



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

Date: 28 May 2010
Ref: CDM-EB-54

**EXECUTIVE BOARD OF THE CLEAN DEVELOPMENT MECHANISM
FIFTY-FOURTH MEETING
Report Version 01.1***

Date of meeting: 24 - 28 May 2010

Location: Bonn, Germany

Attendance: The names of members and alternate members present at the fifty-fourth meeting are in bold print below. Where only the name of an alternate member is in bold print, the alternate participated as a member.

Members	Alternates
Mr. Pedro Martins Barata ²	Mr. Lex de Jonge ²
Mr. Kamel Djemouai ¹	Mr. Samuel Adeoye Adejuwon ¹
Mr. Philip M. Gwage ²	Mr. Paulo Manso ²
Mr. Martin Hession ¹	Mr. Thomas Bernheim ¹
Mr. Shafqat Kakakhel ¹	Mr. Rajesh Kumar Sethi ¹
Mr. Clifford Mahlun ²	Mr. Asterio Takesy ²
Mr. Maosheng Duan ²	Ms. June Hughes ²
Ms. Diana Harutyunyan ²	Ms. Danijela Bozanic ²
Mr. Hugh Sealy ¹	Mr. José Domingos Miguez ¹
Mr. Peer Stiansen ¹	Mr. Akihiro Kuroki ¹

¹ Term: Two years (term of service ends immediately before the first meeting in 2011)

² Term: Two years (term of service ends immediately before the first meeting in 2012)

Note: 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 or 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://cdm.unfccc.int/EB/Meetings>>.

* This version was issued to editorially revise paragraph 56.

**Agenda item 1. Membership issues (including disclosure of possible conflict of interest)**

1. Mr. Clifford Mahlung, Chair of the Executive Board of the clean development mechanism (CDM) (hereinafter referred to as the Board), opened the meeting and asserted that the quorum requirement was met.
2. The Board welcomed the new member of the Board, Mr. Duan Maosheng, from China, who was elected via electronic decision making, following rule 30 of the Rules of Procedures of the Board. Mr. Duan Maosheng assumes the seat for a Non-Annex I member that had remained vacant at CMP.5.
3. The Board noted that the secretariat was informed that Mr. Kamel Djemouai was unable to attend the meeting and had provided proper justification for his absence.
4. The Board took note of information provided by members and alternate members with regard to any potential conflict of interest. Signed statements by members and alternate members regarding conflict of interest are contained in [annex 1](#) to this report.
5. The Board took note of the information provided by the secretariat on potential repercussions of complying with the CMP request that members publish statements on conflict of interest.
6. The Board considered an update on the work undertaken related to the terms of reference of the Board, following the request by CMP, through its decision 2/CMP.5 to recommend terms of reference for membership of the Board that clarify the set of skills and expertise as well as the expected time commitment required by members and alternate members for consideration by the CMP at its sixth session. The Board decided to consider draft terms of reference based on inputs from selected Board members at its fifty-fifth meeting.

Agenda item 2. Adoption of the agenda

7. The Board adopted the agenda of the meeting.

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

8. The Board took note of the report of the forty-eighth meeting of the CDM accreditation panel (CDM-AP), and an oral report by its Chair, Mr. Samuel Adeoye Adejuwon. The report summarized information relating to the work of the panel including the status of applications and developments with respect to desk reviews, on-site assessments, performance assessments and other accreditation related issues.

Case specific

9. The Board considered recommendations of the CDM-AP and decided to:
 - (a) Accredite and provisionally designate the entity "KPMG AZSA Sustainability Co. Ltd." (KPMG-AZSA) for the validation and verification/certification functions in the sectoral scopes 1, 2, 3 and 10;
 - (b) Accredite and provisionally designate the entity "Conestoga Rovers & Associates Limited" (CRA) for the validation and verification/certification functions in the sectoral scopes 1, 4, 5, 10, 12 and 13;
 - (c) Accredite and provisionally designate the entity "Ernst & Young ShinNihon Sustainability Institute Co., Ltd." (E&YSNSI) for the validation and verification/certification functions in the



sectoral scopes 1, 2 and 3;

(d) Accredite and provisionally designate the entity "Nippon Kaiji Kentei Quality Assurance Ltd." (NKKKQA) for the validation and verification/certification functions in the sectoral scopes 1, 3, 4, 5, 7, 12 and 13;

(e) Accredite and provisionally designate the entity "Perry Johnson Registrars Clean Development Mechanism, Inc." (PJR CDM) for the validation and verification/certification functions in the sectoral scopes 1, 2, 3, 7, 9, 12, 13 and 15.

10. The Board considered a recommendation of the CDM-AP and decided to confirm the accreditation status of "SGS United Kingdom Limited" (SGS) and to close the spot-check follow-up assessment.

11. The Board took note of a notification by the CDM-AP on the successful outcome of a performance assessment for the entity "Japan Consulting Institute" (JCI).

12. The Board took note of a notification by the CDM-AP on the unsuccessful outcome of a performance assessment for the entity "Korea Energy Management Corporation" (KEMCO) and the panel's plan to undertake an additional performance assessment for the entity.

13. The Board took note of a notification by the CDM-AP on the communication from an entity regarding its accreditation status.

14. The Board took note of the information provided by the secretariat on the performance of DOEs based on the implementation of the policy framework to monitor performance of DOEs. The Board took note that the number of cases does not allow yet an assessment by the secretariat on the performance of DOEs based on the implementation of the policy framework to monitor performance of DOEs.

