



**CLEAN DEVELOPMENT MECHANISM EXECUTIVE BOARD**

**PROPOSED AGENDA AND ANNOTATIONS**

Thirty-ninth meeting

UNFCCC  
Bonn, Germany  
14 - 16 May 2008

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\*For more information please visit the page CDM Project activities “under review” and “review requested” of the UNFCCC CDM website  
([http://cdm.unfccc.int/Projects/under\\_review.html](http://cdm.unfccc.int/Projects/under_review.html) and <http://cdm.unfccc.int/Projects/review.html>).

\*\*For more information please visit the “issuance of CERs” section of the UNFCCC CDM website  
(<http://cdm.unfccc.int/Issuance>).



## II. ANNOTATIONS TO THE PROPOSED AGENDA

### 1. Membership issues (including disclosure of possible conflict of interest)

1. **▶ Action:** The Chair shall ascertain whether (a) the members present constitute a quorum, and (b) the absence of any member or alternate member is “without proper justification”<sup>1</sup>.
2. The Board may wish to consider information provided by any member and alternate member, including with respect to any potential conflict of interest, and take action, as appropriate.

*Background:* The Chair shall request, at the beginning of each meeting of the CDM Executive Board, members and alternates to disclose whether they consider to have any conflict of interest relating to the work of the Board.

### 2. Adoption of the agenda

3. **▶ Action:** Members may wish to adopt the proposed agenda for the thirty-ninth meeting.

*Background:* The Board agreed, at its thirty-eighth meeting, on items to be included in the provisional agenda for its thirty-ninth meeting. In accordance with rule 21 of the rules of procedure of the Board, subsequent additions or changes to the provisional agenda by members and/or alternate members were to be incorporated in the proposed agenda. The proposed agenda was transmitted to the Board on 23 April 2008 and thereafter posted on the UNFCCC CDM website.

### 3. Work plan

#### (a) Accreditation of operational entities

4. **▶ Action:** The Board may wish to take note of the twenty-fourth progress report on the work of the CDM Accreditation Panel (CDM-AP) which will be submitted on 30 April 2008, and an oral report by its Chair, Mr. Martin Hession, on the work of the CDM-AP.

*Background:* The CDM-AP held its thirty-fourth meeting on 14 - 16 April 2008.

#### *Case specific*

5. **▶ Action:** The Board may wish to accredit and to provisionally designate entities for sector specific validation and/or verification/certification functions.

*Background:* In accordance with the accreditation procedure, the recommendations for phased accreditation and the supporting documentation are confidential and have been sent under separate cover on 30 April 2008.

#### *General guidance*

6. **▶ Action:** The Board may wish to consider the draft Validation and Verification Manual (VVM) as contained in annex 1 to these annotations. The Board may also wish to decide on an implementation plan for the Validation Verification Manual.

*Background:* The Board, at its last meeting, took note of the update on the progress of the work on the VVM and requested the secretariat to seek public comments and ensure that the document is in accordance with

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<sup>1</sup> Please refer to rules 28 and 7 of the rules of procedures of the Executive Board.



all the existing guidance, clarifications and decisions relevant to the validation and verification work of the DOEs. The Board also requested the secretariat to give high priority to the finalization of this work at the thirty-ninth meeting of the Board.

7. ► **Action:** The Board may wish to consider the shortlist of experts prepared by the secretariat with a view to appoint two members of the CDM-AP, taking fully into account the consideration of regional balance.

*Background:* At its thirty-eighth meeting the Board agreed to open a call for experts in order to replace outgoing members of the CDM-AP with a view to prepare a shortlist of experts for consideration by the Board at its thirty-ninth meeting.

**(b) Methodologies for baselines and monitoring**

8. ► **Action:** The Board may wish to take note of the report of the thirty-second meeting of the Methodologies Panel on baseline and monitoring methodologies (Meth Panel), and an oral report by the Chair of the panel, Mr. Akihiro Kuroki, on the work of the panel.

*Background:* The Meth Panel held its thirty-second meeting in Bonn, Germany on 7 to 11 April 2008 and undertook its work in two parallel groups. The Meth Panel dealt with case-specific issues, methodological clarifications, guidance and other issues, as specified below.

***Case specific***

9. ► **Action:** Approve cases NM0235, NM0247 and NM0259 as methodologies, contained in annexes 1 to 3 of the Meth Panel report (see MP32 report);

*Background:* Information on methodologies currently under consideration by the Board and the Meth Panel are available on the UNFCCC CDM website<sup>2</sup>. The panel, in recommending NM0259 for approval, also recommended that in project activities, which implement both the replacement of the furnace and the kiln, investment analysis shall be used to demonstrate additionality. The panel noted that the replacement of co-current kilns with counter current kilns is common practice in the industry and results in significant energy savings. Given these increased revenues and reduced energy cost, the implementation of the project activity can result in significant profits compared to the baseline.

The Meth Panel agreed to provide a preliminary recommendation to project participants for the proposal NM0246. The panel could not conclude its discussion on cases NM0208, NM0248, NM0250 and NM0252. In context of NM0208, the panel considered the draft report of the expert and noted that the information in the draft report clearly indicates that in many countries in Africa a significant demand is met through off-grid capacity. The panel also took note of further information provided by the project participants. The panel will conclude its discussions, based on above two inputs, at its next meeting. The panel could not conclude its discussions on the case NM0252, which is for project activities that replace SF6 cover gas with low GWP gases. The approved methodology AM0065, is applicable to the example project activity submitted with the case NM0252, but the key additional component in NM0252 is the experimental procedure to estimate the destruction rate of SF6 when used as cover gas in the baseline, for which the approved methodology AM0065 provides a conservative default factor. The panel therefore requested further expert input to assess the reliability of estimating the destruction factor using the proposed experimental procedure, before finalizing its consideration.

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<sup>2</sup> See <<http://cdm.unfccc.int/goto/MPappmeth>>

**Responses to clarifications**

10. ► **Action:** The Board may wish to agree to the responses to the requests for clarifications AM\_CLA\_0067 to AM\_CLA\_0077, as provided by the panel and referred to in the Meth Panel report (see Table of MP32 report).

