



CLEAN DEVELOPMENT MECHANISM EXECUTIVE BOARD

PROPOSED AGENDA AND ANNOTATIONS

ADDENDUM

Forty-fourth meeting

UNFCCC
Poznan, Poland
26 - 28 November 2008

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I. ADDENDUM TO THE ANNOTATED AGENDA

**ADDENDUM TO THE ANNOTATED AGENDA****3. Work plan****(c) Issues relating to CDM afforestation and reforestation project activities**

1. ► **Note:** The Board may wish to take note of the report on the work of the twenty-second 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 the twenty-second meeting on 10 - 12 November 2008 in Bonn, Germany. The A/R WG dealt with case-specific issues and general issues.

Case specific

2. ► **Action:** Taking into consideration the inputs by experts (desk reviewers), the public, and the recommendations of the A/R WG, the Board may wish to:

- (a) Not to approve case ARNM0036 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 (<<http://cdm.unfccc.int/goto/ARpropmeth>>).

Responses to requests for clarifications

3. ► **Action:** The Board may wish to take note of the response to the request for clarification AR_AM_CLA_0005, as provided by the A/R WG and referred to in the A/R WG 22 report (see paragraphs 8, and 9).

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

New Draft small-scale A/R methodologies

4. ► **Action:** The Board may wish to approve two new small-scale afforestation and reforestation (SSC A/R) methodologies: (i) “Simplified baseline and monitoring methodology for small-scale agroforestry - afforestation and reforestation project activities under the clean development mechanism”, and (ii) “Simplified baseline and monitoring methodology for small-scale afforestation and reforestation project activities under the clean development mechanism on lands having low inherent potential to support living biomass”, as contained in annexes 1 and 2, respectively, of report of the twenty second meeting of the A/R WG.

Background: The Board at its thirty-eighth meeting requested the A/R WG to develop new simplified baseline and monitoring methodologies for small-scale CDM afforestation and reforestation project activities: (a) agroforestry implemented on croplands; and (b) afforestation and reforestation implemented on lands having low inherent potential to support living biomass. The A/R WG agreed to recommend both methodologies to the Board.

- (a) The first methodology is applicable to croplands. The methodology assumes that under its applicability conditions there are no net changes in carbon stocks in the baseline scenario, and that the GHG emissions by sources within the project boundary, as a result of the implementation of an A/R CDM project, are insignificant. Further, it provides guidance for the estimation of actual net



GHG removals by sinks (including changes in the soil organic carbon pool), and leakage from sources relevant to small scale A/R CDM project activities on croplands.

- (b) The second methodology is applicable to selected categories of lands with low inherent potential to support biomass without human intervention. The methodology assumes that under its applicability conditions there are no net changes in carbon stocks in the baseline scenario, and that the GHG emissions by sources within the project boundary as a result of the implementation of an A/R CDM project and the leakage emissions are insignificant. Based on the above-mentioned assumptions, it provides guidance for the estimation of the sum of changes in carbon stocks in living biomass of trees, which represents the net anthropogenic greenhouse gas removals by sinks under such conditions.

General guidance

5. ► **Action:** The Board may wish to approve the draft guidance that the GHG emissions from the following sources related to A/R CDM project activities:

- (i) Fossil fuel combustion in A/R CDM project activities;
- (ii) Collection of wood from non-renewable sources to be used for fencing of the project area; and
- (iii) Nitrous oxide (N₂O) emissions from decomposition of litter and fine roots from N-fixing trees are insignificant in A/R CDM project activities and can therefore be neglected in A/R baseline and monitoring methodologies.

Background: The A/R WG agreed to recommend draft guidance that the GHG emissions from the following sources related to A/R CDM project activities:

- (i) Fossil fuel combustion in A/R CDM project activities;
- (ii) Collection of wood from non-renewable sources to be used for fencing of the project area; and
- (iii) Nitrous oxide (N₂O) emissions from decomposition of litter and fine roots from N-fixing trees are insignificant in A/R CDM project activities and can therefore be neglected in A/R baseline and monitoring methodologies.

6. ► **Action:** The Board may wish to approve the draft “Guidance on the application of the definition of project boundary to A/R project activities”, as contained in annex 3 of report of the twenty second meeting of the A/R WG.