General guidance

15. The Board took note of the status of activities relating to the implementation of the Validation and Verification Manual (CDM-VVM), inter alia, (a) holding three workshops with AEs/DOEs on the CDM-VVM; (b) the established web-based communication facility for AEs/DOEs on the CDM-VVM; and (c) exploring other possibilities for wider dissemination of the CDM-VVM.

16. The Board took note of an update on the CDM-AP's work on the revision of the CDM Accreditation Standard, specifically on the further definition of technical areas and relevant competence requirements. The Board also took note that the workshop, open to all DOEs to provide input on these issues, is planned for early July 2010.

17. The Board took note of an update on the work undertaken by the secretariat in collaboration with the CDM-AP in the development of a procedure to address liability of DOEs for excess issuance of CERs in the context of the validation and verification activities which they have carried out. In particular the Board took note that the procedural framework would include:

- (a) Procedures for identification of significant deficiencies in relevant validation, verification and certification reports;
- (b) Procedures for the selection and appointment of a reviewing DOE;
- (c) Procedures for the review and correction of significant deficiencies; and
- (d) Procedures to address the findings of the review.



18. The Board also took note of the possibility of the need to seek further clarification from CMP regarding the implementation of paragraph 22 of the CDM modalities and procedures and requested the secretariat to prepare a draft procedural framework on this matter for consideration at a future meeting.

Further schedule

19. The Board noted that the forty-ninth meeting of the CDM-AP will be held on 23–25 June 2010 in Bonn, Germany.

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

20. The Board noted that the forty-fourth meeting of the Methodologies Panel (Meth Panel) did not take place as scheduled on 19–23 April 2010 in Bonn, Germany, due to the flight situation in Europe during this period and could therefore not consider case specific issues.

21. Since the scheduled Meth Panel meeting did not take place, as referred in paragraph 20 above, the term of office of outgoing Meth Panel members was extended for one month.

General guidance

22. The Board approved the “Procedure for the submission and consideration of requests for revision of approved baseline and monitoring methodologies and tools for large scale CDM project activities” and the “Procedure for the submission and consideration of requests for revision of approved baseline and monitoring methodologies and tools for A/R CDM project activities”. The procedures are contained in [annex 2](#) and [annex 3](#) of this report.

23. The Board requested the secretariat to implement the above procedures as soon as possible and to inform stakeholders on the exact schedule for implementation and report to the Board at its next meeting. The Board also confirmed that until the new specific procedures regarding the payment of panel and working group members and experts will enter into effect, the regulations contained in the “Procedure for the submission and consideration of requests for revision of approved baseline and monitoring methodologies and tools for large scale CDM project activities” (version 09) regarding remuneration remain valid.

24. The Board requested the Meth Panel to consider the approved methodology ACM0008 with respect to requirements related to the measurement of the following monitored parameters: (i) “Pre-mining CMM captured, sent to and destroyed by use 'i' in the project activity in year 'y'”; and (ii) “Post-mining CMM captured, sent to and destroyed by use 'i' in the project activity in year 'y'”. In particular, the Meth Panel should assess the need for these parameters to be measured separately, taking into account practical implementation of such a way of measuring them and consider alternative approaches, if available. The Board further requested the Panel to revise the methodology if appropriate.

25. The Board considered the draft revised “Tool to calculate the emission factor for an electricity system” and requested the Meth Panel to revert to the original tool and revise it to allow the use of dispatch analysis data for the ex-ante calculation of the operating margin emission factor in the simple operating margin and the simple adjusted operating margin. The Board requested the Meth Panel to recommend the final draft tool for consideration by the Board at its fifty-sixth meeting.

26. The Board took note of the recent progress work related to first-of-its-kind and common practice and requested the secretariat, in consultation with selected Board members, to prepare draft guidelines for consideration at its fifty-sixth meeting.

27. The Board took note of the request for clarification AM_CLA_0164 and the request for guidance from the Meth Panel on the second applicability condition of the approved methodology AM0001



"Incineration of HFC23 waste streams" and clarified that the operating history of the HCFC-22 production facility shall include only years during which the HCFC-22 production was actually in place.

Further schedule

28. The Board noted that the next meeting of the Meth Panel will be the forty-fourth meeting and will be held from 21–25 June 2010 in Bonn, Germany.

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

29. The Board took note of the report on the work of the twenty-fifth meeting of the Small Scale Working Group (SSC WG) and an oral report by the Chair of the working group, Mr. Peer Stiansen, on the work of the group.

Case specific

30. The Board approved a new small-scale methodology "AMS-II.K Installation of cogeneration or trigeneration systems supplying energy to commercial buildings" assigned to sectoral scope 03, as contained in [annex 4](#) of this report. The methodology is for installation of cogeneration or trigeneration systems (trigeneration includes cooling in addition to cogeneration) in commercial non industrial buildings for activities that aim to supply heating, electricity and cooling in a more efficient way.

31. The Board approved a new small-scale methodology titled "AMS-I.F Renewable electricity generation for captive use and mini-grid" assigned to sectoral scope 01, as contained in [annex 5](#) of this report. The methodology is for projects that displace grid or captive electricity with renewable electricity, which is distinguished from revised AMS-I.D that now covers only supply of renewable electricity to a national or regional grid.

32. The Board noted that the cases SSC-NM024, SSC-NM037, SSC-NM035, SSC-NM042, SSC-NM044 and SSC-NM051 were deemed not suitable for recommendation to the Board by the SSC WG.

