs) or of long-term certified emission reductions (ICERs): Issuance of ICERs or tCERs refers to the instruction by the Executive Board to the CDM registry administrator to issue a specified quantity of ICERs or tCERs for an A/R CDM project activity into the pending account of the Executive Board in the CDM registry, in accordance with paragraph 66 of the CDM modalities and procedures and sections J and K and appendix D of the A/R CDM modalities and procedures.

Upon issuance of tCERs or ICERs, the CDM registry administrator shall, in accordance with paragraph 66 of the CDM modalities and procedures, promptly forward the tCERs or ICERs to the holding accounts of project participants involved, in accordance with their request, having deducted the quantity of tCERs or ICERs corresponding to the share of proceeds to cover administrative expenses for the Executive Board and to assist in meeting costs of adaptation for developing countries vulnerable to adverse impacts of climate change, respectively, in accordance with Article 12, paragraph 8, to the appropriate accounts in the CDM registry for the management of the share of proceeds.

Leakage

See leakage for A/R project activities.

Leakage for A/R project activities:

Leakage is the increase in GHG emissions by sources which occurs outside the boundary of an A/R CDM project activity which is measurable and attributable to the A/R CDM project activity;

Long-term certified emission reductions (ICERs):

A long-term certified emission reduction or ICER is a unit issued pursuant to Article 12 of the Kyoto Protocol for an A/R CDM project activity, which expires at the end of the crediting period of the A/R CDM project activity under the CDM for which it was issued. It is equal to one metric tonne of carbon dioxide equivalent.

Where project participants have chosen the ICER approach to address non-permanence, a request to the Executive Board has to be made for issuance of ICERs equal to the verified amount of net anthropogenic GHG removals by sinks achieved by the A/R CDM project activity since the previous certification.

Measurable and attributable:

In an operational context, the terms measurable and attributable in paragraph 51 (project boundary) of the CDM modalities and procedures should be read as “which can be measured” and “directly attributable”, respectively.

Monitoring of an A/R CDM project activity:

Monitoring refers to the collection and archiving of all relevant data necessary for estimating or measuring the net anthropogenic GHG removals by sinks during the crediting period. For more information on the monitoring plan, please refer to paragraph 25 of the A/R CDM modalities and procedures.

Monitoring methodology:

A monitoring methodology refers to the method used by project participants for the collection and archiving of all relevant data necessary for the implementation of the monitoring plan.

Monitoring methodology - approved:

A monitoring methodology approved by the Executive Board and made publicly available along with relevant guidance.

Monitoring methodology - new:

Project participants may propose a new monitoring methodology. In developing a monitoring methodology, the first step is to identify the most appropriate methodology bearing in mind good monitoring practice in relevant sectors. Project participants shall submit a proposal for a new methodology to a designated operational entity by forwarding a completed “Proposed New Methodology for A/R: Baseline (CDM-AR-NMB)” along with a completed “Proposed New Methodology for A/R: Monitoring (CDM-AR-NMM)” and the project design document for A/R(CDM-AR-PDD) with sections A to E completed in order to demonstrate the application of the proposed new methodology to a proposed A/R CDM project activity.

A new proposed methodology will be treated as follows: If the designated operational entity determines that it is a new methodology, it will forward, without further analysis, the documentation to the Executive Board. The Executive Board shall expeditiously, if possible at its next meeting but not later than four months review the proposed methodology. Once approved by the Executive Board it shall make the approved methodology publicly available along with any relevant guidance and the designated operational entity may proceed with the validation of the proposed A/R CDM project activity (applying the approved methodology) and submit the project design document for registration. In the event that the COP/MOP requests the revision of an approved methodology, no A/R CDM project activity may use this methodology. The project participants shall revise the methodology, as appropriate, taking into consideration any guidance received.

Monitoring plan:

Please see Monitoring of an A/R CDM project activity.

Net anthropogenic greenhouse gas removals by sinks:

“Net anthropogenic GHG removals by sinks” is the actual net GHG removals by sinks minus the baseline net GHG removals by sinks minus leakage.

Operational lifetime of an A/R CDM project activity:

It is defined as the period during which the A/R CDM project activity is in operation. No crediting period shall end after the end of the operational lifetime (calculated as from starting date).

Project activity:

See A/R CDM Project activity.

Project boundary for A/R project activities:

The “project boundary” geographically delineates the A/R CDM project activity under the control of the project participants. An A/R CDM project activity may contain more than one discrete areas of land. If an A/R CDM project activity contains more than one discrete area of land:

- Each discrete area of land should have a unique geographical identification;
- The boundary should be defined for each discrete area and should not include the areas in between these discrete areas of land.

Project participants:

In accordance with the use of the term project participant in the CDM modalities and procedures and A/R CDM modalities and procedures, a project participant is (a) a Party involved, and/or (b) a private and/or public entity authorized by a Party to participate in an A/R CDM project activity.

In accordance with Appendix D of the CDM modalities and procedures, the decision on the distribution of CERs from an A/R CDM project activity shall exclusively be taken by project participants.

Project participants shall communicate with the Executive Board, through the secretariat, in writing in accordance with the “modalities of communication” submitted together with the registration form.

If a project participant does not wish to be involved in taking decisions on the distribution of ICERs/tCERs, this shall be communicated to the Executive Board through the secretariat at the latest when the request regarding the distribution is made.

See also: “Authorization of a private and/or public entity to participate in a CDM A/R CDM project activity” and “Request for distribution of ICERs or of tCERs”

Renewable crediting period:

See Crediting period – renewable.

Reforestation:

“Reforestation” is the direct human-induced conversion of non-forested land to forested land through planting, seeding and/or the human-induced promotion of natural seed sources, on land that was forested but that has been converted to non-forested land. For the first commitment period, reforestation activities will be limited to reforestation occurring on those lands that did not contain forest on 31 December 1989.

Request for distribution of ICERs or of tCERs:

The request regarding the distribution of ICERs or of tCERs can only be changed if all signatories of the previous instruction have agreed to the change and signed the appropriate document.

A change of project participants shall immediately be communicated to the Executive Board through the secretariat. The indication of change shall be signed by all project participants of the previous communication and by all new and remaining project participants. Each new project participant needs authorization, as required.

Stakeholders:

Stakeholders mean the public, including individuals, groups or communities affected, or likely to be affected, by the proposed A/R CDM project activity or actions leading to the implementation of such an activity.

Starting date of an A/R CDM project activity:

The starting date of an A/R CDM project activity is the date at which the implementation or real action of an A/R CDM project activity begins, resulting in actual net GHG removals by sinks. The start date needs to be justified in the CDM-AR-PDD. Project activities starting between 1 January 2000 and the date of the registration of a first clean development mechanism project have to provide documentation, at the time of registration, showing that the starting date fell within this period, if the proposed A/R CDM project activity is submitted for registration before 31 December 2005.