*Background:* Information on the clarification to methodologies is available on the UNFCCC CDM website (<<http://cdm.unfccc.int/goto/MPclar>>).

**Responses to requests for revisions and resultant revision of approved methodologies**

11. ► **Action:** The Board may wish to agree to the following responses to revisions and the resultant revision of the approved methodologies, as referred to in the Meth Panel report (see paragraph 11 of MP31 report):

(a) Not to accept request AM\_REV\_0080 concerning revision of approved methodology ACM0010 to include the land application of swine manure inside the project boundary.

(b) Not to accept request AM\_REV\_0081 concerning revision of approved methodology AM0021 to expand its applicability to project activities that destruct N<sub>2</sub>O emissions in new adipic acid plants.

(c) Not to accept request AM\_REV\_0082 concerning revision of approved methodology ACM0010 to expand its applicability to project activities where the counterfactual baseline scenario is existence of an anaerobic digester treatment system that vents methane.

(d) Accept request AM\_REV\_0083 concerning AM0061 requesting a revision to expand the applicability of an approved methodology. The resulting revision is to be adopted under annotated agenda item 10 (c) below.

(e) Not to accept request AM\_REV\_0084 concerning revision of approved methodology AM0014 to expand its applicability to project activities where a package cogeneration plant is established to meet the energy requirement of a newly developed facility.

(f) Not to accept request AM\_REV\_0085 concerning revision of approved methodology AM0048 to expand its applicability to project activities that establish new cogeneration facilities supplying electricity and/or steam to new demand (i.e., energy needs of newly established facilities).

(g) Not to accept request AM\_REV\_0086 concerning revision of approved methodology AM0009 to expand its applicability to project activities that involves the capture of associated gas, its compression along with non-associated natural gas to produce Compressed Natural Gas (CNG) at the CNG Mother Station (installed as part of the project activity), and transportation by trucks to CNG Daughter Stations at end-users for de-compression and utilisation.

*Background:* Information on the revisions to methodologies is available on the UNFCCC CDM website (<<http://cdm.unfccc.int/goto/MPprev>>). The panel also agreed to consider the revisions due to AM\_REV\_0074 (considered by the panel at its thirty-first meeting) and assessment of AM\_REV\_0087 at its next meeting along with the revision of the approved methodology ACM0006. The panel also agreed to address the request for revision AM\_REV\_0071, concerning revision of approved methodology AM0047, at its next meeting.

***Revision/consolidation of approved methodologies***

12. **► Action:** The Board may wish to approve the revision of the following approved methodologies and methodological tools:

(a) **AM0018:** The panel discussed the draft revised AM0018 as per the request of the Board. The approved methodology was revised to provide procedures for re-estimating the baseline emission factors for situations where the production capacity of a registered CDM project changes during the crediting period. Further, the applicability of the methodology is expanded to include project activities where the steam saved is generated in a boiler supplying steam to a cogeneration plant and used in a turbine to generate electricity or mechanical energy. Procedures for estimating emissions reduction in such cases are now provided in the methodology. In these cases, the reduction in steam also affects the electricity generation, which is now addressed in the methodology. The draft revision is contained in annex 4 of the Meth Panel report (see paragraph 11(a) of MP32 report).

(b) **AM0029:** The revision clarifies, in response to request for clarification AM\_CLA\_0076, that the most suitable financial indicator should be used as an indicator in the identification of the baseline scenario and assessment of additionality. Further, it was also clarified that the 1% threshold of supplementary fuel should be based on energy content. The draft revision is contained in annex 5 of the Meth Panel report (see paragraph 11(b) MP32 report).

(c) **AM0061:** The revision is made in response to request for revision AM\_REV\_0083. The revision expands the applicability of the approved methodology to project activities that may result, because of the rehabilitation measures, in an increase in the nameplate capacity up to 15%. The previous limit in AM0061 was set at 5%. The revision also clarified that the methodology is only applicable if the increase in nameplate capacity is due to rehabilitation measures and not activities that primarily increase the nameplate capacity without implementing any rehabilitation measures. The draft revised approved methodology is contained in annex 6 of the Meth Panel report (see paragraph 11(c) MP32 report).

(d) **ACM0010:** The revision includes an alternative method to monitor the daily stock of animals to calculate the annual average number of animals (NLT) based on the daily registries. The diagram in the monitoring section is modified to remove unnecessary details. This proposal was provided in the request for revision AM\_REV\_0080 submitted to the Board. The draft revised approved methodology is contained in annex 7 of the Meth Panel report (see paragraph 11(d) MP32 report).

(e) **ACM0012:** The revision expands the applicability of the approved methodology to project activities that: use waste energy to generate mechanical energy; and increase the utilization of waste energy for power generation compared to the baseline scenario, where only a part of waste energy was used for power generation and the remaining waste energy was flared/vented. The revision was undertaken to incorporate requests for revision AM\_REV\_0073 and AM\_REV\_0075. Furthermore, the revision also clarifies: the data source for production capacity value for new facilities; and, project activities that generate electricity from waste energy recovered from electricity generation equipments should use approved methodology ACM0007. The revision also clarified that in case waste energy recovery activities were implemented in other streams before the implementation of the project activity in the facility, the DOE has to verify that the previous waste energy recovery is not reduced. The revision also contains editorial and clarification changes. The draft revised approved methodology is contained in annex 8 of the Meth Panel report (see paragraph 11(e) MP32 report).

(f) **ACM0013:** The revision clarifies, in response to the request for clarification AM\_CLA\_0077, that the applicability condition “identified baseline fuel is used in more than 50% of total generation by utilities” has to be demonstrated using data for the host country or a region within the host



country. The draft revised approved methodology is contained in annex 9 of the Meth Panel report (see paragraph 11(f) MP32 report).

### *General guidance*

13. ► **Action:** The Board may wish to approve the tool for estimating emissions from electricity consumption. The draft tool is contained in annex 11 of the Meth Panel report (see paragraph 21 of MP32 report).