Revisions of approved methodologies:

33. The Board revised the approved small-scale methodologies:

(a) "AMS-II.J Demand-side activities for efficient lighting technologies", to clarify the testing requirements for CFLs among others, as contained in [annex 6](#) of this report;

(b) "AMS-I.D Grid connected renewable electricity generation", as contained in [annex 7](#) of this report to clarify that revised AMS-I.D now covers only supply of renewable electricity to a national or regional grid. Projects that displace grid or captive electricity with renewable electricity are covered under AMS-I.F;

(c) "AMS-I.A Electricity generation by the user", as contained in [annex 8](#) of this report to clarify the situations where AMS-I.D, AMS-I.F and AMS-I.A respectively are applicable;

(d) "AMS-I.C Thermal energy production with or without electricity", to clarify applicability to cogeneration systems, the use of solid biomass fuels (e.g. briquette) and to include the procedures to determine the baseline of projects switching from fossil fuel to renewable biomass, as contained in [annex 9](#) of this report;

(e) "AMS-III.Z Fuel Switch, process improvement and energy efficiency in brick manufacture", to expand the applicability of the methodology by including activities for shift to low GHG intensive fossil fuels in addition to the presently allowed partial shift from fossil fuel to



renewable biomass in brick production, as contained in [annex 10](#) of this report;

(f) “AMS-III.AG Switching from high carbon intensive grid electricity to low carbon intensive fossil fuel”, to expand its applicability to Greenfield and capacity expansion projects. Processes with more than one output (e.g. process producing heat and electricity where reduction claims are for only electricity component) are also now covered. The revisions are contained in [annex 11](#) of this report;

(g) “AMS-II.H Energy efficiency measures through centralization of utility provisions of an industrial facility”, to clarify applicability of the methodology to capacity expansion and Greenfield projects as contained in [annex 12](#) of this report.

34. The Board considered revised “AMS-III.T Plant oil production and use for transport applications”, recommended by the SSC WG with a view to expand the applicability to biodiesel or blends of biodiesel taking into account the procedures and default values provided in ACM0017. The Board agreed to request the SSC WG to propose a new methodology to cover the applications included in ACM0017 and retain the current structure of AMS-III.T.

35. The revised versions of the SSC methodologies referred to in the paragraphs above will come into effect on 11 June 2010, 24:00 GMT in accordance with the procedure for the revision of approved SSC methodologies.

General guidance

36. The Board revised the "Guidelines on assessment of debundling for SSC project activities", as contained in [annex 13](#) to this report. Debundling check requirement is removed for distributed emission reduction projects similar to the provisions provided under the approved procedure for programmes of activities (PoAs).

37. The Board revised the "General guidelines to SSC CDM methodologies", as contained in [annex 14](#) to this report. Procedures to determine the baseline for Type II and Type III Greenfield and capacity addition projects were revised. Stepwise analysis proposed allows a check if baseline alternatives to the project correspond to the baseline scenarios provided in the methodology. If more than one alternative remains that correspond to the baseline scenarios provided in the methodology, the alternative with the least emissions is to be chosen as the baseline.

38. In response to the request from the CMP (see paragraph 24 of further guidance relating to clean development mechanism, Decision 2/CMP.5.), the Board agreed to the "Guidelines for demonstrating additionality of renewable energy projects \leq 5 MW and energy efficiency projects with energy savings \leq 20 GWH per year", as contained in [annex 15](#) to this report.

39. The Board considered the threshold criteria for the applicability of SSC CDM methodologies for projects involving industrial facilities with low signal to noise ratios (ratio of emission reduction to baseline emissions) recommended by the SSC WG and agreed not to approve it. The Board was of the opinion it is difficult to address the issue through a general guideline applicable to all Type II and Type III project activities. It requested the SSC WG to continue to address the issue in specific new methodologies and revised methodologies recommended to the Board.

40. The Board agreed to launch a call for public and expert inputs on the specific aspects of a methodology framework for estimating GHG reductions from replacing fuel-based lighting with LED Systems. The Board requested the SSC WG to consider these inputs at its twenty-seventh meeting and to take these into account when preparing its recommendation to the Board at its fifty-sixth meeting. The call for public comments will be open from 28 May 2010, ending on 25 June 2010.

**Further schedule**

41. The Board noted that the twenty-sixth meeting of the SSC WG will be held from 15–18 June 2010 in Bonn, Germany.
42. The Board further took note with appreciation of the invitation of Mr. Peer Stiansen, Chair of the SSC Working Group, on behalf of the Government of Norway, to host the twenty-seventh meeting of the SSC Working Group, in Norway. The Board requested the secretariat to start preparing the formal, legal and logistical arrangements for this meeting.

Agenda sub-item 3 (d): Matters relating to programmes of activities

43. The Board noted 3 CDM Programmes of Activities (PoAs) have been registered by 28 May 2010. The status of requests for registration of PoAs can be viewed on the UNFCCC CDM website at <https://cdm.unfccc.int/ProgrammeOfActivities/>.
44. The Board took note of the draft guidelines for determining the eligibility criteria related to the demonstration of additionality for inclusion of CPAs in registered PoAs and confirmed the proposed approach to demonstrate additionality in PoA only at the PoA level and use criteria for inclusion of the CPA in the PoA to establish additionality at the CPA level. The Board requested the secretariat to prepare draft guidance for consideration by the Board at its fifty-sixth meeting.