Temporary certified emission reductions (tCERs):

A temporary certified emission reduction or tCER is a unit issued pursuant to Article 12 of the Kyoto Protocol for an A/R CDM project activity under the CDM, which expires at the end of the commitment period following the one during which it was issued. It is equal to one metric tonne of carbon dioxide equivalent.

Where project participants have chosen to issue tCERs to address non-permanence, a request to the Executive Board has to be made for issuance of tCERs equal to the verified amount of net anthropogenic GHG removals by sinks achieved by the A/R CDM project activity under the CDM since the start of the A/R CDM project activity.

Transparent and conservative:

Establishing a baseline in a transparent and conservative manner (paragraph 20 (b) of the CDM A/R modalities and procedures) means that assumptions are made explicitly and choices are substantiated. In case of uncertainty regarding values of variables and parameters, the establishment of a baseline is considered conservative if the resulting projection of the baseline does not lead to an overestimation of net anthropogenic GHG removals by sinks attributable to an A/R CDM project activity (that is, in the case of doubt, values that generate a higher baseline net GHG removals by sinks shall be used).

Permanence: Submit a suggestion of definition.

Registration:

Registration is the formal acceptance by the Executive Board of a validated project as an A/R CDM project activity under the CDM. Registration is the prerequisite for the verification, certification and issuance of tCERs or ICERs relating to that A/R CDM project activity.

Validation:

Validation is the process of independent evaluation of a proposed A/R CDM project activity under the CDM by a designated operational entity (DOE) against the requirements of afforestation and reforestation project activities under the CDM as set out in decision 19/CP.9, its annex and relevant decisions of the COP/MOP, on the basis of the project design document.

Verification:

Verification is the periodic independent review and ex post determination by the DOE of the net anthropogenic GHG removals by sinks achieved, since the start of the project, by an A/R CDM project activity under the CDM. Certification is the written assurance by a DOE that an A/R CDM project activity under the CDM achieved the net anthropogenic GHG removals by sinks since the start of the project, as verified.

PART II

A. Information note for Project Design Document for afforestation and reforestation project activities (CDM-AR-PDD)

1. The CDM-AR-PDD presents information on the essential technical and organizational aspects of the afforestation or reforestation (A/R) project activity and is a key input into the validation, registration, and verification of the project as required under the Kyoto Protocol to the UNFCCC. The relevant modalities and procedures are detailed in decision 17/CP.7 contained in document FCCC/CP2001/13/Add.2 and decision 19/CP.9 contained in document FCCC/CP/2003/6/Add.2).
2. The CDM-AR-PDD contains information on the proposed A/R CDM project activity, the approved baseline methodology applied to the proposed A/R CDM project activity, and the approved monitoring methodology applied to the project. It discusses and justifies the choice of baseline methodology and the applied monitoring concept, including monitoring data and calculation methods.
3. Project participants should submit the completed version of the CDM-AR-PDD, together with attachments if necessary, to an accredited designated operational entity for validation. The designated operational entity then examines the adequacy of the information provided in the CDM-AR-PDD, especially whether it satisfies the relevant modalities and procedures concerning the proposed A/R CDM project activity. Based on this examination, the designated operational entity makes a decision regarding validation of the project.

B. Specific guidelines for completing the Project Design Document for afforestation and reforestation project activities (CDM-AR-PDD)

CONTENTS
PROJECT DESIGN DOCUMENT FOR AFFORESTATION AND REFORESTATION PROJECT
ACTIVITIES (CDM-AR-PDD)

- A. General description of the proposed A/R CDM project activity
- B. Application of a baseline methodology
- C. Application of a monitoring methodology and plan
- D. Estimation of the net anthropogenic GHG removals by sinks
- E. Environmental impacts of the proposed A/R CDM project activity
- F. Socio-economic impacts of the proposed A/R CDM project activity
- G. Stakeholders' comments

Annexes

Annex 1: Contact information on participants in the proposed A/R CDM project activity

Annex 2: Information regarding public funding

Annex 3: Baseline information

Annex 4: Monitoring plan

SECTION A. General description of the proposed A/R CDM project activity:

A.1. Title of the proposed A/R CDM project activity:

A.2. Description of the proposed A/R CDM project activity:

Please include in the description:

- The purpose of the proposed A/R CDM project activity;
- The view of the project participants of the contribution of the proposed A/R CDM project activity to sustainable development (max. one page).

Please use the list of key words available on the UNFCCC CDM web site. If no suitable Key words can be identified, or if it is considered that they are insufficient, please suggest a new/news Key word(s), being guided by relevant information on the UNFCCC CDM web site.

A.3. Project participants:

Please list project participants and provide contact information in Annex 1.

A.4. Technical description of the proposed A/R CDM project activity:

A.4.1. Location of the proposed A/R CDM project activity:

A.4.1.1. Host Party(ies):

A.4.1.2. Region/State/Province etc.:

A.4.1.3. City/Town/Community etc:

A.4.1.4. Detail of geographical location and project boundary, including information allowing the unique identification(s) of the proposed A/R CDM project activity:

The “project boundary” geographically delineates the A/R CDM project activity under the control of the project participants.

The A/R CDM project activity may contain more than one discrete area of land. If an A/R CDM project activity contains more than one discrete area of land:

- Each discrete area of land should have an unique geographical identification;
- The boundary should be defined for each discrete area and should not include the areas in between these discrete areas of land.

A.4.1.5. A description of the present environmental conditions of the area, including a description of climate, hydrology, soils, ecosystems, and the possible presence of rare or endangered species and their habitats:

A.4.2. Species and varieties selected:

A.4.3. Specification of the greenhouse gases (GHG) whose emissions will be part of the proposed A/R CDM project activity:

Please specify the GHG that are expected to be emitted as a result of the implementation of the proposed A/R CDM project activity, for example, inter alia, emissions from soil preparation, from the use of machinery and from the use of fertilisers.

A.4.4. Carbon pools selected:

In calculating the baseline net GHG removals by sinks and/or actual net GHG removals by sinks, project participants may choose not to account for one or more carbon pools, and/or emissions of the GHG measured in units of CO₂ equivalents, while avoiding double counting. This is subject to the provision of transparent and verifiable information that the choice will not increase the expected net anthropogenic GHG removals by sinks. Project participants shall otherwise account for all significant changes in carbon pools and/or emissions of the GHG measured in units of CO₂ equivalents by the sources that are increased as a result of the implementation of the proposed A/R CDM project activity, while avoiding double counting.