*Background:* This tool provides procedures to estimate the baseline, project and/or leakage emissions associated with the consumption of electricity. The tool may, for example, be used in methodologies where auxiliary electricity is consumed in the project and/or the baseline scenario. The tool can also be applied in situations where electricity is only consumed in the baseline or in the project or as leakage source. The tool provides several options to project participants. These options aim to provide flexibility to project participants, while ensuring that the estimation of emission reductions is conservative.

14. ► **Action:** The Board may wish to withdraw the “Tool to calculate project emissions from electricity consumption” and request the secretariat to editorially revise the approved methodologies that refer to the “Tool to calculate project emissions from electricity consumption” by replacing the reference to the proposed tool, if approved by the Board.

*Background:* The new tool, which replaces the old tool contains all the situations that were addressed in the old tool. The old tool is referred to in a number of approved methodologies. This reference needs to be replaced by a reference to the new tool, if approved. Further, as the tool only expands the applicability and does not affect its application to situations covered under the old tool, the revision of methodologies may be considered as editorial change to the methodologies.

15. ► **Action:** The Board may wish to approve the draft guidance on accounting for HFC-23 destruction, storage of HFC-23 and issuance of CERs. This draft guidance is contained in annex 12 of the Meth Panel report (see paragraph 24 of MP32 report).

*Background:* The panel prepared draft guidance in response to the request made by the Board to analyze the issue of storage of HFC-23 during the downtime of a HFC-23 destruction facility in context of the approved methodology AM0001. The approved methodology assumes that all HFC-23 generated will be destroyed instantaneously and an issuance of credits is made on an annual basis and, therefore, the cap on destruction eligible for crediting is based on annual accounting. The practical experience shows that issuance requests are made for shorter periods and at times due to non-functioning of HFC-23 destruction facility, project participants store undestroyed HFC-23. The draft guidance provides a procedure to calculate the HFC-23 destruction that is eligible for crediting, taking into account storage of HFC-23. Furthermore, the guidance provides a procedure for reporting data in each issuance period to ensure that the cap on crediting imposed by the methodology, is not exceeded.

16. ► **Action:** The Board may wish to approve the revision to the “Tool to determine methane emissions avoided from dumping waste at a solid waste disposal site” in order to revise the prescribed value of parameters “DOC” and “K” for empty fruit bunches (EFB). The draft revised tool is contained in annex 13 of the Meth Panel report (see paragraph 25 of MP32 report).

*Background:* The panel, as it had agreed at its twenty-ninth meeting, considered the report of an expert evaluating the literature and the submissions made by the project participants on the anaerobic degradation of EFB's. The expert advised that the characteristics of EFBs are similar to those of garden waste and not food waste, as proposed by the project participants, or wood. Furthermore, the expert also advised that project





specific values of these parameters are likely to be highly uncertain and that industry wide testing would be required in case further specific values for the parameters are proposed.

17. ► **Action:** The Board may wish to approve the draft guidance on addressing uncertainty in the estimation of emission reductions for CDM project activities. The draft guidance is contained in annex 14.

*Background:* The panel at its twenty-first meeting had considered a draft paper on uncertainty in estimation of emission reductions through application of an approved methodology, as informed to the Board. The panel, based on this report, requested an analysis of a selection of methodologies to assess the impact of uncertainties in estimation. The report was considered by the panel at its twenty-seventh meeting, at which point the panel had informed the Board of preparing a report and guidance on uncertainty. The draft guidance suggests a maximum level of acceptable overall random uncertainty in emission reduction estimates. To ensure flexibility it also recommended discounting emission reduction estimations in situations where the random uncertainty exceeds the maximum permissible value.

18. ► **Action:** The Board may wish to consider the draft revision to the “Tool for assessment and demonstration of additionality”, as attached in annex 1 to the annotations to the thirty-seventh meeting<sup>3</sup>.

*Background:* At its last meeting, the Board agreed to postpone the discussion on the “Tool for assessment and demonstration of additionality” allowing it to take into account ongoing work on common practice analysis and guidance on investment analysis, with a view to finalizing its discussions at its thirty-ninth meeting.

19. ► **Action:** The Board may wish to take note of the oral report of the secretariat on energy efficiency and also the work to identify tools and guidance related to energy efficiency.

*Background:* The Board, at its last meeting, took note of the oral progress report of the secretariat on the work related to energy efficiency. The secretariat informed the Board that the work to identify tools and guidance is underway, and the draft report on possible tools/guidance will be provided for consideration by the Board at its fortieth meeting. The Board noted that a new methodology for energy efficiency equipment (transformers) has been recommended at its present meeting and it also noted that the panel is close to finalizing its recommendation on an energy efficiency appliance methodology.

20. ► **Action:** The Board may wish to consider the shortlist of experts prepared by the secretariat with a view to appoint members of the Meth Panel, taking fully into account the consideration of regional balance.

*Background:* At its thirty-eighth meeting the Board agreed to open a call for experts in order to replace the outgoing members of the Meth Panel with a view to prepare a shortlist of experts for consideration by the Board at its thirty-ninth meeting.

21. ► **Note:** The Board may wish to take note that the panel’s thirty-third meeting will be held from 23 to 27 June 2008, as per annex 25 of the thirty seventh meeting of the Board.

22. ► **Note:** The Board may wish to remind project participants that the deadline for the twenty-fourth round of submissions of proposed new methodologies is 2 July 2008 24:00 GMT.

23. ► **Note:** The Board may wish to take note that the panel discussed the reports of experts on: (i) estimation of emissions from processing and production of biofuels from cultivated inputs; and (ii) estimation of emissions for extraction and processing of crude oil to produce fossil fuels. The panel noted, based on the

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<sup>3</sup> <<http://cdm.unfccc.int/EB/037/eb37annagan1.pdf>>





expert reports, that the type of sources included and degree of treatment of upstream emission sources covered in estimating LCA based emission factors for fossil fuels and production of biofuels are broadly the same. The panel also agreed to revise AM0047, taking into account the expert inputs and possibilities for improving, and where possible, simplifying the estimation of upstream emission sources for project and baseline scenarios, for consideration and with a view to making a recommendation to the Board at its next meeting.

24. ► **Note:** The Board may wish to take note that panel considered the Board's inputs on the draft guidance on apportioning project emissions between co- and by- product. The panel agreed to revise the guidance at its next meeting, before recommending it to the Board.