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

45. The Board took note that 2216 CDM project activities have been registered by 28 May 2010. The status of requests for registration of project activities can be viewed on the UNFCCC CDM website at <http://cdm.unfccc.int/Projects/>.

Case specific

46. In accordance with the procedures for review as referred to in paragraph 41 of the CDM modalities and procedures, the Board considered a request for review of 21 requests for registration.
47. The Board agreed to register the project activity “Yunnan Province Yingjiang County Nanlang River 2nd Level Hydropower Station” (3174), taking note of the initial comments of the DOE (TÜV-Nord) and the project participants. While the concern of the Board on the trend of tariff for similar projects exporting electricity to the same grid, as per EB 53, annex 32, has not been fully substantiated, the Board considers the project activity additional as with the application of the highest reported tariff in the province, the project IRR does not cross the benchmark.
48. The Board agreed to register, as corrected, the project activity “PFC Emission Reductions at PT. Indonesia Asahan Aluminium (PT. INALUM) Kuala Tanjung” (3019) if the revised validation report, submitted in response to the request for review, is uploaded by the DOE (TÜV-SÜD) on the UNFCCC CDM website.
49. The Board agreed to register with corrections the project activity:
- (a) “Hunan Xiaotan Hydropower Project” (2842) if the DOE (TÜV-SÜD) submits a revised validation report which incorporates the information submitted in response to the request for review, regarding the validation of sensitivity analysis and the common practice analysis;
 - (b) “Sunquest Biomass Renewable Energy Project” (2928) if the project participants and the DOE (SGS) submit a revised PDD and the corresponding validation report which incorporate the information submitted in response to request for review, regarding the validation of the start date of the project activity and the suitability of the input values;



- (c) "Chongqing Jinjiaba Hydro Electric Project" (2960) if the DOE (KFQ) submits a revised validation report which incorporates the information submitted in response to the request for review, regarding the common practice analysis and the revised income tax calculation;
- (d) "Filmax Biomass Thermal Energy Project" (3004) if the project participants and the DOE (TÜV-SÜD) submit a revised PDD and the corresponding validation report which incorporate the information submitted in response to request for review, regarding the validation of the barrier analysis and the appropriateness of the exclusion of the emissions from processing the briquettes and pellets in the manufacturing facilities;
- (e) "Yunnan Lufeng Tuo'an 10 MW Hydropower Project" (3012) if the project participants and the DOE (TÜV-SÜD) submit a revised PDD and the corresponding validation report which incorporate the information submitted in response to the request for review regarding the annual operating hours and the grid emission factor. While the concern of the Board on the trend of tariff for similar projects exporting electricity to the same grid, as per EB 53, annex 32, has not been fully substantiated, the Board considers the project activity additional as with the application of the highest reported tariff in the province, the project IRR does not cross the benchmark;
- (f) "SDIC Gansu Yellow River Wujinxia Hydropower Project" (3050) if the project participant and the DOE (TÜV-Nord) submit a revised PDD and the corresponding validation report which incorporate the information submitted in response to the request for review regarding the suitability of input values to the investment analysis. While the concern of the Board on the trend of tariff for similar projects exporting electricity to the same grid, as per EB 53, annex 32, has not been fully substantiated, the Board considers the project activity additional as with the application of the highest reported tariff in the province, the project IRR does not cross the benchmark;
- (g) "Mengshan Xingupai Hydro Power Project" (3076) if the project participants and DOE (TÜV-SÜD) submit a revised PDD and corresponding validation report which incorporate the information submitted in response to the request for review regarding the investment analysis;
- (h) "Yunlong 8 MW Hydropower Project" (3121) if the project participants and the DOE (EMC) submit a revised PDD and the corresponding validation report which incorporate the information submitted in response to request for review, regarding the suitability of input values to the investment analysis, in particular, the investment cost, the O&M cost and the plant load factor.
50. After the submission of the specified documentation, the secretariat, in consultation with the Chair of the Board, will check the revised documentation before the activity is displayed as registered.
51. The Board agreed to undertake a review of the project activity:
- (a) "Metro Clark Landfill Gas Capture System" (2524), submitted for registration by the DOE (DNV) and that the scope of this review is relating to issues associated with the validation requirements, as contained in [annex 16](#) to this report;¹
- (b) "Pingdingshan Coal (Group) Company Chaochuan Mine 6*2 MW Coke Oven Gas Cogeneration Project" (2818) submitted for registration by the DOE (BVC) and that the scope of this review is relating to issues associated with validation requirements, as contained in [annex 17](#) to this report;²
- (c) "Huadian Laizhou Wind Farm Project" (2831) submitted for registration by the DOE (TÜV-Rhein) and that the scope of this review is relating to issues associated with validation



requirements, as contained in [annex 18](#) to this report;

(d) “Huadian Beijing Natural Gas based Power Generation Project” (2930) submitted for registration by the DOE (DNV) and that the scope of this review is relating to issues associated with validation requirements, as contained in [annex 19](#) to this report;³

(e) “Tao River Lianlu Cascade II (Xiacheng) 37.5 MW Hydropower Project in Gansu Province, China” (2932) submitted for registration by the DOE (JACO) and that the scope of this review is relating to issues associated with validation requirements, as contained in [annex 20](#) to this report;⁴

(f) “North Longyuan Huitengliang Wind Power Project” (3005) submitted for registration by the DOE (TÜV-SÜD) and that the scope of this review is relating to issues associated with validation requirements, as contained in [annex 21](#) to this report;⁵

