

**Annex 2****DRAFT PROCEDURES FOR THE REVISION OF AN APPROVED BASELINE OR MONITORING
METHODOLOGY BY THE EXECUTIVE BOARD****I. INTRODUCTION**

1. In accordance with paragraph 39 of the CDM modalities and procedures, a revision of a methodology shall be carried out in accordance with the modalities and procedures for establishing new methodologies as set out in paragraph 38¹. Any revision to an approved methodology shall only be applicable to project activities registered subsequent to the date of revision and shall not affect existing registered project activities during their crediting periods.
2. At its fifteenth meeting, the Board agreed on the need to develop procedures for the revision of approved methodologies, bearing in mind the need for transparency and for these procedures to be flexible in order to easily accommodate minor revisions and minor corrections (to be issued as “versions” and not “revisions” as is the practice of the Board).
3. Sections II-IV of this document contain proposed procedures for the revision of approved baseline and monitoring methodologies by the Executive Board which operationalize the provisions of paragraph 39 of the CDM modalities and procedures bearing in mind the above criteria.
4. At its fifteenth meeting, the Board also agreed that if an approved methodology is expected to require a significant revision, its further use shall be put on hold. This shall be announced on the UNFCCC CDM web site and the CDM News facility. The revision of such a methodology shall be undertaken in an expedited manner. Section V of this document outlines some issues that may need to be clarified in order to operationalize the provision of holding approved methodologies.

II. SUBMISSION OF A PROPOSED REVISION BY PROJECT PARTICIPANTS

5. If project participants intend to propose a revision to an approved baseline or monitoring methodology for consideration and approval by the Executive Board, they shall submit to a DOE a draft revised version of the approved methodology highlighting proposed changes together with a draft project design document (CDM-PDD) with complete sections A to E, including relevant annexes applying to a proposed revision to the methodology.
6. Having checked that the above requirements are met and documentation is complete, the DOE shall transmit the documentation to the secretariat. The secretariat shall forward the documentation to the Executive Board and the Meth Panel after having checked that the “CDM: Proposed revision of

¹ If the designated operational entity determines that the project activity intends to use a new baseline or monitoring methodology, as referred to in paragraph 37(e) (ii) of the CDM Modalities and Procedures, it shall, prior to a submission for registration of this project activity, forward the proposed methodology together with the draft project design document, including a description of the project and identification of the project participants to the Executive Board for review. The Executive Board shall expeditiously, if possible at its next meeting but not later than four months, review the proposed new methodology in accordance with the modalities and procedures of the present annex. 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 project activity and submit the project design document for registration. In the event that the COP/MOP requests the revision of an approved methodology, no CDM project activity may use this methodology. The project participants shall revise the methodology, as appropriate, taking into consideration any guidance received.



approved methodology form” has been duly filled by the DOE and documentation provided by the DOE is complete. The date of transmission to the Executive Board is to be considered as the date of receipt of a proposed revision to an approved methodology by the Board.

7. Bearing in mind the timelines and deadlines for the consideration of documents by the Meth Panel and priorities set by the Board, the Meth Panel shall consider the proposed revision at its next meeting, if feasible, and recommend to the Board whether the proposed revision should be accepted for consideration.

8. Bearing in mind the timelines and the deadlines for the submission of documents to the Board, in accordance with rule 21 of the rules of procedure of the Executive Board, the Board shall consider the recommendation by the Meth Panel.

III. REVISION PROPOSED BY BOARD MEMBERS [OR ALTERNATES MEMBERS]

9. If at least [three] members [or alternate members] of the Board present substantiated reasons for the possible revision of an approved baseline or monitoring methodology, the Board may include the request for consideration of a proposed revision on its agenda.

10. Bearing in mind the timelines and the deadlines for document consideration by the Board, in accordance with rule 21 of the rules of procedure of the Executive Board, the Board shall at its next meeting following the submission for request for possible revision by Board members [alternate members] agree on whether the revision shall or not be considered.

IV. CONSIDERATION OF A PROPOSED REVISION TO AN APPROVED BASELINE OR MONITORING METHODOLOGY

11. If the Board agrees to the consideration of a proposed revision, it shall request the Meth Panel to further analyze the case and prepare a recommendation no later than at the second meeting following the request by the Board.

12. One member of the Meth Panel shall be selected on a rotational basis in alphabetical order to be responsible for compiling inputs on the case and prepare, under the guidance of the Chair of the Meth Panel, draft recommendations for the Meth Panel. The selected panel member shall be paid a fee of one (1) working day for the preparation of the draft recommendation.

13. The Meth Panel shall recommend, based on substantiated justification, a revision to an approved methodology or the continued validity of the approved methodology, possibly with minor revisions and/or corrections.

14. The Executive Board shall consider the recommendation at the next meeting following the receipt of this recommendation from the Meth Panel.

15. If the Board approves the revision of an approved methodology, this methodology shall replace the previously approved methodology. In accordance with paragraph 39 of the CDM modalities and procedures, any revision to an approved methodology shall only be applicable to project activities registered subsequent to the date of revision and shall not affect existing registered project activities during their crediting periods. The date of revision shall be the date/time (Bonn, GMT) at which the Board has agreed on the case (not adoption of report).



V. STATUS OF AN APPROVED METHODOLOGY IF THE
EXECUTIVE BOARD PUTS IT “ON HOLD”

16. In addition the Board may wish to clarify the following:
- (a) Specific criteria for putting a methodology on hold (what are perceived “significant” changes?);
 - (b) Implications for project activities undergoing validation/registration but not yet registered.