A.4.5. Compliance with the definition for afforestation or reforestation:

Please specify how the project fulfils the definition of afforestation or reforestation, as provided in the glossary of terms above.

In order to define afforestation or reforestation, project participants shall follow the definition for “forest” selected by the host Party, which specifies:

- A single minimum tree crown cover value between 10 and 30 per cent; and
- A single minimum land area value between 0.05 and 1 hectare; and
- A single minimum tree height value between 2 and 5 metres.

The definition for forest selected by each Party can be found on the DNA page on the UNFCCC CDM website.

A.4.6. A description of legal title to the land, current land tenure and land use and rights of access to the sequestered carbon:

A.4.7. Type(s) of A/R CDM project activity:

Please use the list of types of A/R CDM project activities and of registered A/R CDM project activities by type available on the UNFCCC CDM web site, please specify the type(s) of A/R CDM project activities into which the proposed A/R CDM project activity falls. If no suitable

type(s) of A/R CDM project activities can be identified, please suggest a new type(s) descriptor and its definition, being guided by relevant information on the UNFCCC CDM web site.

A.4.8. Technology to be employed by the proposed A/R CDM project activity:

This section should include a description of the environmentally safe and sound technologies and know-how which will be employed by the project, specifying, if any, those to be transferred to the Host Party.

A.4.9. Approach for addressing non-permanence:

In accordance with paragraph 38 and section K of the CDM A/R modalities and procedures, please specify which of the following approaches to address non-permanence has been selected:

- Issuance of tCERs
- Issuance of ICERs

A.4.10. Duration of the proposed A/R CDM project activity / Crediting period:

A.4.10.1. Starting date of the proposed A/R CDM project activity and of the (first) crediting period, including a justification:

The crediting period shall begin at the start of the A/R CDM project activity under the CDM. The starting date of a A/R CDM project activity is the date on which the implementation or real action of an A/R CDM project activity begins, resulting in actual net GHG removals by sinks.

Project activities starting between 1 January 2000 the date of the registration of a first clean development mechanism project, if the proposed A/R CDM project activity is submitted for registration before 31 December 2005; have to provide documentation, at the time of registration, showing that the starting date fell within this period.

A.4.10.2 Expected operational lifetime of the proposed A/R CDM project activity:

Please state the expected operational lifetime of the proposed A/R CDM project activity in years and months as appropriate.

A.4.10.3 Choice of crediting period and related information:

Please state whether the proposed A/R CDM project activity will use a renewable or a fixed crediting period and complete A.4.10.3.1 or A.4.10.3.2 accordingly. A.4.10.3.1 and A.4.10.3.2 are mutually exclusive – please select only one of them.

Note that the crediting period may only start after the date of registration of the proposed A/R CDM project activity. In exceptional cases, (see instructions for section A.4.10.1 above) the starting date of the crediting period may be prior to the date of registration of the proposed A/R CDM project activity as provided for in paragraphs 12 and 13 of decision 17/CP.7, paragraph 1 (c) of decision 18/CP.9 and through any guidance by the Executive Board, available on the UNFCCC CDM web site.

A.4.10.3.1 Renewable crediting period, if selected:

Each crediting period shall be a maximum of twenty (20) years and may be renewed at most two times, provided that, for each renewal, a designated operational entity determines and informs the executive board that the original project baseline is still valid or has been updated taking account of new data where applicable.

Please state the length of the crediting period in years and months as appropriate

A.4.10.3.1.1. Starting date of the first crediting period:

A.4.10.3.1.2. Length of the first crediting period:

A.4.10.3.2. Fixed crediting period, if selected:

Fixed crediting period shall be at most thirty (30) years. Please state the length of the crediting period in years and months.

A.4.10.3.2 .1. Starting date:

A.4.10.3.2.2. Length:

A.4.11. Brief explanation of how the net anthropogenic GHG removals by sinks are achieved by the proposed A/R CDM project activity, including why these would not occur in the absence of the proposed A/R CDM project activity, taking into account national and/or sectoral policies and circumstances:

Please briefly explain how net anthropogenic GHG removals by sinks are to be achieved (detail to be provided in section B) and provide the estimate of the anticipated total net anthropogenic GHG removals by sinks in tonnes of CO₂ equivalent as determined in section E. This section should provide a summary of section B.3 and have a max. length of one page.

A.4.11.1. Estimated amount of net anthropogenic GHG removals by sinks over the chosen crediting period:

Provide the total estimation of net anthropogenic GHG removals by sinks as well as annual estimates for the chosen crediting period.

A.4.12. Public funding of the proposed A/R CDM project activity:

In case public funding from Parties included in Annex I is involved, please provide in Annex 2 information on sources of public funding for the proposed A/R CDM project activity from Parties included in Annex I which shall provide an affirmation that such funding does not result in a diversion of official development assistance and is separate from and is not counted towards the financial obligations of those Parties.

SECTION B. Application of a baseline methodology:

Where project participants wish to propose a new baseline methodology, please complete the form for “Proposed New Methodology for A/R: Baseline”(CDM-AR-NMB) in accordance with procedures for submission and consideration of proposed new methodologies (see Part III of these Guidelines).

B.1. Title and reference of the approved baseline methodology applied to the proposed A/R CDM project activity:

Please refer to the UNFCCC CDM web site for the title and reference list as well as the details of approved baseline methodologies³. Please note that the table “Baseline Information” contained in Annex 3 is to be prepared in parallel to completing the remainder of this section.

B.1.1. Justification of the choice of the methodology and its applicability to the proposed A/R CDM project activity:

Please justify the choice of methodology by showing that the proposed A/R CDM project activity meet the applicability conditions under which the methodology is applicable.

B.2. Description of how the methodology is applied to the proposed A/R CDM project activity:

Please explain the basic assumptions of the baseline methodology in the context of the proposed A/R CDM project activity and show that the key methodological steps are followed in determining the baseline scenario for the proposed A/R CDM project activity. Provide the key information and data used to determine the baseline scenario (variables, parameters, data sources etc.) in table form.

B.3. Description of how the actual net GHG removals by sinks are increased above those that would have occurred in the absence of the registered A/R CDM project activity:

Explanation of how and why this project is additional and therefore not the baseline scenario in accordance with the selected baseline methodology. Include 1) a description of the baseline scenario determined by applying the methodology, 2) a description of the project scenario, and 3) an analysis showing why the baseline net GHG removals by sinks scenario would likely lie below actual net anthropogenic GHG removals by sinks in the project scenario.