(g) “GHG Emission Reductions through grid connected high efficiency power generation” (3020) submitted for registration by the DOE (DNV) and that the scope of this review is relating to issues associated with validation requirements, as contained in [annex 22](#) to this report;⁶

(h) “Chongqing Longshui 8 MW Hydro Power Project” (3047) submitted for registration by the DOE (TÜV-Nord) and that the scope of this review is relating to issues associated with validation requirements, as contained in [annex 23](#) to this report;

(i) “Hebei Chengde Peifeng Wind Farm Project” (3079) submitted for registration by the DOE (TÜV-Rhein) and that the scope of this review is relating to issues associated with validation requirements, as contained in [annex 24](#) to this report;

(j) “Huadian Tongliao Beiqinghe 300 MW Wind Farm Project” (3091) submitted for registration by the DOE (DNV) and that the scope of this review is relating to issues associated with validation requirements, as contained in [annex 25](#) to this report;⁷

(k) “Gutanhe 10 MW Hydropower Project in Yunnan Province” (3113) submitted for registration by the DOE (TÜV-SÜD) and that the scope of this review is relating to issues associated with validation requirements, as contained in [annex 26](#) to this report.⁸

52. The Board agreed on the nomination of the members of the review teams for the above. The review teams may call on outside expertise in consultation with the Chair of the Board, as appropriate.

Registration procedure/General guidance

53. In order to bring transparency on the appropriateness of the applicable highest tariff for wind and hydro power projects in the People's Republic of China, the Board agreed to request the secretariat to publish a data containing the highest tariffs per province applied by the Board in its decisions on reviews of requests for registration.

54. The Board considered the draft “Guidelines on the treatment of national and sectoral policies in the demonstration and assessment of additionality”. The Board considered that while the draft guideline did codify the current framework as adopted by the Executive Board at its twenty-second meeting the document required further elaboration. The Board therefore requested the secretariat to revise the draft guidelines, in particular by more clearly defining: how DOEs should identify and treat changes in national and sectoral policies, how market prices can be determined, and how the comparative basis of the analysis could be ensured.



55. The Board agreed to the "Procedures for withdrawal of a request for registration", as contained in [annex 27](#) to this report. These procedures ensure consistency, enhance transparency and provide clarity to project participants and DOEs regarding the necessary steps to withdraw a request for registration and the implications of such a withdrawal. The Board further requested the secretariat to make the necessary forms available on the UNFCCC CDM website.

56. The Board considered the information note regarding the "Policy options to assess grid emission factors published by DNAs". The Board agreed that to facilitate the development of grid emission factors DNAs may request a DOE to validate these factors. The Board requested the secretariat to develop procedures for the consideration of such validation reports by the Board.

57. The Board agreed to the "Procedures for requests for registration of proposed CDM project activities" as contained in [annex 28](#) to this report, in order to streamline the process for the consideration of requests for registration. Consequentially the Board also agreed to revise the "Guidelines on the registration fee schedule for proposed project activities under the clean development mechanism (version 02)" as contained in [annex 29](#) to this report and requested the secretariat to publish the lists containing requirements to be checked during the completeness check and the VVM reporting requirements check.

58. The Board requested the secretariat to implement the above procedures as soon as possible and report to the Board on implementation at its next meeting.

59. The Board further requested the secretariat to develop draft procedures for assessment of requests for registration. These procedures may include provisions for external assessment or appraisal of the request for registration.

60. The Board requested the Chair, taking into account the Board's decision at its fifty-third meeting (para 77 and 78), to determine the cases to be placed on the agenda of the Board's fifty-fifth meeting to ensure that under review cases that received low priority for this meeting would be prioritized.

61. The Board will continue at its fifty-fifth meeting to consider changes to the "Procedures for review of requests for registration".

Agenda sub-item 3 (f): Matters relating to the issuance of CERs and the CDM registry

62. The Board took note that 417,579,918 CERs have been issued as of 28 May 2010 and that the secretariat, in its capacity as the CDM registry administrator, continues to process requests for opening of holding accounts and for forwarding of CERs. The status of requests for issuance of CERs can be viewed on the UNFCCC CDM website at <http://cdm.unfccc.int/Issuance>.

Case specific

63. In accordance with the procedures for review as referred to in paragraph 65 of the CDM modalities and procedures, the Board considered a request for review of 9 requests for issuance.

64. In accordance with paragraph 10 of these procedures, the Board agreed, subject to a check by the secretariat of the revised documentation and in consultation with the Chair of the Board, to instruct the CDM registry administrator to issue CERs for:

- (a) "Tétouan Wind Farm Project for Lafarge Cement Plant" (0042), if the project participant and the DOE (DNV) submit a revised monitoring report and a corresponding revised verification report which incorporate the clarification provided in response to the request for review regarding the delay in calibration beyond three years and discrepancy in the accuracy class and a new request for issuance form with corrected CERs;



