



Standardized Baselines:  
Practitioner's Experience

**Eighth CDM Roundtable**

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# Current and recent work on standardisation

Client	Project	Year
<b>Green Resources AS</b>	Charcoal production for consumption in households and SMEs: Standardized baseline (SB): Fuel switch, technology switch and methane destruction in the charcoal sector of Uganda (ASB0002, version 01.0)	2011-2013
<b>UK Department for International Development</b>	Study - Piloting greater use of standardised approaches in the Clean Development Mechanism. "Baseline methodology for electrification of rural communities" approved as AMS-I.L.	2011-2012
<b>German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety</b>	Strategies for evolving carbon markets in African Least Developed Countries (LDCs), using standardised baselines	2012-2014
<b>Department for International Development Ethiopia Strategic Climate Institutions Programme (SCIP)</b>	Standardizing the Grid-Emissions Factor for grid-connected renewable electricity CDM Projects in Ethiopia	2012-2013
<b>German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety</b>	Standardized approaches for the determination of a non-renewable fraction in the biomass supply under the CDM. (Now amended to capacity building for DNAs on SB)	2011-2014

# Observed standardized baseline issues and challenges

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- Data collection
- Methodological challenges
- Procedural issues
- Other

# Data collection is one of the most important and most challenging components of the SB process

Challenge	Example
Difficult to find data sources	Not easily available online, need on the ground contacts, data may be split between different ministries (e.g. biomass data may be located in both Ministry of Energy and Ministry of Forestry)
Data is often inconsistent	Kilogram per person consumption of wood is different in every different report
Data is often out of date	Forestry reports in many countries are often from 10 – 15 years ago
Data is often available at an aggregated level inappropriate for the SB	Charcoal and wood consumption may be very different in different regions such as urban vs rural areas or wet vs dry regions
Industrial sector data is often highly confidential	Cement or iron & steel data is not easily accessible
Minimum services level	Difficulty to determine appropriate level

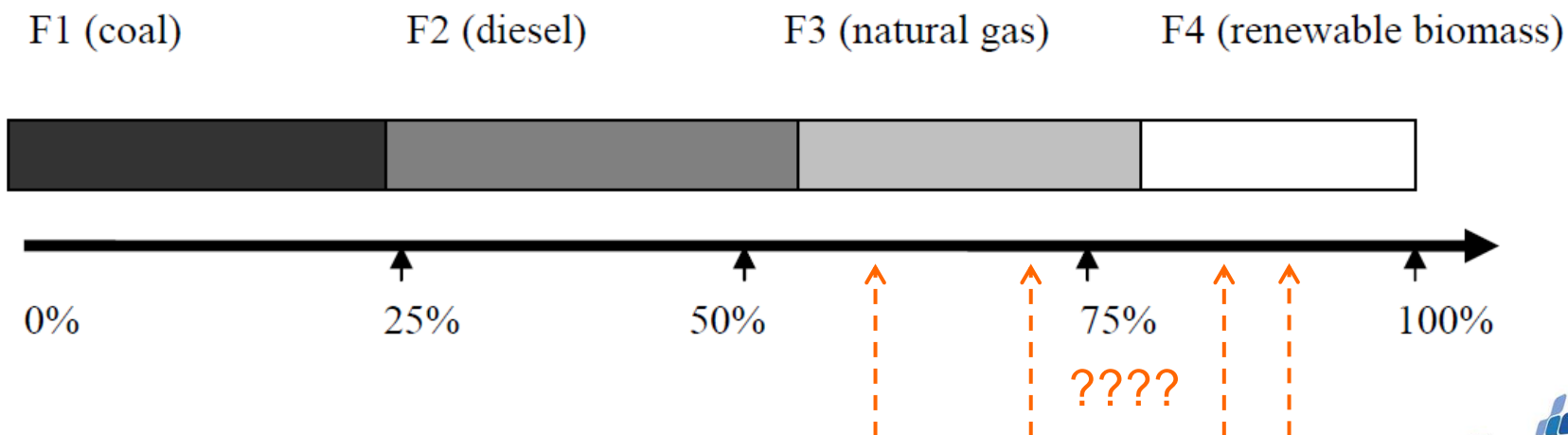
# Methodological challenges (1)

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- Sector specific guidelines are often not appropriate to all situations
- For example: **Separation of measures**
  - Measures (i) and (ii) of the guidelines (version 2.0) are:
    - (i) Fuel and feedstock switch;
    - (ii) Switch of technology with or without change of energy source (including energy efficiency improvement);
  - Which measure is appropriate for an improved cookstove standardized baseline resulting in a switch from charcoal in an unimproved cookstove to wood in an improved cookstove? Or from liquid petroleum gas (LPG) to an improved charcoal stove?
  - What about a cookstove for a charcoal SB resulting in a switch from unimproved production to an improved kiln with methane capture and use?
    - The methane component had to be dropped in the approved SB.

