

## REPORT OF THE FIFTH MEETING OF THE AFFORESTATION AND REFORESTATION WORKING GROUP

UNFCCC Headquarters, Bonn, Germany  
31 August-2 September 2005

### **A. Opening of the meeting and adoption of the agenda**

1. The Chair of the Afforestation and Reforestation Working Group (AR WG), Mr. Martin Enderlin, welcomed the new Vice-Chair of the working group, Mr. José Miguez, as Vice-Chair of the AR WG, and Mr. Lambert Schneider, as a representative of the Methodologies Panel (Meth Panel) in the AR WG, in accordance with a request by Executive Board at its nineteenth meeting.

### **B. Consideration of proposed new methodologies**

2. The AR WG considered the following proposed new AR methodologies:

ARNM0006 "Bagepalli CDM Afforestation Programme"
ARNM0007 "Moldova Soil Conservation Project"
ARNM0008 "Kikonda Forest Reserve Reforestation Project"
ARNM0009 "Rio Aquidaban Reforestation Project (RA)"
ARNM0010 "Facilitating Reforestation for Guangxi Watershed Management in Pearl River Basin"
ARNM0011 "Chocó-Manabí Corridor Reforestation and Conservation Carbon Project"

3. After considering the proposed new AR methodologies as well as the desk reviews and public inputs received, the AR WG:

(a) agreed on the final recommendations on proposals ARNM0006, ARNM0008, ARNM0009 and ARNM0011 for the consideration of the Executive Board at its twenty-first meeting. Final recommendations will be made available on the UNFCCC CDM web site: <http://cdm.unfccc.int/methodologies/ARmethodologies/publicview.html>. In particular the AR WG recommended the **non-approval** of ARNM0006, ARNM0008, ARNM0009 and ARNM0011.

(b) agreed on the **preliminary recommendation** on proposal ARNM0010. In accordance with the procedures for submission and consideration of a proposed new AR methodology, project participants would have the opportunity to provide technical clarifications on this preliminary recommendation. Preliminary recommendations for which project participants do not provide any clarification within the ten-day consultation period will be made available in the UNFCCC CDM web site: <http://cdm.unfccc.int/methodologies/ARmethodologies/publicview.html>.

(c) agreed to **continue considering** ARNM0007 at its next meeting with a view to prepare a recommendation for possible approval of the case.

4. The working group considered the structure of approved methodologies for afforestation and reforestation project activities and agreed to finalize work on it at the next AR WG meeting.

### **C. Development of simplified methodologies for small-scale afforestation and reforestation CDM project activities**

5. The working group considered the public comments received in response to the call for public inputs related to the draft simplified methodologies for small-scale afforestation and reforestation CDM project activities and agreed to recommend to the Board a revised draft of these simplified methodologies for consideration of the twenty-first meeting of the Board, as contained in annex 1 of this report.

6. While developing simplified methodologies for small-scale AR projects, the AR WG noted a need to consistently address upstream and downstream emissions resulting from the implementation of CDM project activities (e.g. emissions from the production of fertilizers). It agreed to prepare in collaboration with the Meth Panel a technical assessment of the issue with a view to prepare a recommendation for the consideration of the Board.

#### **D. Draft tool to assess and determine additionality of AR project activities**

7. The working group considered the public comments in response to the call for public inputs on the draft tool to assess and determine additionality of AR project activities and agreed to recommend a revised draft tool for assessing the additionality of AR projects for consideration of the Board at its twenty-first meeting, as contained in annex 2 of this report.

#### **E. Biomass from non-renewable sources**

8. The AR WG worked on a definition for “renewable biomass” for consideration by the Meth Panel and the small-scale working group (SSC WG). The AR WG intends to finalize its work on this definition at its next meeting. Once finalized and adopted by the Board, this definition should be included in the CDM glossary and be incorporated in the simplified baseline and monitoring methodologies for selected small-scale CDM project activities contained in appendix B of the simplified modalities and procedures for small-scale CDM project activities (SSC methodologies).

#### **F. Treatment of biomass in SSC methodologies**

9. The SSC methodologies allow small-scale CDM project activities to reduce emissions by replacing “non-renewable” biomass with a renewable energy source. In these cases, the emission reduction results from a higher level of carbon pools in the project activity compared to the baseline scenario. The AR WG noted that this is not consistent with the latest guidance by the Board on the consideration of carbon pools in CDM project activities<sup>1</sup>, which clarifies that any increases of carbon pools as a result of a CDM project activity, which does not seek to obtain tCERs or lCERs, should not be accounted in the calculation of emissions reductions. The AR WG developed a proposal for revision of the SSC methodologies for consideration by the SSC WG with the objective of resolving this issue.

