



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

Date: 22 October 2004

Ref: CDM-EB-16

EXECUTIVE BOARD OF THE CLEAN DEVELOPMENT MECHANISM

SIXTEENTH MEETING

Report

Date of meeting: 21 – 22 October 2004

Location: Bonn, Germany

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

Member	Alternate
Mr. John W. Ashe ¹	Ms. Desna M. Solofa ¹
Mr. Jean-Jacques Becker ²	Mr. Martin Enderlin ²
Mr. John Shaibu Kilani ²	Mr. Ndiaye Cheikh Sylla ²
Mr. José Domingos Miguez ²	Mr. Eduardo Sanhueza ²
Mr. Sozaburo Okamatsu ²	Ms Sushma Gera ²
Ms. Marina Shvangiradze ¹	Ms. Anastassia Moskalenko ¹
Mr. Fareed Al Asaly ²	Mr. Chow Kok Kee ²
Mr. Georg Børsting ¹	Mr. Hans Jürgen Stehr ¹
Mr. Xuedu Lu ¹	Mr. Juan Pablo Bonilla ¹
Mr. Richard Muyungi ¹	Mr. Hernán Carlino ¹

¹ Term: Two years (elected at COP9 in 2003)

² Term: Three years (elected at COP7 in 2001, next election at COP10).

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

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

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

**Agenda item 1. Membership issues (including disclosure of possible conflict of interest and election of the Chair and Vice-Chair)**

1. No conflict of interest was identified by any member or alternate.

Agenda item 2. Adoption of the agenda

2. The Board adopted the agenda as proposed.

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

3. The Board considered the oral report on the work of the CDM Accreditation Panel (CDM-AP) presented by Ms. Marina Shvangiradze, Vice-Chair of the CDM-AP, and noted the complementary information by the secretariat, including on the status of applications and developments with respect to desk reviews and on-site assessments.
4. The Board agreed that the CDM-AP is to consider, at its next meeting, the outcome of the joint workshop and make recommendations to the Board at its seventeenth meeting, as appropriate.

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

5. The Board considered the report of the twelfth meeting of the Panel on baseline and monitoring methodologies (Meth Panel) and the oral update by Mr. Jean Jacques Becker, Chair of the Panel.
6. The Board considered the draft consolidation of tools for the demonstration and assessment of additionality agreed at its fifteenth meeting and 30 comments submitted by the public. It agreed on the document “Tool for the demonstration and assessment of additionality” as contained in annex 1 to this report.
7. The Board agreed to further consider the draft document “Procedures for the revision of an approved methodology” at its seventeenth meeting.
8. The Board agreed on further amendments to the “Indicative simplified baseline and monitoring methodologies for selected small-scale CDM project activity categories” (Appendix B to the simplified modalities and procedures for small-scale CDM project activities) as contained in annex 2 to this report.
9. The Board agreed to provide “Clarifications on treatment of national and/or sectoral policies and regulations (referred to paragraph 45 (e) of the CDM modalities and procedures) in determining a baseline scenario” contained in annex 3 to this report.
10. The Board took note of comments submitted by the public (22 contributors) on the possible revision of methodology AM0001. These comments were received in response to the call for inputs posted on the UNFCCC CDM web site from 22 September to 7 October 2004.
11. The Board selected Mr. Daniel Perczyk to replace Mr. Arturo Villavicencio for the remainder of his term on the Meth Panel and expressed its appreciation for the contribution which he had made.
12. The Board agreed that the Meth Panel is to consider, at its next meeting, the outcome of the joint workshop and make recommendations to the Board at its seventeenth meeting, as appropriate.
13. The Board requested the Meth Panel to consider, in preparing recommendations for approval of proposed methodologies, streamlining applicability conditions for these methodologies.



14. Taking into consideration recommendations by the Meth Panel and by desk reviewers as well as four public inputs, the Board considered seven (7) proposals for new baseline and monitoring methodologies and agreed on the following recommendations:

NM0034 rev 2: Granja Becker Greenhouse Gas (GHG) Mitigation Project:

15. The Board agreed to approve the proposed baseline and monitoring methodologies contained in annexes 3 and 4 for proposal NM0034 rev 2 and on the reformatted version of these methodologies contained in annex 4 to this report.

16. The Chairs of the Meth Panel and the CDM-AP informed the Board that these methodologies are linked to scope 13 (Waste handling and disposal) and 15 (Agriculture).

17. The Board agreed that the proposed new baseline and monitoring methodologies for the **cases NM0031 rev, NM0041, NM0042, NM0047 and NM0048** may be reconsidered subject to:

(a) Required changes being made by the project participants, taking into account issues raised by the Board, recommendations made by the Meth Panel, and re-submission of a duly revised proposal. The secretariat shall make the revised proposal publicly available upon receipt;

(b) Reconsideration of the revised proposal directly by the Meth Panel, without further review by desk reviewers; and

(c) A recommendation by the Meth Panel being made to the Executive Board.

18. If project participants wish to have the revised proposals considered at the fourteenth meeting of the Meth Panel (26-28 January 2005) they should submit them by 1 December 2004.

19. The Board agreed not to approve the proposed new baseline and monitoring methodologies for **case NM0030 rev**. The Board invites the project participants for this case to consider the views and suggestions made, in particular with regard to annexes 3 and 4 of the submitted draft CDM-PDD, and encourages them to make a further submission.