- (b) "India Cements WHR project" (0717), if the DOE (DNV) submits a revised verification report which incorporates the clarification on the external and internal calibration. The Board further noted that a request for revision of the monitoring plan is submitted to incorporate the actual monitoring practice prior to the next request for issuance;
- (c) "4.0 MW Power Plant Using Clinker Cooling Gas Waste Heat" (0872), if the project participant and the DOE (TÜV-Nord) submit a revised monitoring report and a corresponding revised verification report including the meter calibration date of May 2008 and if the DOE submits a new request for issuance form which corresponds to the corrected certified emission reductions;
- (d) "La Cascada 2.3 MW Hydroelectric Project"(1411), if the project participant and the DOE (ICONTEC) submit a revised monitoring report and a corresponding verification report which include:
- (i) Documentary evidences viz. technical specifications of turbine and generator to justify that the specifications of equipments installed in the project is as planned and described in the PDD; and
 - (ii) Confirmation that the electricity generation records which are referred to as electricity exported by the project is net of any auxiliary consumption by the project and any imports in the project.
- (e) "Waste Heat Recovery and Utilisation for Power Generation Project of Zongyang Conch Cement Company Limited" (1676), if the project participant and the DOE (DNV) submit:
- (i) The revised monitoring report including the revised spreadsheet submitted in response to the request for review; and
 - (ii) A revised verification report which incorporates the clarification submitted in response to the request for review and a new request issuance form which contains the corrected number of CERs.
- (f) "Wind power project by HZL in Gujarat" (1856), if the project participant and the DOE (DNV) submits a revised monitoring report and corresponding verification report which incorporate the clarifications submitted in response to the request for review, with regard to the correct means of verification for electricity exports and imports by the project activity and calculation of emission reductions.
65. The Board agreed to undertake a review of the request for issuance of CERs and to appoint members of the review team for:
- (a) "Ningguo Cement Plant 9100KW Waste Heat Recovery and Utilization for Power Generation Project of Anhui Conch Cement Co. Ltd" (0898), submitted by the DOE (DNV), and that the scope of this review is relating to issues associated with verification requirements, as contained in [annex 30](#) to this report;
 - (b) "Jiangxi Fengcheng Mining Administration CMM Utilization Project" (1135), submitted by the DOE (TÜV-SÜD) and that the scope of this review is relating to issues associated with verification requirements, as contained in [annex 31](#) to this report;⁹
 - (c) "Nantong Coalmine Methane" (1929), submitted by the DOE (ERM CVS) and that the scope of this review is relating to issues associated with verification requirements, as contained in [annex 32](#) to this report.¹⁰



66. The Board agreed on the nomination of the members of the review teams for the above. The review teams may call on outside expertise in consultation with the Chair of the Board, as appropriate.

67. In accordance with paragraph 19 of the Procedures for notifying and requesting approval of changes from the project activity as described in the registered PDD, the Board considered submissions by DOE with regard to notification of changes and request for approval of changes from the registered PDD and agreed to accept the changes and allow the subsequent requests for issuance for:

- (a) "Tambun LPG Associated Gas Recovery and Utilization Project" (1144), submitted by the DOE (TÜV Nord);
- (b) "ISL Waste Heat Recovery Project, India" (1462), submitted by the DOE (TÜV Rhein);
- (c) "São João Landfill Gas to Energy Project (SJ)" (0373), submitted by the DOE (TÜV-SÜD)

68. With regard to request for approval of changes of project activity "Angang Sinter Machine Waste Heat Recovery and Generation Project" (1709), submitted by the DOE (DNV); the Board agreed to further request clarification from the project participant and the DOE and defer its consideration of this case to the next meeting.

General guidance

69. The Board took note of the assessment by the secretariat on the current "Procedures for notifying and requesting approval of changes from the project activity as described in the registered PDD" and "Guidelines on assessment of different types of changes from the project activity as described in the registered PDD". The Board requested the secretariat to prepare draft revisions to these procedures based on this assessment particularly on mechanisms to seek clarifications from project participant and the DOE regarding notifications and request for approvals, taking into account views expressed by members for its consideration at a future meeting. The Board further requested the secretariat to prepare draft revisions to the guidelines to incorporate the examples of minor changes that could be dealt in the verification report, for its consideration at a future meeting.

70. The Board agreed to the "Procedures for withdrawal of a request for issuance of certified emission reductions" as contained in [annex 33](#) to this report. These procedures ensure consistency, enhance transparency and provide clarity to project participants and DOEs regarding the necessary steps to withdraw a request for issuance of certified emission reductions and the implications of such a withdrawal. The Board further requested the secretariat to make the necessary forms available on the UNFCCC CDM website.

71. The Board agreed to the standardized format for monitoring report to improve consistency in reporting of the implementation and monitoring of the project activity by project participants, as contained in [annex 34](#) to this report. The Board further agreed that the DOE should ensure that the format be used by the project participants in the monitoring report submitted to the secretariat for publication as of 28 September 2010.

72. The Board requested the secretariat to develop a version of the standardized format for monitoring reports applicable to Programme of Activities (PoA) for its consideration at a future meeting.

73. The Board agreed to the "Procedures for requests for issuance of CERs (version 01)", as contained in [annex 35](#) to this report, in order to streamline the process for the consideration of requests for issuance. The Board further requested the secretariat to publish the lists containing requirements to be checked during the completeness check and the VVM reporting requirements check.



74. The Board requested the secretariat to implement the above procedures as soon as possible and report to the Board on implementation at its next meeting.

75. The Board further requested the secretariat to develop draft procedures for assessment of requests for issuance. These procedures may include provisions for external assessment or appraisal of the request for issuance.

76. The Board will continue at its fifty-fifth meeting to consider changes to the "Procedures for review of requests for issuance".

77. The Board requested the Chair, taking into account the Board's decision at its fifty-third meeting (para 77 and 78), to determine the cases to be placed on the agenda of the Board's fifty-fifth meeting to ensure that under review cases that received low priority for this meeting would be prioritized.