Background: The Board, at its forty-second meeting, had requested the A/R WG to consider the draft “Guidance on the application of the definition of project boundary to A/R project activities” with view to providing clarifications to the options contained therein, for consideration by the Board at its forty-fourth meeting. The draft guidance recommended by the A/R WG allows for limited flexibility in application of definition of the project boundary in A/R CDM project activities if at validation all areas of land planned for A/R CDM project activities are expected to be subject to A/R CDM project activities under control of project proponents and comply with A/R CDM modalities and procedures requirements for validation and registration.

7. ► **Action:** The Board may wish to agree to launch a call for experts starting on 17 December 2008 and ending on 22 February 2009, 24:00 GMT, in order to replace the outgoing members of the A/R WG with a view to preparing a shortlist of experts for consideration by the Board at its forty-sixth meeting. A/R WG



members currently serving on the A/R WG are encouraged to submit their application, for automatic inclusion in the short list, should they wish to continue.

Background: The Board at its thirty-ninth meeting selected members of the A/R WG for a term of one year expiring on 1 June 2009. The new members shall attend the twenty-fourth meeting of the A/R WG to enable a smooth transition.

8. ► **Note:** The Board may wish to take note that the A/R WG agreed to request the secretariat to prepare draft revisions of affected approved A/R CDM baseline and monitoring methodologies in order to apply the draft guidance referred to in paragraph 26 above for consideration by the group at its twenty-third meeting. The A/R WG also requested that all revised approved methodologies should be made consistent with each other, especially if they differ in approaches applied for similar issues (see paragraphs 12 and 13 of report of the twenty second meeting of the A/R WG).

9. ► **Note:** The Board may wish to remind project participants that the deadline for consideration of requests for revision and requests for clarification of A/R methodologies at the twenty-second meeting is 13 January 2009.

10. ► **Note:** The Board may wish to remind project participants that the deadline for the twenty first round of submissions of proposed new A/R methodologies is 12 January 2009. The Board also reminded project participants that new baseline and monitoring methodologies could be submitted at any time prior to this deadline.

11. ► **Note:** The Board may wish to take note that the twenty-third meeting of the A/R WG will be held from 25 to 27 February 2009, as per annex 16 of the forty-third meeting of the Board.

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

12. ► **Note:** The Board may wish to take note of the report of the eighteenth 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 eighteenth meeting on 10 to 12 November 2008 in Bonn, Germany. The SSC WG dealt with case-specific issues, process and methodological clarifications and other issues, as specified below.

Case specific

13. ► **Action:** The Board may wish to approve the methodology “SSC-III.X Energy Efficiency and HFC-134a recovery in residential refrigerators” as contained in annex 1 of the report of the eighteenth meeting of the SSC WG (see paragraph 4 of SSC WG 18 report).

Background: In response to the submission SSC-NM012-rev, the SSC WG recommended a new methodology. This methodology is for demand side activities for replacement of existing functional domestic refrigerators with more efficient units utilising refrigerants and foam blowing agents having no ozone depleting potential (ODP) and low global warming potential (GWP). Baseline refrigerator de-manufacturing (disassembly) and reclamation of refrigerants (e.g. HFC-134a) is an integral part of the project activity.

14. ► **Action:** The Board may wish to approve the methodology “SSC-III.Y Methane avoidance through separation of solids from wastewater or manure treatment systems” as contained in annex 2 of the report of the eighteenth meeting of the SSC WG (see paragraph 5 of SSC WG 18 report).



Background: In response to a number of requests for revision (e.g. SSC_179) and request for clarifications, the SSC WG recommended a new methodology. The methodology comprises activities for removal of (volatile) solids from the wastewater or manure slurry stream using mechanical solid/liquid separation technologies (e.g. stationary, vibrating or rotating screens, centrifuges, hydrocyclones, press systems/screws) and/or thermal treatment technologies thereby avoiding methane production.

Revisions of approved methodologies:

15. ► **Action:** The Board may wish to approve the revision of ‘AMS-III.K Avoidance of methane release from charcoal production by shifting from traditional open-ended methods to mechanized charcoaling process’ as contained in annex 3 of the report of the eighteenth meeting of the SSC WG (see paragraph 6 of SSC WG 18 report).

Background: In response to SSC_208, the SSCWG recommended a revision of AMS-III.K to include a new approach involving helium tracing to determine the baseline methane emission factor in charcoal production.