B.4. Detailed baseline information, including the date of completion of the baseline study and the name of person(s)/entity(ies) determining the baseline:

Please attach detailed baseline information in Annex 3.
Please provide date of completion in *DD/MM/YYYY*.
Please provide contact information and indicate if the person/entity is also a project participant listed in Annex 1.

³ If a new baseline methodology is proposed, please complete the form for “Proposed New Methodology: Baseline for A/R”(CDM-A/R-NMB).

SECTION C. Application of a monitoring methodology and of a monitoring plan:

Where project participants wish to propose a new monitoring methodology, please complete form “Proposed New Methodology for A/R: Monitoring”(CDM-AR-NMM) in accordance with procedures for submission and consideration of proposed new methodologies (see Part III of these Guidelines).

This section shall provide a detailed description of the monitoring plan, including an identification of the data and its quality with regard to accuracy, comparability, completeness and validity, taking into consideration any guidance contained in the methodology. The monitoring plan is to be attached in annex 4.

The monitoring plan needs to provide detailed information related to the collection and archiving of all relevant data needed to

- estimate or measure verifiable changes in carbon stocks in the carbon pools and the emissions of GHG occurring within the project boundary,
- determine the Baseline, and
- identify increased emissions outside the project boundary.

The monitoring plan should reflect good monitoring practice appropriate to the type of A/R CDM project activity. The plan should follow the instructions and steps defined in the approved monitoring methodology. Project participants shall implement the registered monitoring plan and provide data, in accordance with the plan, through their monitoring report.

Please note that data monitored and required for verification and issuance are to be kept for two years after the end of the (last) crediting period.

C.1. Title and reference of approved monitoring methodology applied to the project activity:

Please refer to the UNFCCC CDM web site for the name and reference as well as details of approved methodologies. Where project participants wish to propose a new monitoring methodology, please complete the form for “Proposed New Methodology for A/R: Monitoring” (CDM-AR-NMM) and subsequently complete, sections A-E of the CDM-AR-PDD to demonstrate the application of the proposed new methodology to the proposed A/R CDM project activity.

If a national or international monitoring standard has to be applied to monitor certain aspects of the proposed A/R CDM project activity, please identify this standard and provide a reference to the source where a detailed description of the standard can be found.

Please fill the section below in accordance with the approved monitoring methodology selected.

C.2. Justification of the choice of the methodology and its applicability to the proposed A/R CDM project activity:

Please justify the choice of methodology by showing that the proposed A/R CDM project activity and its context meet the conditions under which the methodology is applicable.

C.3. Monitoring of the baseline net GHG removals by sinks and the actual net GHG removals by sinks:

C.3.1. Actual net GHG removals by sinks data:

C.3.1.1. Data to be collected or used in order to monitor the verifiable changes in carbon stock in the carbon pools within the project boundary resulting from the proposed A/R CDM project activity, and how this data will be archived:

Monitored data shall be archived for 2 years following the end of the (last) crediting period.
Header of tables and titles of columns shall not be modified and columns shall not be deleted.
Please add rows to the table below, as needed.

C.3.1.2. Data to be collected or used in order to monitor the GHG emissions by the sources, measured in units of CO₂ equivalent, that are increased as a result of the implementation of the proposed A/R CDM project activity within the project boundary, and how this data will be archived:

Monitored data shall be archived for 2 years following the end of the (last) crediting period.
Header of tables and titles of columns shall not be modified and columns shall not be deleted.
Please add rows to the table below, as needed.

C.3.1.3. Description of formulae and/or models used to monitor the estimation of the actual net GHG removals by sinks:

C.3.1.3.1. Description of formulae and/or models used to monitor the estimation of the verifiable changes in carbon stock in the carbon pools within the project boundary (for each carbon pool in units of CO₂ equivalent):

Formulae and/or models should be consistent with the formulae and/or models outlined in the description of the baseline methodology.

C.3.1.3.2. Description of formulae and/or models used to monitor the estimation of the GHG emissions by the sources, measured in units of CO₂ equivalent, that are increased as a result of the implementation of the proposed A/R CDM project activity within the project boundary (for each source and gas, in units of CO₂ equivalent):

Formulae and/or models should be consistent with the formulae and/or models outlined in the description of the baseline methodology.

C.3.2. As appropriate, relevant data necessary for determining the baseline net GHG removals by sinks and how such data will be collected and archived:

Monitored data shall be archived for 2 years following the end of the (last) crediting period.

Header of tables and titles of columns shall not be modified and columns shall not be deleted.
Please add rows to the table below, as needed.

C.3.2.1. Description of formulae and/or models used to monitor the estimation of the baseline net GHG removals by sinks (for each carbon pool, in units of CO₂ equivalent):

Formulae and/or models should be consistent with the formulae and/or models outlined in the description of the baseline methodology.

C.4. Treatment of leakage in the monitoring plan:

Please indicate if leakage will be directly or indirectly monitored. If leakage is not monitored during the implementation of the proposed A/R CDM project activity, please explain rationale behind it.

C.4.1. If applicable, please describe the data and information that will be collected in order to monitor leakage of the proposed A/R CDM project activity:

Monitored data shall be archived for 2 years following the end of the (last) crediting period.
Header of tables and titles of columns shall not be modified and columns shall not be deleted.
Please add rows to the table below, as needed.

C.4.2. Description of formulae and/or models used to estimate leakage (for each GHG, source, carbon pool, in units of CO₂ equivalent):

Formulae and/or models should be consistent with the formulae and/or models outlined in the description of the baseline methodology.

C.4.3. Please specify the procedures for the periodic review of implementation of activities and measures to minimize leakage:

C.5. Description of formulae and/or models used to estimate net anthropogenic GHG removals by sinks for the proposed A/R CDM project activity (for each GHG, carbon pool, in units of CO₂ equivalent):

Formulae and/or models should be consistent with the formulae and/or models outlined in the description of the baseline methodology.

C.6. Quality control (QC) and quality assurance (QA) procedures undertaken for data monitored:

Refer to data items in tables contained in sections C.3 and C.4, as applicable.

C.7. Please describe the operational and management structure(s) that the project operator will implement in order to monitor actual GHG removals by sinks and any leakage generated by the proposed A/R CDM project activity:

C.8. Name of person/entity determining the monitoring methodology:

Please provide contact information and indicate if the person/entity is also a project participant listed in Annex 1 of this document.

SECTION D. Estimation of net anthropogenic GHG removals by sinks:

Please fill section D. following the selected baseline and monitoring methodologies.

D.1. Estimate of the actual net GHG removals by sinks:

Please provide estimated sum of verifiable changes in carbon stocks, minus the increase in emissions measured in units of CO₂ equivalent by the sources that are increased as an attributable result of the implementation of the proposed A/R CDM project activity within the project boundary (for each gas, pool, source, formulae/algorithm, in units of CO₂ equivalent).