## Methodological challenges (2)

- Additionality and baseline **thresholds** in the sector guidelines are arbitrary
  - Is 80% or 90% appropriate? Applicable for each country?
  - Generating new thresholds with justification and no project by project data collection is extremely difficult
- How can **suppressed demand** be considered?
  - E.g. water purification
  - E.g. high hydro power in a grid but low electrification rate?



# Procedural issues

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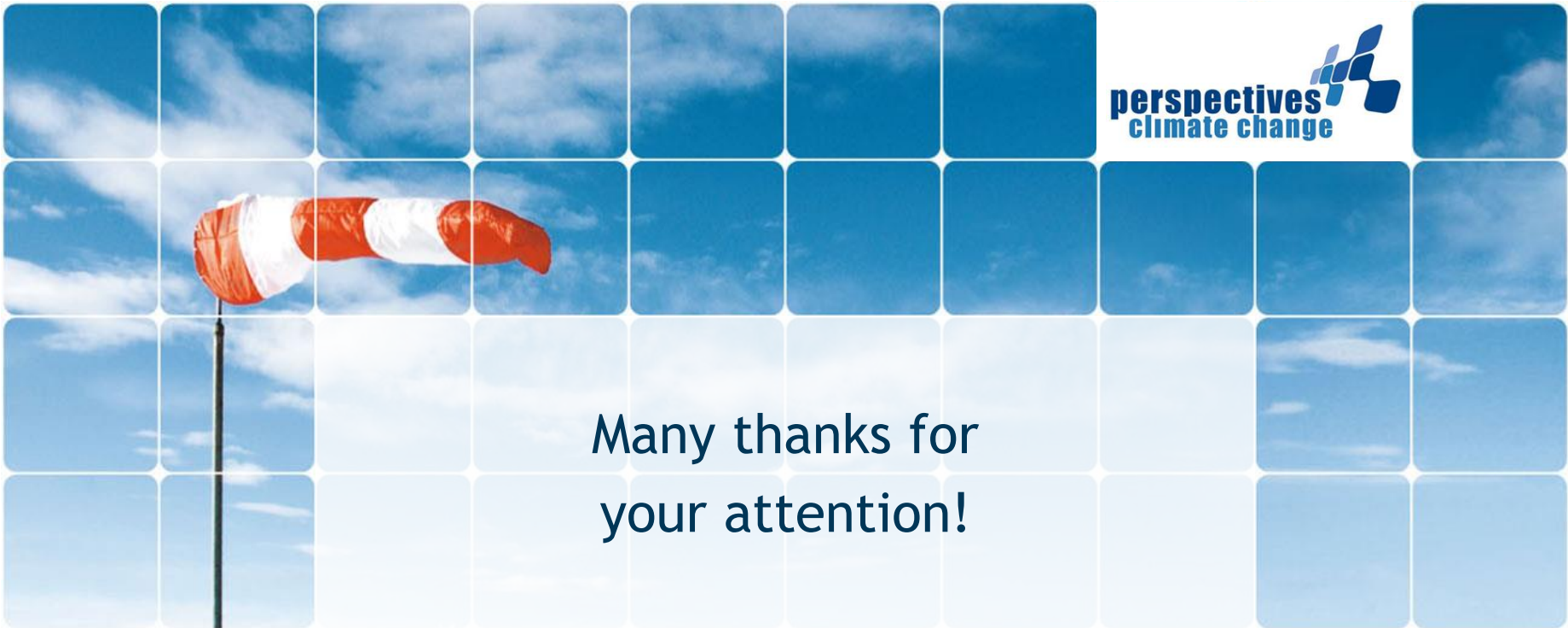
- DNA quality assurance/ quality control (QA/QC) process is very complex
  - DNAs are unfamiliar with the QA/QC process
  - QA/QC process is lengthy and complex (first draft)
  - DNAs are often unfamiliar with the sector (e.g. but SB development requires in-depth knowledge of sector, technology and practices)
  - DNAs are very busy so it is sometimes a challenge to reach them and sometimes very short time lines for replies are given
  - Costs of Designated Operational Entity assessment add to the SB development costs

# Key issues to consider and recommendations

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- Reconsider balance between **top down** and **bottom up** approach for CDM standardization
  - Bottom up currently deemed difficult, e.g. requirements for DNAs and DOEs (QA/QC)
  - Limited willingness to invest in SB development due to difficult market situation
- **Applicability** on the ground needs to be a key consideration
- More top down approach would be welcomed
  - Standardization of SSC methodologies are very well received
  - Interaction with simpler bottom-up SBs, which build on standardized methodologies
- DNA in many cases do not have the **capacity to handle SBs** and could get overburdened
- More **capacity building**, esp. for DNAs, is required
  - Training on the job seen as effective mean
  - Regional collaboration centers may be supportive





Many thanks for  
your attention!

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