25. ► **Note:** The Board may wish to take note that the panel considered the Board's request regarding pros and cons for project activities that: (i) reduce the consumption of a raw material, which is produced outside the project boundary; and (ii) where one cannot ensure that the raw material, the use of which is avoided by the project activity, will not be produced (outside the project boundary). The panel identified the issues that affect the reliability of estimation of emission reductions in these types of project activities, as explained in annex 10 of the Meth Panel report, and agreed that given the wide variation within these types of project activities such issues should be addressed on a case by case basis.

26. ► **Note:** The Board may wish to take note that the panel considered the Board's request to review approved methodology ACM0006. The panel considered the review paper prepared by the secretariat and agreed to revise the approved methodology to: restructure the methodology for easier use; and provide more clarity in the scenarios. The panel agreed to consider the revised methodology at its next meeting, before making a recommendation. The panel also agreed to consider the revisions due to AM\_REV\_0074 (considered by the panel at its thirty-first meeting) and assessment of AM\_REV\_0087 at its next meeting along with the revision of the approved methodology ACM0006.

27. ► **Note:** The Board may wish to take note that panel discussed a draft tool, which could be used for project activities where equipment efficiency improvements are undertaken and agreed to finalize its recommendation to the Board at its next meeting.

(c) **Issues relating to CDM afforestation and reforestation project activities**

28. ► **Note:** The Board may wish to take note of the report on the work of the nineteenth meeting of the Afforestation and Reforestation Working Group (A/R WG) and an oral report by its Chair, Mr. José Domingos Miguez, on the work of the group.

*Background:* The A/R WG held its nineteenth meeting in Bonn, Germany on 14 – 16 April 2008. The A/R WG dealt with case-specific issues and general issues.

***Case specific***

29. ► **Action:** Taking into consideration the inputs by experts (desk reviewers) and the public, the Board may wish, based on recommendation of the A/R WG (see A/R WG 19 report) not to approve case ARNM0035 that, if revised taking into account comments, can be resubmitted but will require new expert and public input.

*Background:* Information on methodologies currently under consideration by the Board and the A/R WG are available on the UNFCCC CDM website<sup>4</sup>.

<sup>4</sup> See <<http://cdm.unfccc.int/goto/ARappmet>>

*Responses to requests for clarifications*

30. ► **Action:** The Board may wish to agree to the responses to the requests for clarifications SSC\_AR\_003, AR\_AM\_CLA\_002 and AR\_AM\_CLA\_003, as provided by the A/R WG and referred to in the A/R WG 19 report (see paragraph 7, 8 and 9).

*Background:* Information on the clarification to methodologies is available on the UNFCCC CDM website (<<http://cdm.unfccc.int/goto/ARclar>>). In particular concerning AR\_AM\_CLA\_003, which sought to confirm if palm (trees) and bamboo are eligible for A/R CDM project activities. The A/R WG was of the view that palm (trees) or bamboos may be treated in the same way as trees in the context of A/R CDM project activities and clarified that the environmental integrity of the CDM activities is not affected by considering palm (trees) and bamboos as being equivalent to trees in the context of A/R CDM project activities. However, the A/R WG noted that inclusion of palm (trees) or bamboos in A/R CDM project activities may affect the extent of land eligible for A/R CDM activities.

*General guidance*

31. ► **Note:** The Board may wish to take note that the A/R WG considered the request from the Board at its thirty-eighth meeting to the A/R WG for further proposals on the application of the definition of the project boundary to A/R CDM project activities to allow for more flexibility, in particular for those projects which are not intended to be submitted as a Programme of Activities (PoA). The A/R WG was not able to conclude its considerations and requested the secretariat to prepare an advanced draft reflecting issues raised by members with a view to recommending it to the Board in its forty-first meeting.

*Background:* The A/R WG considered draft guidance on the application of the definition of the project boundary and concentrated on a comparison of the flexibility allowed by the draft proposal versus the broadening of the application of flexibility already included in “Modalities and procedures for afforestation and reforestation project activities under the clean development mechanism in the first commitment period of the Kyoto Protocol (Decision 5/CMP.1). Furthermore, the group considered the potential cost efficiency of the draft guidance when compared to the application of Programme of Activities (PoA) approach.

32. ► **Action:** The Board may wish to approve the methodological tool: “Tool for estimation of leakage caused by use of non-renewable wood” as contained in annex 1 of the A/R WG report (see A/R WG 19 report).

*Background:* The A/R WG agreed to recommend a draft tool for estimation of leakage caused by use of non-renewable wood. The tool allows for estimation of the increase in GHG emissions resulting from an increased use of non-renewable woody biomass, from sources outside the project boundary, attributable to an A/R CDM project activity.

33. ► **Action:** The Board may wish to approve the revision to the approved methodological tool: “Tool for estimation of GHG emissions related to displacement of grazing activities in A/R CDM project activity” as contained in annex 2 of the A/R WG report (see A/R WG 19 report).

*Background:* During its thirty-sixth meeting, the Board approved the “Tool for estimation of GHG emissions related to displacement of grazing activities in A/R CDM project activity”. The A/R WG agreed to recommend a revision to the approved tool that broadens the applicability of the tool to include A/R CDM project activities that cause displacement of grazing activities to cropland covered with perennial crops.

34. ► **Action:** The Board may wish to consider the shortlist of experts prepared by the secretariat with a view to appoint members of the A/R Working Group, taking fully into account the consideration of regional balance.



*Background:* At its thirty-eight meeting the Board agreed to open a call for experts in order to reconstitute the A/R WG with a view to prepare a shortlist of experts for consideration by the Board at its thirty-ninth meeting.

35. ► **Note:** The Board may wish to take note that the twentieth meeting of the A/R WG will be held from 18 to 20 June 2008, as per annex 25 of the thirty-seventh meeting of the Board.

36. ► **Note:** The Board may wish to remind project participants that the deadline for the eighteenth round of submissions of proposed new A/R methodologies is 26 May 2008.