Agenda item 4: CDM management plan and resources for the work on the CDM

79. The Board took note of information provided by the secretariat on the status of resources received as reflected in [annex 36](#). It was noted that the total income generated up to 27 May 2010 is USD 46,146,145 which includes the carry-over from 2009 of USD 32,872,165. The Board further noted that the figures for the fees for the period 1 January to 27 May were also provided, indicating i.a. income of USD 7,100,137 from registration fees and USD 6,129,534 from shares of proceeds.

80. The Board took note of the presentation from the secretariat on the main elements of the CDM Management Plan (CDM-MAP) for 2010. The Board approved the CDM-MAP 2010, as contained in [annex 37](#), and requested the secretariat to create a suitable monitoring system to assess its implementation and report back to the Board on a regular basis with particular emphasis on the improvements achieved through the new secretariat structure. The Board also encouraged the secretariat to continue with its efforts to expedite recruitment and consider the appropriate use of outsourcing taking into account the current level of backlog and staff workload.

81. The Board considered an assessment of compliance with indicative timelines set by the Board in different processes and requested the secretariat to continue to report on all processes.

Agenda item 5: Other matters

Agenda sub-item 5 (a): Guidance by CMP

82. The Board considered the inputs received in response to the call for inputs from stakeholders on "Procedures for appeals in accordance with the CMP requests in paragraphs 42–43 of Decision 2/CMP.5" and requested the secretariat to prepare draft procedures for appeals against decisions of the Board for consideration by the Board at a future meeting.

83. The Board considered the status of implementation of the requests made by the CMP to the Board through the decision 2/CMP.5 along with the measures on strategic improvements to efficiency in the operation of the CDM agreed by the Board previously and requested the secretariat to continue updating the Board on a regular basis.

**Agenda sub-item 5 (b): Regional distribution**

84. The Board following the request contained in Decision 2/CMP.5 considered possible options for a loan scheme to cover the cost of CDM project development for projects originated in countries with less than 10 projects and requested the secretariat to work further on developing modalities and procedures for the operationalization of such a loan scheme based on a management model that has more outsourced functions and with minimum involvement of the secretariat for consideration by the Board at its next meeting.

Agenda sub-item 5 (c): Relations with Designated National Authorities

85. The Board noted that the ninth meeting of the CDM DNA Forum did not take place as scheduled in April 2010 in Bonn, Germany due to the flight situation in Europe during that period. The Board further noted that meeting will take place from 30 June to 1 July 2010 in Bonn, Germany back to back with DNA training to be held from 28 to 29 June 2010.

Agenda sub-item 5 (d): Relations with Designated Operational and Applicant Entities

86. The Board took note of the report by the Chair of the CDM DOE/AE Coordination Forum; and provided feedback to the forum, as appropriate.

87. The Chair of the DOE/AE Coordination Forum elaborated the input received from entities for the consideration of the Board, and sought guidance from the Board on the following:

- (a) Not relevant minor changes in PDD, MP and/or MR in verification stage;
- (b) Proposal for review paragraph 57 of the CDM Accreditation Standard;
- (c) Information note on the implementation of E+/E- in the context of projects on the agenda of the fifty-third meeting of the CDM Executive Board.

88. The Board members responded to some of the questions raised by the Chair of the DOE/AE Forum.

89. The Chair of the Board thanked Mr. Jonathan Avis and stressed the need for the forum to also identify possible answers to the questions raised by the Board members, during its next interaction.

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

90. The Board took note of the update on the activities initiated in order to enhance the interaction and communication with CDM stakeholders as mandated by decision 2/CMP.5 and previous decisions of the Board.

91. The Board met with registered observers for an informal interaction on the last day of the meeting 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 webcast.

92. Observers to the fifty-fifth meeting of the Executive Board shall have registered with the secretariat by 5 July 2010. In order to ensure proper security and logistical arrangements, the Board emphasized that this deadline will be strictly enforced by the secretariat.

Agenda sub-item 5 (f): Other business

93. The Board agreed on the provisional agenda for its fifty-fifth meeting (26–30 July 2010, Bonn, Germany) as contained in [annex 38](#) to this report, with an open session on the 28–30 July 2010.

94. The Board agreed to the revised schedule of the meeting of the Board and its support structure, contained in [annex 39](#) to this report. The Board further agreed to hold an additional meeting after the fourth intersessional period (AWGs), planned to be held in October. This additional meeting will focus only on the EB report to CMP and its recommendations.

Agenda item 6. Conclusion of the meeting

95. The Chair summarized the main conclusions.

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

96. The Board noted the appointment, via electronic decision-making, of Mr. Duan Maosheng from China, as a member of the Board.