D.2. Estimated baseline net GHG removals by sinks:

Estimates should be given for each carbon pool, source, in units of CO₂ equivalent.

D.3. Estimated leakage:

Please provide estimate of any leakage, defined as: the increase of anthropogenic emissions by sources of GHG which occurs outside the project boundary, and that is measurable and attributable to the proposed A/R CDM project activity. Estimates should be given for each gas, source, in units of CO₂ equivalent.

D.4. The sum of D.1 minus D.2 minus D.3 representing the net anthropogenic GHG removals by sinks of the proposed A/R CDM project activity:

D.5. Table providing values obtained when applying formulae above:

The ex post calculation of baseline removal rates may only be used if proper justification is provided. Notwithstanding, the baseline removal rates shall also be calculated ex-ante and reported in the CDM-AR-PDD.

SECTION E. Environmental impacts of the proposed A/R CDM project activity:

E.1. Documentation on the analysis of the environmental impacts, including impacts on biodiversity and natural ecosystems, and impacts outside the project boundary of the proposed A/R CDM project activity:

This analysis should include, where applicable, information on, inter alia, hydrology, soils, risk of fires, pests and diseases. Please attach the relevant documentation to the CDM-PDD.

E.2. If any negative impact is considered significant by the project participants or the host Party, a statement that project participants have undertaken an environmental impact assessment, in

accordance with the procedures required by the host Party, including conclusions and all references to support documentation:

Please attach the documentation to the CDM-AR-PDD.

E.3. Description of planned monitoring and remedial measures to address significant impacts referred to in E.2 above:

SECTION F. Socio-economic impacts of the proposed A/R CDM project activity:

F.1 Documentation on the analysis of the socio-economic impacts, including impacts outside the project boundary of the proposed A/R CDM project activity:

This analysis should include, where applicable, information on, inter alia, local communities, indigenous peoples, land tenure, local employment, food production, cultural and religious sites, and access to fuelwood and other forest products. Please attach the documentation to the CDM-AR-PDD.

F.2. If any negative impact is considered significant by the project participants or the host Party, a statement that project participants have undertaken a socioeconomic impact assessment, in accordance with the procedures required by the host Party, including conclusions and all references to support documentation:

Please attach the documentation to the CDM-AR-PDD.

F.3 Description of planned monitoring and remedial measures to address significant impacts referred to in section F.2 above:

SECTION G. Stakeholders' comments:

G.1. Brief description of how comments by local stakeholders have been invited and compiled:

Please describe the process by which comments by local stakeholders have been invited and compiled. An invitation for comments by local stakeholders shall be made in an open and transparent manner, in a way that facilitates comments to be received from local stakeholders and allows for a reasonable time for comments to be submitted. In this regard, project participants shall describe an A/R CDM project activity in a manner which allows the local stakeholders to understand the proposed A/R CDM project activity, taking into account confidentiality provisions of the CDM modalities and procedures.

G.2. Summary of the comments received:

Please identify stakeholders that have made comments and provide a summary of these comments.

G.3. Report on how due account was taken of any comments received:

Please explain how due account have been taken of comments received from stakeholders.

Annex 1

CONTACT INFORMATION ON PARTICIPANTS IN THE PROPOSED A/R CDM PROJECT ACTIVITY

Please copy and paste table as needed.

Annex 2

INFORMATION REGARDING PUBLIC FUNDING

Please provide information from Parties included in Annex I on sources of public funding for the proposed A/R CDM project activity which shall provide an affirmation that such funding does not result in a diversion of official development assistance and is separate from and is not counted towards the financial obligations of those Parties

Annex 3

BASELINE INFORMATION

Please provide a table containing the key elements used to determine the baseline for the proposed A/R CDM project activity including elements such as variables, parameters and data sources. For approved methodologies you may find a draft table on the UNFCCC CDM web site.

Annex 4

MONITORING PLAN

PART III

**A. Information note for
Proposed New Methodology for afforestation and reforestation project activities: Baseline (CDM-AR-NMB) and
Proposed New Methodology for afforestation and reforestation project activities: Monitoring (CDM-AR-NMM)**

1. A strong link between baseline and monitoring methodologies is to be provided. New baseline and monitoring methodologies shall be proposed and approved together.
2. The forms “Proposed New Methodology for A/R: Baseline” (CDM-AR-NMB) and “Proposed New Methodology for A/R: Monitoring” (CDM-AR-NMM) are to be used to propose a new baseline methodology and/or new monitoring methodology respectively. These forms shall fully and completely describe the methodology. A CDM-AR-PDD, which is to be attached, demonstrates the application of a proposed new methodology to an A/R CDM project activity.
3. The most recent versions of these forms may be obtained from the “forms” section of the UNFCCC CDM web site (<http://unfccc.int/cdm>) or from the UNFCCC secretariat by e-mail (cdm-info@unfccc.int) or in print via fax (+49-228-815-1999).
4. The forms “Proposed New Methodology for A/R: Baseline” (CDM-AR-NMB) and “Proposed New Methodology for A/R: Monitoring” (CDM-AR-NMM) shall be submitted together to the Executive Board in accordance with “Procedures for submission and consideration of a proposed new methodology”. For the most recent version of the procedures, please refer to procedures page of the UNFCCC CDM web site (<http://unfccc.int/cdm>). The forms should be accompanied by a Project Design Document for A/R (CDM-AR-PDD)” with sections A-E completed, in order to demonstrate the application of the proposed new methodologies to a proposed A/R CDM project activity.
5. Each proposed new baseline methodology and monitoring methodology should use a separate “Proposed New Methodology for A/R: Baseline” form (CDM-AR-NMB) and “Proposed New Methodology: Monitoring for A/R” form (CDM-AR-NMM). “Proposed New Methodology for A/R: Baseline” and “Proposed New Methodology for A/R: Monitoring” forms for several new methodologies may be submitted together with the same CDM-AR-PDD for several components of a proposed project.
6. For additional guidance on aspects to be covered in the description of a new methodology, please refer to guidance and clarifications by the Executive Board on the “guidance – clarifications” section of the UNFCCC CDM web site and the “CDM-PDD Glossary of Terms”. Project participants are encouraged to use, as appropriate and to the extent possible, the Intergovernmental Panel on Climate Change (IPCC) Good Practice Guidance (GPG) for Land Use, Land-Use Change and Forestry (LULUCF)⁴.

⁴ See <http://www.ipcc-nggip.iges.or.jp/public/gpplulucf/gpplulucf.htm>.