37. ► **Note:** The Board may wish to remind project participants that the deadline for consideration of request for revision and request for clarification of A/R methodologies at the twentieth meeting to be held from 18 June 2008 shall be 7 May 2008, 24:00 GMT.

**(d) Issues relating to small-scale CDM project activities**

38. ► **Note:** The Board may wish to take note of the report of the fifteenth meeting of the Small Scale Working Group (SSC WG) and an oral report by the Chair of the working group, Ms. Ulrika Raab on the work of the group.

*Background:* The SSC WG held its fifteenth meeting in Bonn, Germany on 14 – 16 April 2008. The SSC WG dealt with case-specific issues, process and methodological clarifications and other issues, as specified below.

***Case specific***

39. ► **Action:** The Board may wish to approve the methodology ‘AMS III.U Methane capture and destruction in non-hydrocarbon mining activities’ as contained in annex 1 of the report of the fifteenth meeting of the SSC WG (see SSC WG 15 report).

*Background:* In response to the submission SSC\_NM001-rev, the SSC WG recommended a new methodology. The proposed methodology is for project activities that capture and destroy methane released from geological structures as a direct result of non-hydrocarbon underground mineral exploration and mining activities.

40. ► **Action:** The Board may wish to approve the methodology ‘AMS III.A Urea offset by inoculant application in soybean-corn rotations on acidic soils on existing crop land’ as contained in annex 2 of the report of the fifteenth meeting of the SSC WG (see SSC WG 15 report).

*Background:* In response to the submission SSC\_NM007, the SSC WG recommended a new methodology. The proposed methodology is for project activities that substitute urea with the application of inoculants on soybean in soybean-corn rotation cropping. Emissions reductions are estimated as the difference in energy required for producing urea and that required for producing inoculant.

41. ► **Action:** The Board may wish to approve the methodology ‘AMS II.I Efficient utilization of waste energy in industrial facilities’ as contained in annex 3 of the report of the fifteenth meeting of the SSC WG (see SSC WG 15 report).

*Background:* In response to the submission SSC\_NM002-rev, the SSC WG recommended a new methodology. The proposed methodology is for project activities, which improve the efficiency of electricity or thermal energy generation from recovered waste energy.

**Revisions of approved methodologies:**

42. ► **Action:** The Board may wish to approve the revision of ‘AMS II.C Demand-side energy efficiency activities for specific technologies’, which provides additional guidance on the application of the methodology such as the consideration of electricity transmission and distribution losses, as contained in annex 4 of the report of the fifteenth meeting of the SSC WG (see SSC WG 15 report).

*Background:* As requested by the Board at its thirty-third meeting, the SSC WG considered type II energy efficiency methodologies with a view to proposing additional guidance and agreed to recommend revisions to AMS II.C. The proposed revisions include a cap on baseline capacity/emissions and additional guidance on determination of baseline emissions; guidance on consideration of electricity transmission and distribution losses and further guidance on the treatment of direct emissions from refrigerants.

**General guidance**

43. ► **Action:** The Board may wish to consider the shortlist of experts prepared by the secretariat with a view to appoint members of the SSC Working Group and increasing its membership by one member, taking fully into account the consideration of regional balance.

*Background:* At its thirty-eight meeting the Board agreed to open a call for experts in order to reconstitute the SSC WG with a view to prepare a shortlist of experts for consideration by the Board at its thirty-ninth meeting. The Board further agreed to increase the number of members serving on the SSC WG by one additional member when the SSC WG is reconstituted at the thirty-ninth meeting of the Board.

44. ► **Note:** The Board may wish to take note that the sixteenth meeting of the SSC WG will be held from 30 June to 2 July 2008, as per annex 25 of the thirty-seventh meeting of the Board.

**(e) Matters relating to the registration of CDM project activities**

45. ► **Action:** The Board may wish to take stock on the progress of registration.

*Background:* The information available in the section on “Project Activities” on the UNFCCC CDM website (<<http://cdm.unfccc.int/Projects>>), indicates the status of project activities submitted for registration. The main information, as of 30 April 2008, can be summarized as follows:

- (a) Registered CDM project activities: 1033 (one thousand and thirty-three);
- (b) Request for registration: 76 (seventy-six);
- (c) Request for review: 38 (thirty-eight);
- (d) Corrections requested: 42 (forty-two);
- (e) Under review: 6 (six);
- (f) Rejected CDM project activities: 63 (sixty-three);
- (g) Withdrawn: 15 (fifteen).

*Case specific*

46. ► **Action:** The Board shall consider the requests for review of the 38 requests for registration listed in table 1 below.

*Table 1: Projects for which a review has been requested by three or more Board members or one Party involved.*

<i>Ref No.</i>	<i>Title</i>	<i>A</i>	<i>B</i>	<i>C</i>
1265	Chile: Quilleco Hydroelectric Project	?	?	?
1374	Chile: Hornitos Hydroelectric Project	?	?	?
1378	Martinuv Espigão Hydroelectric Project	?	?	?
1381	Shanghai Baoshan Grid Connected Natural Gas Combined Cycle Power Plant Project	?	?	?
1397	Comprehensive utilization of waste coal gas for electricity generation project in Shaanxi Xinglong Cogeneration Co. Ltd	?	?	?
1404	“35 MW Bagasse Based Cogeneration Project” by Mumias Sugar Company Limited (MSCL)	?	?	?
1406	Tianjin Shuangkou Landfill Gas Recovery and Electricity Generation	?	?	?
1412	Rehabilitation of six HPPs in the Republic of Macedonia	?	?	?
1421	8.5 MW wind power project in Chitradurga district in Karnataka by Jindal Aluminium Ltd.	?	?	?
1427	Low-temperature waste heat recovery for electricity generation project of Anhui Huaibei Mining (Group) Cement Co. Ltd.	?	?	?
1431	Sichuan Zhaojiashan 20MW Hydropower Project	?	?	?
1432	Ganluo Kaijianqiao Hydropower Project, P.R.China	?	?	?
1452	Matan 7MW Hydro Power Project in Guizhou Province, China	?	?	?
1462	ISL Waste Heat Recovery Project, India	?	?	?
1468	Jilin Liaoyuan Meihe coal mine methane power generation project	?	?	?
1472	“Surplus power generation for grid” at Vayyuru, Andhra Pradesh	?	?	?
1475	Optimization of steam consumption in the process by installation of free flow falling film finisher evaporator and retrofit to the chemical recovery boiler in Cachar Paper Mill of Hindustan Paper Corporation Limited	?	?	?
1476	Gas turbine co-generation project in Indonesia	?	?	?
1484	Shaba 30MW Hydro Power Project in Guizhou Province China	?	?	?
1485	Lishiluo Erji 6.4MW Small Hydropower Project in Yunnan Province	?	?	?
1486	Luojiache 20MW Hydro Power Project in Guizhou Province China	?	?	?
1495	Enhancing energy efficiency by replacing batch smelter by continuous smelter at Karaikal, Pondicherry	?	?	?
1496	Pihe 9.6MW Small Hydropower Project in Yunnan Province	?	?	?
1503	MAKATI SOUTH SEWAGE TREATMENT PLANT UPGRADE WITH ON-SITE POWER	?	?	?
1504	Mujiajia Erji 10MW Small Hydropower Project in Yunnan Province	?	?	?
1511	Yunnan Zemahe 15MW Small Hydropower Project, P. R. China	?	?	?
1513	14 MW Bundled Small Hydropower Project in Xiping and Puhe	?	?	?
1515	Caoying Small Hydropower Project	?	?	?
1521	AWMS Methane Recovery Project BR06-S-18,, Parana, Rio Grande do Sul, and Santa Catarina, Brazil	?	?	?