10. The AR WG also noted that the use of “renewable biomass” for energy purposes may in some cases involve significant leakage effects. The SSC methodologies establish that for biomass projects leakage shall be considered. Since no further guidance is provided on how to assess and account leakage effects, the AR WG suggests developing, in collaboration with the SSC WG and the Meth Panel, a simple procedure to check whether leakage is occurring and, if significant, to account for leakage emissions.

#### **G. Reasons for non-approval of proposed new AR methodologies**

11. The working group considered the reasons for non-approval of submitted proposed new AR methodologies and agreed on an initial criteria/checklist for proposed new methodologies under consideration. It also agreed on the need to continue to work on this matter at its next meeting.

#### **H. Revision of forms**

12. Responding to the request by the Board, at its twentieth meeting, to revise its recommendation form so that succinct information for the consideration of the Board is also available, the working group agreed on a summary recommendation form “F-CDM-AR-NMSUMarwg”, as contained in annex 3 of this report. This form is to be filled in by the working group in addition to the standard recommendation form

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<sup>1</sup> Please refer to annex 8 of the report of the twentieth meeting of the Executive Board.

“F-CDM-AR-NMarwg”. It shall provide to the Board succinct information in a standardized and summarized manner on each proposed new AR methodology.

13. The working group also revised the CDM-AR-PDD in order to include the guidance and clarifications provided by the Board at its nineteenth meeting, as contained in annex 4 to this report.

14. The AR WG group agreed to recommend that there is no need to incorporate any provisions on the monitoring of environmental and socio-economic impacts on the CDM-AR-NMM as these issues are to be assessed in accordance with the existing procedures and practice in the host Parties. The AR WG requested, however, guidance from the Executive Board on the possible need to develop further detail relating to the CDM-AR-PDD on socio economic and environmental impacts.

15. The working group agreed to work further on the revisions of CDM-AR-NMB and CDM-AR-NMM and its guidelines at its next meeting.

#### **I. Accounting of non-CO<sub>2</sub> pre-project emissions**

16. Following the request by the Executive Board, the AR WG considered the accounting of non-CO<sub>2</sub> pre-project emissions and agreed to continue its deliberations at the next meeting.

#### **J. Assessment on uncertainties**

17. The working group identified the need to address uncertainties in the estimation of net anthropogenic GHG from sinks in a consistent manner. It agreed to prepare a recommendation for the consideration of the Board, in collaboration with the Meth Panel.

#### **K. Additional recommendations for guidance and clarifications**

18. The working group considered the problems usually found in the submitted proposed new methodologies for afforestation and reforestation project activities. The AR WG agreed on the following recommendations on guidance:

##### ***Ex-ante estimations of actual net GHG removals by sinks in the NMB***

(a) Submitted AR new methodologies often do not include an ex-ante calculation of the actual net GHG removals by sinks in the baseline methodology; instead, they provide only a monitoring procedure of actual net GHG removals by sinks and net anthropogenic GHG removal by sinks (which should be covered in the NMM). The project proponents are advised to be careful in this regard. The inclusion of a methodological approach for the ex-ante calculation of the actual net GHG removals is necessary in the AR-NMB.

##### ***Identification and justification of most likely baseline scenario is mixed with additionality assessment***

(b) New AR methodologies often try to identify and justify the baseline scenario as part of the additionality assessment. However, the selection of the baseline scenario and the additionality assessment should be methodologically separated.

#### **L. Additional considerations**

19. The working group had initial discussions on the eligibility of lands for afforestation and reforestation project activities and agreed to further consider this issue at its next meeting, with a view to prepare a recommendation to the Executive Board.

20. Due to time constraints, the working group could not consider the development of types of AR project activities and agreed to continue deliberations at its sixth meeting.

**M. Schedule of meetings**

21. The working group agreed on a provisional schedule for its meetings in 2005 and first part of 2006, as contained in annex 5 to this report. These meetings may be preceded by a one-day informal meeting.

**N. Roster of experts**

22. The AR WG noted the satisfactory completion of the desk reviews undertaken for proposed new methodologies for afforestation and reforestation project activities for submissions submitted at round 5.

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