Agenda sub-item 3 (c): Issues relating to procedures for afforestation and reforestation project activities

20. The Board considered the report of the second meeting of the working group on afforestation and reforestation project activities under the CDM (A/R WG) and oral updates by Mr. Eduardo Sanhueza, Chair of the Working Group.

21. The Board agreed to amend the document “Procedure for submission and consideration of a proposed new methodology for afforestation and reforestation project activities” by replacing paragraph 4 with the following text:

“If project participants intend to propose a new A/R baseline or A/R monitoring methodology for consideration and approval by the Executive Board, they shall prepare the A/R methodologies forms for baseline and monitoring methodologies (CDM-AR-NMB and CDM-AR-NMM) along with a draft project design document (CDM-AR-PDD) and, as a minimum, complete sections *A to D*, including relevant annexes.”

22. The Board requested the A/R WG to consider comments from project participants on the use of the existing project design documentation and report to the Board.

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

23. The Board noted that the Meth Panel has selected Mr Felix Dayo as a representative of the Meth Panel in the working group on proposed methodologies and project categories for small-scale CDM project activities (SSC-WG). The Board further noted that the Meth Panel, at its next meeting, will select an additional member for the SSC-WG.

24. The Board considered a shortlist of applicants to the SSC-WG and selected Mr. Gilberto Bandeira de Melo, Mr. Binu Parthan and Mr. Kazuhito Yamada as members of the SSC-WG.

25. The Board agreed that the modalities for payment of fees, and lump sums, as appropriate, which were established for the Meth Panel shall apply, mutatis mutandis, to the SSC-WG.

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

26. The Board took note of three submissions of requests for registration as CDM project activities. The Board also noted that the CDM-PDD and related documentation for these proposed CDM project activities are publicly available on the UNFCCC CDM web site.

27. The Board agreed on clarifications to facilitate the implementation of provisions contained in the document “Procedures for review as referred to in paragraph 41 of the modalities and procedures for the CDM” as contained in annex 5 to this report.

28. The Board further agreed on clarifications regarding elements it expects to be covered in letters of approval and authorization as contained in annex 6 to this report.

Agenda sub-item 3 (f): CDM registry

29. The Board noted that the secretariat has selected, in accordance with the request made by the Board at its thirteenth meeting, a vendor for the development, deployment and operational support of the CDM registry. It further took note of a presentation by the secretariat on the development and deployment schedules and a demonstration of a prototype of the CDM registry.

Agenda sub-item 3 (g): Modalities for collaboration with the SBSTA

30. The Board requested Mr. Eduardo Sanhueza and Mr. Martin Enderlin to continue to follow negotiations at SBSTA 21 on simplified modalities and procedures and measures to facilitate small-scale afforestation and reforestation project activities and report on the outcome to the Board.

31. The Board also requested Ms. Sushma Gera and Mr. Xuedu Lu to continue to follow negotiations, including at the intersessional consultations (Bonn, Germany, 8 to 10 November 2004) on issues relating to registries and to report on the progress to the Board.

Agenda item 4. Resources for the work on the CDM

32. The Board took note of a presentation by the secretariat on the status of expenditures and income to date and an outlook on resource requirements in 2005. It expressed its appreciation to Parties which have recently pledged further contributions to the prompt start of the CDM.

33. The Board called the special attention of Parties to the need to continue making contributions for the prompt start of the CDM to the UNFCCC Trust Fund for Supplementary Activities in order to ensure the sustained availability of resources for the increased activity levels anticipated in 2005.

**Agenda item 5. Other matters****Agenda sub-item 5 (a): Report of the CDM Executive Board to COP 10 (possible addendum)**

34. The Board agreed to prepare an addendum to its report to the COP at its seventeenth meeting as necessary.

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

35. The Board met with registered observers for informal briefings on 22 October 2004 and agreed to continue with such meetings in the afternoon of the last day of its future meetings, unless otherwise indicated. These meetings are available on web cast.

36. The Board took note of CDM related events attended by Board members and alternates since the last meeting.

37. The Board took note with appreciation of inputs received from IGOs and NGOs to its work.

38. The Board agreed that relevant communications received which are not responding to a call for input will only be taken into consideration at its next meeting if received before the documents submission deadline (two weeks prior to the meeting). Any communication received after this deadline would be considered, as appropriate, at a subsequent meeting.

39. The Board further agreed to continue to meet with the same type of arrangement as at its sixteenth meeting, with space being made available for 70 observers, and to reconsider the issue when necessary. Observers to the seventeenth meeting of the Executive Board shall have registered with the secretariat by 10 November 2004, no later than 17:00 GMT.

Agenda sub-item 5 (c): Other business

40. The Board agreed on the provisional agenda for its seventeenth meeting as contained in annex 7 to this report.

41. The Board agreed to hold its eighteenth meeting from 23 to 25 February 2005. The secretariat will circulate a draft schedule for meetings in 2005 for consideration of the Board at its seventeenth meeting.

Agenda item 6. Conclusion of the meeting

42. The Chair summarized the main conclusions. The Chair of the Board commended the secretariat on its work, noting, inter alia, the redesigned CDM web site and developments on the CDM registry.

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

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

Agenda sub-item 6 (b): Closure

44. The Chair closed the meeting.