Ref No.	Title	A	B	C
1523	Daguan Hongshayan 9.6 MW Small Hydropower Project in Yunnan Province, P.R.China	?	?	?
1539	Liyutang small Hydropower project	?	?	?
1540	Generation of electricity from 3.2 MW capacity wind mills by Gujarat JHM at Bhambarwadi, Maharashtra	?	?	?
1541	10 MW Biomass Based Renewable Energy Generation for the Grid at Saradambika Power Plant Private Limited at Chandrapur District, Maharashtra	?	?	?
1542	Generation of electricity from 9.6 MW capacity wind mills by Sun-n-Sand Hotels Pvt. Ltd. at Bhambarwadi, Maharashtra	?	?	?
1545	Hot air generation using renewable biomass fuel for spray drying application at H. & R. Johnson (India) Ltd, Kunigal.	?	?	?
1551	Rice husk based Co generation project at Dujana unit of KRBL Limited	?	?	?
1560	Jiaping 5MW, Pingzhong 4.4MW Hydro Power Project in Guizhou Province, China	?	?	?
1569	Taohua 9MW Hydro Power Project in Guizhou Province, China	?	?	?

*Background:* Three (3) or more members of the Executive Board or a Party involved requested a review of the requests for registration of the cases listed in table 1 above. In accordance with “Procedures for review referred to in paragraph 41 of the modalities and procedures for a clean development mechanism”, for each case the Board shall decide whether to register the project activity as requested (case A in table 1), request that changes be made in the project documentation prior to registration (case B in table 1), or undertake a review (case C in table 1). If the Board agrees to undertake a review of these requests for registration it shall also decide on the scope of the review and the composition of the review team for each case. The proposed project activity ‘Energy Efficiency Improvement by Waste Heat Recovery’ (1460) received three requests for review prior to the deadline for consideration at EB39. The project participants have subsequently decided to withdraw the proposed CDM project activity.

47. **Action:** The Board shall consider the recommendation of the review team for the six (6) project activities listed in table 2, which the Board placed under review at its thirty-eighth meeting.

Table 2: Projects which were placed “Under review” at EB38

Ref No.	Title	A	B	C
1232	UHE Mascarenhas power upgrading project	?	?	?
1345	24.75 MW Ranganathaswamy Mini Hydel Project, Karnataka, India	?	?	?
1354	Flare gas recovery project at Hazira Gas Processing Complex (HGPC), Hazira plant, Oil and Natural Gas Corporation (ONGC) Limited	?	?	?
1383	Koppal Green Power Limited Biomass Power Project	?	?	?
1398	Biomass Based Power Project of Balaji Agro Oils Ltd	?	?	?
1405	CEMEX Costa Rica: Use of biomass residues in Colorado cement plant	?	?	?

*Background:* At its thirty-eighth meeting the Board decided to place the project activities identified in table 2 above under review. A review has been conducted by the review teams and a recommendation has been



circulated to the Board. In accordance with the “Procedures for review referred to in paragraph 41 of the modalities and procedures for a clean development mechanism”, the Board shall decide whether to register the project activities (case A in table 2), to request the DOE and project participants to make corrections (case B in table 2), or to reject the project activities (case C in table 2). At its thirty-eight meeting the Board also agreed to place the proposed project activity “Power generation from waste heat of new DRI kilns at JSPL” (1292) under review. The project participants have subsequently decided to withdraw the proposed CDM project activity.

48. ► **Action:** The Board may wish to consider corrections made to the proposed CDM project activity(ies) listed in table 4.

Table 4: Projects to be registered with corrections following consideration of a review

Ref No.	Title	A	B
1117	Fuel oil to animal tallow switching at Companhia de Fiação e Tecidos Santo Antônio	?	?
1235	Rio Grande do Sul Cooperatives Small Hydro Power Plants	?	?

*Background:* At previous meetings, following consideration by the Board of the reviews of requests for registration of the project activities listed in table 3 above, the Board agreed that the project activities could be registered following corrections. The DOEs have submitted revised documentation which the Board may wish to consider in accordance with the clarifications to paragraph 18(b) of the “Procedures for review referred to in paragraph 41 of the modalities and procedures for a clean development mechanism”. If the Board considers the corrections as satisfactory, the projects shall be registered (case A in table 3), otherwise the requests are rejected (case B in table 3).

#### **General guidance**

49. ► **Action:** The Board may wish to consider a proposal from the secretariat with a view to approving a standardization of the format of the modalities of communications between project participants and the Board.

*Background:* At its thirty-eight meeting, the Board requested the secretariat to prepare a proposal for the standardization of the format of the modalities of communications between project participants and the Executive Board for consideration by the Board at its thirty-ninth meeting.