B. Specific guidelines for completing the proposed new methodology for afforestation and reforestation project activities: baseline (CDM-AR-NMB)

General instructions:

1. The baseline for an A/R CDM project activity is the scenario that reasonably represents the sum of the changes in carbon stocks in the carbon pools within the project boundary that would occur in the absence of the proposed A/R CDM project activity. A baseline shall cover all carbon pools within the project boundary, but project participants may choose not to account for one or more carbon pools if they provide transparent and verifiable information showing that the choice will not increase the expected net anthropogenic GHG removals by sinks. The general characteristics of a baseline are contained in paragraphs 20 to 22 of the CDM A/R modalities and procedures.

2. When drafting a proposed new baseline methodology, project participants shall follow the following steps:

- (a) Choose and justify why one of the baseline approaches listed in paragraph 22 of the CDM A/R modalities and procedures is considered to be the most appropriate;
- (b) Elaborate a proposal for a new baseline methodology. A baseline methodology is an application of the selected baseline approach contained in paragraphs 22 (a) to (c) of the CDM A/R modalities and procedures to an individual A/R CDM project activity, reflecting aspects such as sector, technology and region. The Executive Board agreed that no methodology is to be excluded a priori so that project participants have the opportunity to propose any methodology, which they consider appropriate. The project participant shall take into account guidance by the Board on aspects to be covered by a methodology (please see guidance and clarifications by the Executive Board on the “Guidance – clarifications” web page of the UNFCCC CDM web site);
- (c) Describe the proposed new methodology using the forms for “Proposed New Methodology for A/R: Baseline” (CDM-AR-NMB) and “Proposed New Methodology for A/R: Monitoring” (CDM-AR-NMM) taking into account guidance given by the Executive Board as well as the information provided in the CDM-PDD Glossary of Terms; and
- (d) Demonstrate the applicability of the proposed methodology, and, implicitly, that of the approach, to an A/R DM project activity by providing relevant information in sections A-E of a draft CDM-AR-PDD.

3. In accordance with guidance provided by the Executive Board, the proposed new baseline methodology shall include, *inter alia*, the following:

- (a) A basis for determining the baseline scenario:
 - An explanation of how the baseline scenario is chosen, taking into account paragraph 20 (e) of the A/R modalities and procedures;

GUIDELINES FOR COMPLETING CDM-AR-PDD, CDM-AR-NMB and CDM-AR-NMM

- An underlying rationale for algorithm/formulae and/or model used in the baseline methodology;
 - An explanation of how, through the methodology, it is demonstrated that a proposed A/R CDM project activity is additional and, therefore, not the baseline scenario (section B.4 of the CDM-AR-PDD);
 - Delineation of the project boundary (with respect to carbon pools, gases and sources included, physical delineation, etc.);
- (b) For all formulae/algorithms and/or models, the following should be specified:
- The variables used (e.g. species, tree density, growth rates.);
 - The spatial resolution of data (e.g. local, regional, national, etc.);
 - The vintage of data (relative to project crediting period);
- (c) The data sources and assumptions:
- Where the data are obtained (official statistics, expert judgement, proprietary data, IPCC GPG for LULUCF, commercial data and scientific literature, etc.);
 - The assumptions used;
 - Clearly specify data requirements and sources, as well as procedures to be followed if expected data are unavailable. For instance, the methodology could point to a preferred data source (e.g. national statistics for the past 5 years), and indicate a priority order for use of additional data (e.g. using longer time series) and/or fall back data sources to preferred sources (e.g. private, international statistics, etc.). Use International System Units (SI units – refer to http://www.bipm.fr/enus/3_SI/si.html).
4. All algorithms, formulae, models, and step-by-step procedures for applying the methodology shall be included in completing this form for “Proposed New Methodology: Baseline”. The completed form “shall provide stand-alone replicable methodologies, and avoid reference to any secondary documents.
5. Proposals should be written in a concise and clear manner. Important procedures and concepts should be supported by equations and diagrams. Non-essential information should be avoided. Information which is related to the application of the proposed new methodology for a proposed A/R CDM project activity may be footnoted for illustrative purposes.
6. Project participants shall refrain from providing glossaries or using key terminology not used in the documents of the Conference of the Parties (COP) or the CDM A/R glossary and refrain from rewriting the instructions on the forms.

CONTENTS

**PROPOSED NEW METHODOLOGY FOR AFFORESTATION AND REFORESTATION
PROJECT ACTIVITIES: BASELINE (CDM-AR-NMB)**

- A. Identification of methodology
- B. Overall summary description
- C. Choice of and justification as of baseline approach for A/R CDM project activities
- D. Explanation of how, by applying the baseline methodology, baselines are developed in a transparent and conservative manner
- E. Explanation and justification of the proposed new baseline methodology
- F. Data sources and assumptions
- G. Assessment of uncertainties

SECTION A. Identification of methodology:

A.1. Title of the proposed methodology:

Provide an unambiguous title for a proposed methodology. Avoid project-specific titles. The title, once approved, should allow project participants to get an indication of the applicability of an approved methodology.

A.2. List of type(s) of A/R CDM project activity to which the methodology may apply:

Use the list of types of project activities and of registered A/R CDM project activities by types available on the UNFCCC CDM web site, please specify the type(s) of project activities for which this proposed new methodology may be used. If no suitable type(s) of project activities can be identified, please suggest a new type(s) descriptor and its definition, being guided by relevant information on the UNFCCC CDM web site.

A.3. Conditions under which the methodology is applicable to A/R CDM project activities:

Provide conditions under which the methodology is applicable to A/R CDM project activities: (e.g. national and regional circumstances/policies, data and resource availability, environmental conditions, past land use and land-use changes). Please indicate if an approved methodology exists for the same conditions of application.

A.4. Carbon pools covered by the methodology:

All carbon pools within the project boundary shall be included, but project participants may choose not to account for one or more carbon pools if they provide transparent and verifiable information showing that the choice will not increase the expected net anthropogenic GHG removals by sinks.

A.5. What are the potential strengths and weaknesses of this proposed new methodology?

Please outline how the accuracy and completeness of the new methodology compares to that of approved methodologies, in particular with regard to approved methodologies for the same conditions of application. Please also list, where applicable, the possible limitations to the use of this methodology, to its applicability under different environmental conditions and others (e.g. sensitivity to assumptions).

SECTION B. Overall summary description:

Provide an overview of the proposed new methodology. Provide information on how baseline net GHG removals by sinks are determined. Summarise the major steps for the application of the baseline methodology, including how, through the methodology, it can be demonstrated that a proposed A/R CDM project activity is additional and therefore not the baseline scenario. Please do not exceed one page; detailed explanation of the methodology to be provided in section 6.

