Annex II

Recommendations for the submission of proposed new baseline and monitoring methodologies for afforestation and reforestation project activities under the CDM

1. As stated in paragraph 4 of the report of its third meeting, the AR WG agreed on criteria to be used in the screening process to assess proposed new methodologies. The AR WG encourage project participants to take these criteria into account when preparing the submission of new methodologies, synthesized below:

(a) All the relevant forms should use the terminology of the modalities and procedures for AR under the CDM; project proponents may refer to the glossary of terms included in the guidelines for completing the project design document for afforestation and reforestation projects;

(b) Proposals should aim to be clear and concise; the understandability of the proposal is essential for its assessment; in addition, proposals should avoid the repetition of information wherever this is not needed;

(c) New methodologies should be accompanied by proper and complete supporting documentation, which increases transparency;

(d) Methodologies should aim to be standalone, i.e. a clear separation should exist between the CDM-AR-PDD and the AR methodologies;

- (e) On additionality, the following elements are of particular relevance:
 - (i) Additionality tests should include at least either a barriers or an investment analysis (does not include only a common practice analysis);
 - (ii) Clear stepwise approach is outlined in the CDM-AR-NMB (does not simply quote general guidance by the Board);
 - (iii) Clear relationship between steps is provided;

(f) Finally, baseline methodologies should provide a substantive justification of the chosen baseline approach;

2. The AR WG acknowledged the technical guidance included in the IPCC's Good Practice Guidance for LULUCF that may be relevant for projects. It encouraged project participants to use this guidance (in particular chapter 4.3) when submitting new methodologies.

3. The AR WG invited project participants to include methods to demonstrate the eligibility of lands as afforestation or reforestation project activities in section E.2 of the CDM-AR-NMB.

4. As specified by the EB at its seventeenth meeting, Project participants proposing new baseline methodologies shall ensure consistency between the determination of additionality of a project activity and the determination of a baseline scenario.

5. The AR WG noted that the more the assumptions and conditions underlying a new methodology, are outlined the less likely is its applicability to other AR projects.