50. ► **Action:** The Board may wish to consider a proposal from the secretariat with a view to approve procedures for increasing the transparency of the validation and public comment process.

*Background:* At its thirty-eight meeting, the Board requested the secretariat to develop proposals regarding increasing the transparency of the validation and public comment process for consideration at its thirty-ninth meeting.

51. ► **Action:** The Board may wish to consider the shortlist of experts prepared by the secretariat with a view to selecting additional members of the registration and issuance team (RIT), taking fully into account the consideration of regional balance.

*Background:* At its thirty-eighth meeting the Board agreed to open a call for experts in order to select additional members for the RIT with a view to prepare a shortlist of experts for consideration by the Board at its thirty-ninth meeting.



**(f) Matters relating to the issuance of certified emission reductions and the CDM registry**

52. ► **Action:** The Board may wish to take stock of the progress of issuance and the operation of the CDM registry.

*Background:* The information available in the section on “Issuance of CERs” on the UNFCCC CDM website (<http://cdm.unfccc.int/Issuance>), indicates the status of request for issuance. The main information, as of 30 April 2008, can be summarized as follows:

- (a) CERs issued: 584 issuances, aggregate 139,420,137 CERs;
- (b) Requests for Issuance: 16 requests, 5,349,341 aggregate CERs;
- (c) Requests for review: 18 requests 2,231,164 aggregate CERs;
- (d) Under review: 1 (one).

***Case specific***

53. ► **Action:** The Board shall consider requests for review of the 18 requests for issuance listed in table 4.

*Table 4: Requests for issuance for which a review has been requested by three or more Board members or one Party involved.*

<i>Ref. No.</i>	<i>Title</i>	<i>No. of CERs</i>	<i>A</i>	<i>B</i>	<i>C</i>
0011	Project for GHG Emission Reduction by Thermal Oxidation of HFC23 in Jiangsu Meilan Chemical CO. Ltd., Jiangsu Province, China	1065544	?	?	?
0033	Methane capture and combustion from swine manure treatment for Pocillas and La Estrella	150537	?	?	?
0177	Lawley Fuel Switch Project	18098	?	?	?
0177	Lawley Fuel Switch Project	17032	?	?	?
0191	Monte Rosa Bagasse Cogeneration Project	79401	?	?	?
0254	Lepanto Landfill Gas Management Project	14479	?	?	?
0279	Lihir Geothermal Power Project	163036	?	?	?
0290	Youngduk Wind Park Project	45265	?	?	?
0290	Youngduk Wind Park Project	20872	?	?	?
0373	São João Landfill Gas to Energy Project (SJ)	201275	?	?	?
0373	São João Landfill Gas to Energy Project (SJ)	43144	?	?	?
0450	Methane Capture and Combustion from Swine Manure Treatment Project at PT Indotirta Suaka Bulan Farm in Indonesia	23474	?	?	?
0534	6.0 MW Biomass based power project of Agri Gold Projects Limited (AGPL), Prakasham District, Andhra Pradesh	17393	?	?	?
0546	SRGEL Non-Conventional Energy Sources Biomass Power Project	32616	?	?	?
0587	Installation of Additional Urea Trays in Urea Reactors (11/21- R01)	7940	?	?	?



<i>Ref. No.</i>	<i>Title</i>	<i>No. of CERs</i>	<i>A</i>	<i>B</i>	<i>C</i>
0799	Santa Marta Landfill Gas (LFG) Capture Project.	37381	?	?	?
0829	Yichun Daqingshan Wind Power Project	23165	?	?	?
0998	NSL 27.65 MW Wind Power Project in Karnataka, India	270512	?	?	?

*Background:* Three (3) or more members of the Executive Board or a Party involved requested a review of the requests for issuance listed in table 4 above. In accordance with the “Procedures for review referred to in paragraph 65 of the modalities and procedures for a clean development mechanism”, for each case the Board shall decide whether to instruct the CDM registry administrator to issue the requested CERs (case A in table 4), to issue CERs following corrections (case B in table 4) or to undertake a review of the request for issuance (case C in table 4). If the Board agrees to undertake a review of these requests for issuance it shall also decide on the scope of the review and the composition of the review team for each case.

54. **Action:** The Board shall consider the recommendation of the review team for the one (1) project activity listed in table 5, which the Board placed under review at its thirty-eighth meeting.

*Table 5: Projects which were placed “Under review” at EB38*

<i>Ref No.</i>	<i>Title</i>	<i>No. of CERs</i>	<i>A</i>	<i>B</i>	<i>C</i>
0508	Onyx Alexandria Landfill Gas Capture and Flaring Project	17824	?	?	?

*Background:* At its thirty-eighth meeting the Board decided to place the project activity identified in table 5 above under review. A review has been conducted by the review team and a recommendation has been circulated to the Board. In accordance with the “Procedures for review referred to in paragraph 65 of the modalities and procedures for a clean development mechanism”, for each case the Board shall decide whether to approve the proposed issuance of CERs (case A in table 5), to request the DOE to make corrections based on the findings from the review before approving the issuance of CERs (case B in Table 5), or to decline to approve the proposed issuance of CERs (case C in Table 5).

55. **Action:** The Board may wish to provide guidance in relation to requests for deviation submitted by DOEs prior to issuance.

*Background:* Four (4) requests for deviation have been submitted by a DOE to the Board since its thirty-eighth meeting for consideration by the Board at its thirty-ninth meeting.

#### **4. Management plan and resources for the work on the CDM**

56. **Action:** The Board may wish to: (a) take note of the report by the secretariat on the status of resources; (b) consider the update by the secretariat on the operationalization for implementing the CMP request; (c) consider new proposal on travel issues; and (d) consider financial implications of (b) and (c); and (e) take further action, as necessary.

The status of income and expenditure is presented in annex 2 of these annotations.

*Background:* At its last meeting the Board took note of the update by the secretariat of the proposal to enhance the executive and supervisory role of Board members by providing them with secretarial and information technology support. The Board agreed with the approach proposed by the secretariat and requested the secretariat to implement it. The Board further requested the secretariat to prepare a new proposal on travel



issues to be presented at the thirty-ninth meeting of the Board. The secretariat informed the Board that once the costs associated with this support are calculated, the currently adopted MAP 2008 (version 01) will be revised to include the additional costs and circulated to the Board for approval.