97. 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

98. The Chair closed the meeting.

Annexes to the report

Membership issues

Annex 1 - Documents related to conflict of interest

Methodologies

Annex 2 - Procedure for the submission and consideration of requests for revision of AMs and tools for large scale CDM project activities (version 01)

Annex 3 - Procedure for the submission and consideration of requests for revision of AMs and tools for A/R CDM project activities (version 01)

Small- scale

Annex 4 - AMS-II.K Installation of cogeneration or trigeneration systems supplying energy to commercial buildings (version 01)

Annex 5 - AMS-I.F Renewable electricity generation for captive use and mini-grid (version 01)

Annex 6 - AMS-II.J Demand-side activities for efficient lighting technologies (version 04)

Annex 7 - AMS-I.D Grid connected renewable electricity generation (version 16)

Annex 8 - AMS-I.A Electricity generation by the user (version 14)

Annex 9 - AMS-I.C Thermal energy production with or without electricity version (version 17)

Annex 10 - AMS-III.Z Fuel Switch, process improvement and energy efficiency in brick manufacture (version 03)



Annex 11 - AMS-III.AG Switching from high carbon intensive grid electricity to low carbon intensive fossil fuel (version 02)

Annex 12 - AMS-II.H Energy efficiency measures through centralization of utility provisions of an industrial facility (version 02)

Annex 13 - Guidelines on assessment of debundling for SSC project activities (version 03)

Annex 14 - General guidelines to SSC CDM methodologies (version 13)

Annex 15 - Guidelines for demonstrating additionality of renewable energy projects ≤ 5 MW and energy efficiency projects with energy savings ≤ 20 GWH per year (version 01)

Matters relating to the registration of CDM project activities

Annex 16 - Scope of review (registration) - Project 2524

Annex 17 - Scope of review (registration) - Project 2818

Annex 18 - Scope of review (registration) - Project 2831

Annex 19 - Scope of review (registration) - Project 2930

Annex 20 - Scope of review (registration) - Project 2932

Annex 21 - Scope of review (registration) - Project 3005

Annex 22 - Scope of review (registration) - Project 3020

Annex 23 - Scope of review (registration) - Project 3047

Annex 24 - Scope of review (registration) - Project 3079

Annex 25 - Scope of review (registration) - Project 3091

Annex 26 - Scope of review (registration) - Project 3113

Annex 27 - Procedures for withdrawal of a request for registration (version 01)

Annex 28 - Procedures for requests for registration of proposed CDM project activities (version 01)

Annex 29 - Guidelines on the registration fee schedule for proposed project activities under the clean development mechanism (version 02)

Matters relating to the issuance of CERs and the CDM registry

Annex 30 - Scope of review (issuance) - 0898

Annex 31 - Scope of review (issuance) - 1135

Annex 32 - Scope of review (issuance) - 1929

Annex 33 - Procedures for withdrawal of requests for issuance (version 01)

Annex 34 - Guidelines for completing the Monitoring Report form (CDM-MR) (version 01)

Annex 35 - Procedures for a request for issuance of CERs (version 01)



Management plan and resources for the work on the CDM

Annex 36 - Status of income and expenditure to support CDM activities during the 2010-2011 biennium (as at 27 May 2010)

Annex 37 - CDM Management Plan (CDM-MAP) 2010 (version 01)

Other matters

Annex 38 - Provisional agenda for EB55

Annex 39 - Schedule of meetings of the CDM Executive Board and its panels and working groups in 2010 (versions 03)

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Endnotes

1. If the Board ultimately decides to register the project activity, the PP/DOE shall submit a revised PDD and the corresponding validation report which incorporate the information submitted in the response to the request for review, regarding the grid emission factor, the parameters available at validation and the monitoring parameters.
2. If the Board ultimately decides to register the project activity, the PP/DOE shall submit a revised PDD and the corresponding validation report which incorporate the information submitted in the response to the request for review regarding the barrier analysis and suitability of fcap.
3. If the Board ultimately decides to register the project activity, the PP/DOE shall submit a revised PDD and the corresponding revised validation report which incorporate the information submitted in the request for review regarding the project start date and the validation of input values including the recalculation of the income tax.
4. If the Board ultimately decides to register the project activity, the PP/DOE shall submit a revised PDD and the corresponding validation report which incorporate the information submitted in the response to the request for review regarding the suitability of the Feasibility Study Report as the source of the input values to the investment analysis in line with the requirements of the VVM (version 01) paragraph 111(a).
5. If the Board ultimately decides to register the project activity, the PP/DOE shall submit a revised PDD and the corresponding validation report which incorporate the information submitted in response to the request for review regarding the suitability of input values.
6. If the Board ultimately decides to register the project activity, the PP/DOE shall submit a revised PDD and the corresponding revised validation report which incorporate the information submitted in the response to the request for review regarding the validation of the benchmark, the common practice analysis, input values for the subcritical technology, the GCV for the imported coal, the sensitivity analysis for the imported coal price, the investments made in the sub-critical coal power plants by the private and public sector in recent years, the calculation of baseline and project emissions when considering imported coal parameters and the monitoring plan. In addition, the PP/DOE shall submit a revised spreadsheet that allows replication of the calculation.
7. If the Board ultimately decides to register the project activity, the PP/DOE shall submit a revised PDD and the corresponding validation report which incorporate the information submitted in the response to the request for review regarding the suitability of input values, in particular, other O&M cost and the common practice analysis.
8. If the Board ultimately decides to register the project activity, the PP/DOE shall submit a revised PDD and the corresponding validation report which incorporate the information submitted in response to the request for review regarding the suitability of input values and the issuance of a FAR for the electricity generation.
9. If the Board ultimately decides to issue CERs, the project participant and the DOE shall submit a revised monitoring report and a corresponding verification report which incorporate the clarification provided in the request for review related to CMM baseline thermal demand and leakage
10. If the Board ultimately decides to issue CERs, the PP/DOE shall submit a revised verification report that incorporates a FAR which requires a request for revision of the monitoring plan that adjust the diagrams showing location and number of CMM flow meters (meters measuring CMM going to the grids and going to the boilers) to the actual monitoring situation prior to the next request for issuance