

INTERNAL REPORT OF THE TENTH MEETING OF THE METHODOLOGIES PANEL
 UNFCCC Headquarters, Bonn, Germany
 27-30 April 2004

I. RECOMMENDATIONS BY THE METHODOLOGIES PANEL TO THE EXECUTIVE BOARD

A. Consideration of proposed new methodologies

1. The Methodologies Panel (Meth Panel) considered the following proposed new methodologies:

• NM0012-rev	SGS - Wigton wind farm project, Jamaica
• NM0022-rev.	DNV - Methane capture and combustion from swine manure treatment for Peralillo, Chile
• NM0024-rev	SGS - Colombia: Jepirachi windpower project
• NM0030-rev	TUEV-RHEIN - Haidergarh bagasse based co-generation power project, India
• NM0031-rev	TUEV-RHEIN - OSIL – 10 MW Waste heat recovery based captive power project, India
• NM0034-rev	TUEV-SUED - Granja Becker greenhouse gas (GHG) mitigation project, Brazil
• NM0017	SGS - Steam system efficiency improvements in refineries in Fushun, China
• NM0028	DNV - TA Sugars co-generation and fuel switch project - fuel switch component, India
• NM0036	DNV - Zafarana wind power plant project, Egypt
• NM0037	TUEV-RHEIN - Energy efficiency through installation of modified CO ₂ removal system in ammonia plant, India
• NM0038	DNV - Methane gas capture and electricity production at Chisinau wastewater treatment plant, Moldova
• NM0039	DNV – Bumibiopower methane extraction and power generation roject, Malaysia
• NM0041	KPMG - Khorat waste to energy project, Thailand
• NM0042	SGS - Energy efficiency improvements in municipal water utilities in Karnataka, India - water pumping efficiency improvement
• NM0043	SGS - Bayano Hydroelectric Expansion and Upgrade Project in Panama

• NM0044	SGS - Energy efficiency improvements in municipal water utilities in Karnataka, India - power factor improvements
• NM0045	TUEV-RHEIN - Birla Corporation Limited: CDM project for "Optimal utilization of clinker and conversion factor improvement

2. After considering the proposed new methodologies as well as desk reviews, public inputs received, the Meth Panel:

(a) Agreed on the final recommendations on proposals (NM0017, NM0022-rev, NM0028 and NM0034-rev) for the consideration of the Executive Board at its fourteenth meeting. Final recommendations will be made available in the UNFCCC CDM web site:

<http://cdm.unfccc.int/methodologies/process>. In particular the Meth Panel:

- (i) Recommended the approval of proposals NM0017, NM0022-rev and NM0028;
- (ii) Recommended the revision of proposal NM0034-rev.

(b) Agreed on the preliminary recommendations on proposals NM0037, NM0039, NM0041, NM0042 and NM0045. In accordance with the procedures for submission and consideration of a proposed new methodology, project participants would have the opportunity to provide technical clarifications on these preliminary recommendations. 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/process>.

3. The Meth Panel recognized that additional expertise on power factors would be necessary for analysis of documentation on proposal NM0044. The Meth Panel agreed to request an additional panel member to review the documentation with a view to preparing a final recommendation on this proposal at its eleventh meeting.

4. The Meth Panel did not prepare specific recommendations on proposals NM0012-rev, NM0024-rev, NM0030-rev, NM0036 and NM0043, as these cases have been considered while preparing a consolidated methodology for the project activities for renewable energy displacing grid electricity referred below.

5. Due to a lack of time at the meeting, the Meth Panel agreed that it would reconsider proposals NM0031-rev and NM0038 at its eleventh meeting.

B. Consolidation of methodologies

6. After considering approved methodologies NM0001-rev and AM0005 and proposed new methodologies NM0012-rev, NM0024-rev, NM0030-rev, NM0036 and NM0043, agreed on a recommendation for consolidation of a baseline and a monitoring methodology for methodology for project activities for renewable energy displacing grid electricity as contained in annex 1 of this report. The Meth Panel recommends that, once agreed by the Board, this consolidated methodology could replace approved methodologies NM0001-rev and AM0005. Proposed new methodologies applicable to project activities for renewable energy displacing grid electricity submitted after the adoption by the Board of a consolidated methodology could be considered in the context of revising this methodology.

7. After considering approved methodologies AM0002, AM0003, NM00010-rev and NM0021, agreed on a recommendation for consolidation of a baseline and a monitoring methodology for landfill gas project activities as contained in annex 2 of this report. The Meth Panel recommends that, once agreed by

the Board, this consolidated methodology could replace approved methodologies AM0002, AM0003, NM00010-rev and NM0021. Proposed new methodologies applicable to land fill gas project activities submitted after the adoption by the Board of a consolidated methodology could be considered in the context of revising this methodology.

8. The Meth Panel has considered a draft internal paper attempting to consolidate tools to assess additionality. Although the Meth Panel has not yet agreed on this paper, in order to further discussions at its next meeting, the Meth Panel would welcome inputs by the Board and has requested the Chair of the Meth Panel to share the draft with Board members and alternates for their comments via list serve.

C. Clarifications and or revisions to Appendix B “Indicative simplified baseline and monitoring methodologies for selected small-scale CDM project activity categories”

9. The Panel agreed on a recommendation for an additional section III. E to the Appendix B of the simplified modalities and procedures for small-scale CDM project activities on “Avoidance of methane production from biomass decay through controlled combustion” as contained in annex 3 of this report.

D. National policies

10. The Meth Panel discussed a presentation outlining types of policies and possible perverse incentives of CDM projects on these policies. The Meth Panel agreed to continue discussing the paper and to prepare a recommendation to the Board at its next meeting. The Chair will provide an oral report on progress to the Board.

E. Project activities proposing continuation of current practice

11. The Meth Panel has considered inputs by project participants of NM0029 and a draft paper outlining the scope of these activities, issues relating to the eligibility of these activities under the CDM and recommendations of possible analysis to screen whether these project activities could be implemented. The Meth Panel did not; however, reached consensus on this issue. Some considered that tools could be further developed for assessing whether these projects would reduce emissions, some considered that current tools are inadequate to demonstrate that these projects will actually reduce emissions, while others considered that these projects are conceptually inconsistent with the CDM modalities and procedures. The draft paper is being forwarded to the Board for its consideration.

F. Baseline scenario

12. The Meth Panel has agreed on a recommendation for defining baseline scenario as contained in annex 4 to this report. The definition of baseline scenario, once agreed by the Board, could be incorporate in the glossary of terms of the CDM-PDD.

II. ROSTER OF EXPERTS

13. The Meth Panel noted the satisfactory completion of the desk reviews undertaken for the submission of the proposed new methodologies considered at the meeting.