## 5. Other matters

### (a) Relations with Designated National Authorities

57. ► **Action:** The Board may wish to take note of the briefing from the secretariat on the fifth meeting of the CDM DNA Forum held on 14 - 15 April 2008 in Bonn, Germany, in conjunction with “CDM Joint Coordination Workshop”, which provided the opportunity to DNA representatives for an interaction with other players of the CDM process.

*Background:* The CMP, at its first session, requested the Board, in relation to regional distribution and capacity-building, to broaden the participation in the CDM, including through meetings with a designated national authorities forum on a regular basis in conjunction with meetings of CMP and its subsidiary bodies. The Board, at its twenty-third meeting, agreed to establish the CDM DNA forum and requested the secretariat to provide support to this forum.

### (b) Relations with Designated Operational and Applicant Entities

58. ► **Action:** The Board may wish to (a) take note of the report by the Chair of the forum; and (b) provide feedback to the forum, as appropriate.

*Background:* Views on issues to be addressed to the Board by the CDM DOE/AE Coordination Forum are being sought from the DOEs and AEs. The Chair of the forum will present these orally to the Board for its consideration at the thirty-ninth meeting.

### (c) Relations with stakeholders, intergovernmental and non-governmental organizations

59. ► **Action:** The Board may wish to (a) agree to avail itself for informal briefings with registered observers in the afternoon of 16 May 2008; and (b) invite members and alternates to share information on events in which they participated.

*Background:* On the occasion of its last meeting, the Chair and other members of the Board met with registered observers for an informal briefing and agreed to continue with such meetings in the afternoon of the last day of its future meetings, unless otherwise indicated.

Board members and alternates continued receiving communications from the public and invitations to participate in CDM-related events.

### (d) Other business

60. ► **Action:** The Board may wish to take note of communications submitted by the public and agree on any actions, as appropriate.

*Background:* At its thirty-first meeting, the Board revised its procedures for public communication, as contained in annex 37 to its report. These procedures shall be followed with respect to all unsolicited submissions.



The following communications have been sent to the Board prior to its thirty-eighth meeting:

- (a) Letter from Ms. Belinda Kinkead, Associate Director - Head of Implementation, EcoSecurities received on 28 February 2008 related to request for clarification on issues regarding the Tool for the demonstration and assessment of additionality (version 04);
- (b) Letter from Ms. Claudia Patricia Mora Pineda, Vice-minister for the Environment, Ministry of Environment, Housing and Territorial Development, Republic of Colombia received on 28 February 2008 related to request for revision to AR0004;
- (c) Letter from Sudha Padmanabha (RPPL - CDM In charge) of Rithwik Power Projects received on 28 February 2008 related to RPPL rejection (Ref 1195);
- (d) Letter from Dr. Johannes Heister, Team Leader, Policy and Methodology Team, The World Bank received on 1 March 2008 related to NM249: Reductions in Emissions in the Manufacture of Phospho-Gypsum-Based Gypcrete Wall Panels used to Replace Brick and Cement Wall Structures;
- (e) Letter from Mr. Francisco Ocampo, Director, Procuencia AR received on 3 March 2008 related to AR CDM project for the Restoration of the Chinchina River Watershed regarding lack of consistency between decisions by the EB and its AR WG;
- (f) Letter from Mr. Ajit V Kulkarni, Project Participant, Shree Chhatrapati Shahu SSK Ltd, Kagal, India received on 03 March 2008 related to the rejection of project 1297 Shree Chhatrapati Shahu RE Project;
- (g) Letter from Mr. Luis F. Leal, Ingenio Magdalena S.A received on 3 March 2008 related to Project Activity "Ingenio Magdalena S.A. Cogeneration Project "(1044) registration rejection reconsideration;
- (h) Letter from Mr. Husynqulu Bagirov, Minister of Environment and Natural Resources of Azerbaijan Republic received on 5 March 2008 related to a request for adjustment of AM0009;
- (i) Letter from Mr. Didier Rotsaert, Vice President, The AES Corporation received on 5 March 2008 related to the proposed changes to the small-scale methodology AMS III.D;
- (j) Letter from Mr. E. Mammadyarov, Ministry of Foreign Affairs of the Republic of Azerbaijan received on 12 March 2008 regarding an appeal for open and fair consideration of the request for adjustment of AM0009-revised;
- (k) Letter from Mr. Luis Enrique Acosta Suarez, Frigorifico Agropecuaria Sonorense S de RL de CV received on 14 March 2008 regarding a provisional agreement with AgCert regarding projects in pig farms operated by Norson in Sonora, Mexico;
- (l) Letter from Dr. Anri Engel, Rechtsanwalt, Partner, Rupperecht, Engel & Kornisch received on 20 March 2008 regarding project 0443 - Capex S.A. - Agua de Cajon thermal power plant - Open and combined cycle conversion;
- (m) Letter from Mr. Guatam Goel, Managing Director, The Dhampur Sugar Mills Limited received on 21 March 2008 regarding a request for reconsideration from Dhampur Sugar Mills Limited Dhampur Sugar Mills Limited (Projects 1148 and 1215);
- (n) Letter from Ms. Francesca Maria Cerchia, Managing Director, Econergy received on 10 April 2008 regarding clarification about CDM projects 1165 and 1134;



(o) Letter from Ms. Belinda Kinkead, Head of Implementation, EcoSecurities received on 11 April 2008 regarding programmatic CDM;

(p) Letter from Mr. Fernando Freitas, Supervisor Biogás, Essencis Soluções Ambientais S/A. received on 28 April 2008 regarding a request for guidelines concerning the adjustment of the project 0171 – “Caieiras landfill gas emission reduction”.

61. ► **Action:** The Board may wish to consider any other business it deems necessary.

#### 6. Conclusion of the meeting

62. ► **Action:** The Board may wish to agree the report of the thirty-ninth meeting.

*Background:* The Chair will summarize the meeting and adopt the report, including references to any decisions taken.

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