SECTION C. Choice of and justification as to why one of the baseline approaches listed in paragraph 22 of CDM A/R modalities and procedures is considered to be the most appropriate:

C.1 General baseline approach for A/R CDM project activities:

Please check a single option.

- Existing or historical, as applicable, changes in carbon stocks in the carbon pools within the project boundary;
- Changes in carbon stocks in the carbon pools within the project boundary from a land use that represents an economically attractive course of action, taking into account barriers to investment;
- Changes in carbon stocks in the pools within the project boundary from the most likely land use at the time the project starts.

C.2. Justification of why the baseline approach for A/R CDM project activities chosen in C.1 above is considered the most appropriate:

SECTION D. Explanation of how, by applying the baseline methodology, baselines are developed in a transparent and conservative manner:

SECTION E. Explanation and justification of the proposed new baseline methodology:

A proposed methodology shall include tools for demonstrating that a proposed A/R CDM project activity is additional (that is, different from the baseline scenario). The methodology shall therefore describe how to develop the baseline scenario and how the baseline methodology addresses the determination of whether the project is additional. In addition, the methodology shall enable the calculation of the baseline net GHG removals by sinks. The project participants shall ensure consistency between the baseline scenario and the calculation of baseline net GHG removals by sinks.

E.1. Explanation of how national and/or sectoral policies and circumstances could be taken into account by the application of the methodology:

E.2. Explanation of how the methodology determines the baseline scenario (that is, how it indicates the scenario that reasonably represents the sum of the changes in carbon stocks in the carbon pools within the project boundary that would occur in the absence of the proposed A/R CDM project activity):

Please state the basic assumptions of the baseline methodology and describe the key analytical steps that should be followed in determining the baseline scenario. Describe how the methodology determines the most likely scenario – the baseline scenario— from among the plausible scenario alternatives.

E.3. Explanation of how, through the methodology, it can be demonstrated that a proposed A/R CDM project activity is additional and therefore not the baseline scenario (section B.3 of the CDM-AR-PDD):

Paragraph 18 of the CDM A/R modalities and procedures stipulates that an A/R CDM project activity is additional if the actual net GHG removals by sinks are increased above the sum of the changes in carbon stocks in the carbon pools within the project boundary that would have occurred in the absence of the proposed A/R CDM project activity. According to paragraph 19 of the CDM A/R modalities and procedures “the baseline for a proposed A/R CDM project activity is the scenario that reasonably represents the sum of the changes in carbon stocks in the carbon pools within the project boundary that would occur in the absence of the proposed A/R CDM project activity”.

Please refer to guidance and clarifications on baseline and monitoring methodologies in the Guidance/Clarifications section of the UNFCCC CDM web site.

Please also include information on formulae/algorithms and/or models, if used.

E.4. Explain and justify formulae/algorithms and/or models used to determine the baseline scenario. Variables, fixed parameters, values and different strata identified have to be reported (e.g. species, growth rates):

E.5. Explain and justify formulae/algorithms and/or models used to determine the actual net GHG removals by sinks from the proposed A/R CDM project activity. Variables, fixed parameters, values and different strata identified have to be reported (e.g. fuel(s) used, fuel consumption rates):

E.6. Explain how the baseline methodology addresses any potential leakage of the proposed A/R CDM project activity:

Please note: Under A/R, leakage is defined as the increase in GHG emissions by sources which occurs outside the project boundary of an A/R CDM project activity under the CDM and which is measurable and attributable to the A/R CDM project activity.

Please explain how leakage is to be estimated ex-ante and indicate in the monitoring methodology form (CDM-AR-NMM) how it is to be monitored ex-post. Explain if leakage will be assumed or calculated either as a relative amount (i.e. percentage) of the total emission reductions due to the proposed A/R CDM project activity or as an absolute amount of emissions. Please describe algorithms, data, information and assumptions and provide the total estimate of leakage.

Also, include formulae, algorithms and/or models to be used in section E of the CDM-AR-PDD attached.

E.7. Explain and justify formulae/algorithms and/or models used to determine the net anthropogenic GHG removals by sinks from the proposed A/R CDM project activity.

Please report all variables, fixed parameters and values (e.g. species used, growth rates, allometric equations, biomass expansion factors).

SECTION F. Data sources and assumptions:

F.1. Describe all parameters and assumptions (e.g. regarding biomass expansion factors and activity levels):

F.2. List of data used and their sources:

Sources of data may include official statistics, expert judgement, proprietary data, IPCC GPG for LULUCF, commercial data and scientific literature. Please provide a precise reference and justify the appropriateness of the choice of such data.

F.3. Vintage of data (e.g. relative to starting date of the proposed A/R CDM project activity):

F.4. Spatial resolution of data (e.g. local, regional, national):

SECTION G. Assessment of uncertainties:

Please provide description of tools for assessing uncertainties (e.g. sensitivity analysis). Please also highlight any factors and assumptions that would have a significant impact on the baseline and/or the calculation of the baseline net GHG removals by sinks and how uncertainties are addressed.

C. Specific guidelines for completing the proposed new methodology for afforestation and reforestation project activities: monitoring (CDM-AR-NMM)

General instructions:

1. Monitoring of an A/R CDM project activity refers to the collection and archiving of all relevant data necessary for determining the baseline net GHG removals by sinks, measuring actual net GHG removals by sinks within the project boundary of an A/R CDM project activity and leakage, as applicable.
2. When drafting a proposed new monitoring methodology, project participants shall:
 - (a) Describe the proposed new methodology using the forms for “Proposed New Methodology for A/R: Baseline” (CDM-AR-NMB) and “Proposed New Methodology: Monitoring for A/R” (CDM-AR-NMM) taking into account guidance given by the Executive Board as well as the information provided in the CDM-PDD Glossary of Terms;
 - (b) Demonstrate the applicability of the proposed monitoring methodology to an A/R CDM project activity by providing relevant information in sections A-E of a draft CDM-AR-PDD.
3. The monitoring methodology needs to provide detailed information on how to establish the monitoring plan related to the collection and archiving of all relevant data needed to:
 - Estimate or measure actual net GHG removals by sinks occurring within the project boundary,
 - Determine the baseline net GHG removals by sinks, and
 - Identify all potential sources of and estimate leakage for A/R CDM project activities;
4. The monitoring methodology should reflect good monitoring practice appropriate to the type of A/R CDM project activity.
5. All algorithms, formulae and/or models, and step-by-step procedures for applying the methodology shall be included in completing this form. The completed form shall provide independent replicable methodologies, and avoid reference to any secondary documents.
6. Proposals should be written in a concise and clear manner. Important procedures and concepts should be supported by equations and/or diagrams as appropriate. Non-essential information should be avoided. The completed form shall not contain information which is related to the application of the proposed new methodology to any specific proposed project activity.
7. Project participants shall refrain from providing glossaries or using key terminology not used in the documents of the Conference of the Parties (COP) or the CDM A/R glossary and from rewriting the instruction on the form “Proposed New Methodology for A/R: Monitoring”.