16. ► **Action:** The Board may wish to approve the revision of ‘AMS II.C Demand side energy efficiency activities through specific technologies’ as contained in annex 4 of the report of the eighteenth meeting of the SSC WG (see paragraph 7 of SSC WG 18 report).

Background: In response to SSC_226, SSC_231 and SSC_242, the SSC WG recommended a revision of AMS-II.C. The recommended revisions clarify the consideration of capacity increase of the project equipment, electricity transmission and distribution (T&D) losses in the baseline and cross effects (interactive effects) of lighting and heating. With regard to equipment containing refrigerants, the proposed revisions clarify the calculations of direct emissions from refrigerants.

17. ► **Action:** The Board may wish to approve the revision of ‘AMS-II.J Demand side activities for efficient lighting technologies’ as contained in annex 5 of the report of the eighteenth meeting of the SSC WG (see paragraph 8 of SSC WG 18report).

Background: In response to SSC_235, SSC_241, SSC_239, SSC_231 and SSC_240, the SSC WG recommended a revision of AMS-II.J. The proposed revisions clarify the project design requirements, consideration of electricity T&D losses in the baseline, frequency of ex post surveys, and estimation of cross-effects (interactive effects) of lighting and heating.

General guidance

18. ► **Note:** The Board may wish to note that, SSC WG is of the opinion that the application of enhanced barrier test may be necessary for small-scale methodologies, particularly for the sectors indicated by the Methodologies Panel, which comprises of all Type I methodologies, AMS-III.P, AMS-III.Q and it may also be necessary for large infrastructure projects under small-scale CDM (e.g. modal shift transport project activity). The SSC WG will further work on the definition of large infrastructure projects.

Background: The Board may wish to recall it had considered a draft proposal prepared by the Methodologies Panel on the enhanced barrier test for project activities that have a potential for high profitability without CER revenues but only use a barrier analysis to demonstrate additionality at its forty-first meeting. The Board at that meeting requested the SSC WG to assess the potential relevance of this issue for small-scale project activities.

19. ► **Note:** The SSC WG recommended that the Board may wish to consider providing guidance to the project participants to take note of the header of SSC methodologies stating “Project participants shall take



into account the general guidance to the methodologies, information on additionality, abbreviations and general guidance on leakage provided at <http://cdm.unfccc.int/methodologies/SSCmethodologies/approved.html>, which implies attachment C of appendix B is to be applied in conjunction with a SSC methodology *mutatis mutandis*.

Background: The Board at its forty-third meeting, requested the SSC WG to make recommendations on applicability the requirements under the general guidance on leakage in biomass project activities (attachment C of appendix B), i.e. type k in the region is at least 25% larger than the quantity of biomass residues of type k that is utilized, to AMS-I.C biomass project activities.

20. ► **Note:** The Board may wish to note that the SSC WG agreed the emission impact of continued use of displaced equipment outside the project boundary is subject to uncertainty and difficult to quantify. It therefore recommended that leakage from equipment transfer from within to outside the project boundary may be excluded from consideration in SSC methodologies.

Background: As requested by the Board at its thirty-sixth meeting¹, the SSC WG analysed the leakage from equipment transfer taking into account an expert input on the issue. Further the SSC WG also considered the potential situation of used renewable energy equipment being transferred into the project boundary and its resultant leakage and concluded that the existing SSC methodologies adequately address the issue.

21. ► **Action:** The Board may wish to agree to launch a call for experts starting on 17 December 2008 and ending on 22 February 2009, 24:00 GMT, in order to replace the outgoing members of the SSC WG with a view to preparing a shortlist of experts for consideration by the Board at its forty-sixth meeting. SSC WG members currently serving are encouraged to submit their application, for automatic inclusion in the short list, should they wish to continue.

Background: The Board at its fortieth meeting selected members of the SSC WG for a term of one year expiring on 1 June 2009. The new members shall attend the twentieth meeting of the SSC WG to enable a smooth transition.

22. ► **Note:** The Board may wish to take note that the nineteenth meeting of the SSC WG will be held from 24–27 February 2009, as per annex 16 of the forty-third meeting of the Board.

¹ An interim recommendation was made at SSC WG 14 (see paragraph 33).