CONTENTS

PROPOSED NEW METHODOLOGY FOR A/R: MONITORING (CDM-AR-NMM)

- A. Identification of methodology
- B. Proposed new monitoring methodology

SECTION A. Identification of methodology:

A.1. Title of the proposed methodology:

Provide an unambiguous title for a proposed methodology. Avoid project-specific titles. The title, once approved, should allow project participants to get an indication of the applicability of an approved methodology.

A.2. List of type(s) of A/R CDM project activity to which the methodology may apply:

Using the list of types of A/R project activities and of registered A/R CDM project activities by category available on the UNFCCC CDM web site, please specify the type(s) of A/R project activities for which this proposed new methodology can be used. If no suitable type(s) can be identified, please suggest (a) new type(s), descriptor and its definition, being guided by relevant information on the UNFCCC CDM web site.

A.3. Conditions under which the methodology is applicable to A/R CDM project activities:

Provide conditions under which the methodology is applicable to A/R CDM project activities (e.g. national and regional circumstances/policies, data and resource availability, environmental conditions, purpose of the activity and practices). Please indicate if an approved methodology exists for the same conditions of application.

A.4 Carbon pools covered by the methodology:

All carbon pools within the project boundary shall be included, but project participants may choose not to account for one or more carbon pools if they provide transparent and verifiable information indicating that the choice will not increase the expected net anthropogenic GHG removals by sinks.

A.5. What are the potential strengths and weaknesses of this proposed new methodology?

Please outline how the accuracy and completeness of the new methodology compares to that of approved methodologies, in particular with regard to approved methodologies for the same conditions of application. Please also list, where applicable, the possible limitations to the use of this methodology, to its applicability under different environmental conditions, and others (e.g. sensitivity to assumptions).

SECTION B. Proposed new monitoring methodology:

Please provide a detailed description of the monitoring plan, including the identification of data and its quality with regard to accuracy, comparability, completeness and validity.

Please describe the data and information that will be collected in order to monitor the actual net GHG removals by sinks achieved by the project and, if applicable, the baseline net GHG removals by sinks.

B.1. Overall summary description of the methodology:

Provide an overview of the proposed new methodology. Please outline the main points and give a reference to a detailed description of the monitoring methodology. Please do not exceed one page; detailed explanation of the methodology to be provided in section 6.

B.2. Monitoring of the baseline net GHG removals by sinks and the actual net GHG removals by sinks:

B.2.1. Actual net GHG removals by sinks data:

B.2.1.1. Data to be collected or used in order to monitor the verifiable changes in carbon stock in the carbon pools within the project boundary from the proposed A/R CDM project activity, and how this data will be archived:

Monitored data shall be archived for 2 years following the end of the (last) crediting period. Header of tables and titles of columns shall not be modified and columns shall not be deleted. Please add rows to the table below, as needed.

B.2.1.2. Data to be collected or used in order to monitor the GHG emissions by the sources, measured in units of CO₂ equivalent, that are increased as a result of the implementation of the proposed A/R CDM project activity within the project boundary, and how this data will be archived:

Monitored data shall be archived for 2 years following the end of the (last) crediting period. Header of tables and titles of columns shall not be modified and columns shall not be deleted. Please add rows to the table below, as needed.

B.2.2. Description of formulae and/or models used to monitor the estimation of the actual net GHG removals by sinks:

B.2.2.1. Description of formulae and/or models used to monitor the estimation of the verifiable changes in carbon stock in the carbon pools within the project boundary (for each carbon pool in units of CO₂ equivalent):

Formulae and/or models should be consistent with the formulae and/or models outlined in the description of the baseline methodology.

B.2.2.2. Description of formulae and/or models used to monitor the estimation of the GHG emissions by the sources, measured in units of CO₂ equivalent, that are increased as a result of the implementation of the proposed A/R CDM project activity within the project boundary (for each source and gas, in units of CO₂ equivalent):

Formulae and/or models should be consistent with the formulae and/or models outlined in the description of the baseline methodology.

B.2.3. As appropriate, relevant data necessary for determining the baseline net GHG removals by sinks and how such data will be collected and archived:

Monitored data shall be archived for 2 years following the end of the (last) crediting period. Header of tables and titles of columns shall not be modified and columns shall not be deleted. Please add rows to the table below, as needed.

B.2.4. Description of formulae and/or models used to monitor the estimation of the baseline net GHG removals by sinks (for each carbon pool, in units of CO₂ equivalent):

Formulae and/or models should be consistent with the formulae and/or models outlined in the description of the baseline methodology.

B.3. Treatment of leakage in the monitoring plan:

Please indicate if leakage will be directly or indirectly monitored. If leakage is not monitored during the implementation of the proposed A/R CDM project activity, please explain why.

B.3.1. If applicable, please describe the data and information that will be collected in order to monitor leakage of the proposed A/R CDM project activity:

Monitored data shall be archived for 2 years following the end of the (last) crediting period. Header of tables and titles of columns shall not be modified and columns shall not be deleted. Please add rows to the table below, as needed.

B.3.2. Description of formulae and/or models used to estimate leakage (for each GHG, source, carbon pool, in units of CO₂ equivalent):

Formulae and/or models should be consistent with the formulae and/or models outlined in the description of the baseline methodology.

B.4. Description of formulae and/or models used to estimate net anthropogenic GHG removals by sinks for the proposed A/R CDM project activity (for each GHG, carbon pool, in units of CO₂ equivalent):

Formulae and/or models should be consistent with the formulae and/or models outlined in the description of the baseline methodology.

B.5. Default values used in elaborating the new methodology:

GUIDELINES FOR COMPLETING CDM-AR-PDD, CDM-AR-NMB and CDM-AR-NMM

Please list all the values used in the calculation of net anthropogenic GHG by sinks which are not measured or calculated (e.g. default biomass expansion factors or growth rates).

B.6. Please indicate how quality control (QC) and quality assurance (QA) procedures are applied to the monitoring process:

Refer to data items in tables contained in sections B.2 and B.3, as applicable.
Header of tables and titles of columns shall not be modified and columns shall not be deleted.
Rows can be added, as needed.

B.7. Has the methodology been applied successfully for other purposes and, if so, in which circumstances?
