

**CDM-MP62-AA**

## Annotated agenda

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# Methodologies Panel sixty-second meeting

Version 1.0

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**United Nations**  
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Climate Change

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## Annotations to the proposed agenda

### Agenda item 1. Agenda and meeting organization

#### Agenda item 1.1. Opening

1. ► **Action:** The meeting will be opened by the Chair of the Methodologies Panel (Meth Panel).

#### Agenda item 1.2. Adoption of the agenda

2. ► **Action:** The Meth Panel Chair may wish to adopt the proposed agenda for the sixty-second meeting.

*Background:* The agenda was drawn up based on submission requests, 2013 workplan of panel and working groups, top-down work and mandates from the Board.

### Agenda item 2. Governance and management matters

#### Agenda item 2.1. Membership issues

3. ► **Action:** Members of the Meth Panel may wish to provide statements on any potential conflict of interest concerning the issues on the agenda for the meeting, and take action, as appropriate.

*Background:* In accordance with paragraph 25 of the “Terms of reference of the support structure of the CDM Executive Board (version 04.0)”, “members of a panel or working group shall abide by the code of conduct of the Board, as well as by the provisions related to conflict of interest and transparency of the Board, taking into account specific confidentiality requirements. They shall declare whether they have a pecuniary or financial interest in an issue presented to them as a member of the panel or working group and refrain from participating in any discussion or decision on the issue”. Such issues include accreditation of operational entities, consideration and approval of methodologies, registration of clean development mechanism (CDM) project activities and/or the issuance of related certified emission reductions. Furthermore, Meth Panel members shall disclose any interest in any matter under discussion before the Meth Panel which may constitute a conflict of interest or which might be incompatible with the requirements of integrity and impartiality expected of a member of the Meth Panel and shall refrain from participating in the work of the Meth Panel in relation to such matter.

#### Agenda item 2.2. Performance management

4. ► **Action:** The Meth Panel may wish to take note of the update on the workplan for panels and working groups for 2014.

*Background:* The workplan specifies products and routine operations that each of the panels and working groups are requested to consider during the year and is as such applicable to the CDM Accreditation Panel (CDM-AP), the Methodologies Panel (Meth Panel), the Small Scale Working Group (SSC WG), the Carbon Dioxide Capture and

Storage Working Group (CCS WG), and the Afforestation and Reforestation Working Group (A/R WG).

### **Agenda item 2.3. Matters related to the Meth Panel**

5. ► **Action:** The Meth Panel members may wish to take note of the update on the outcomes of the EB 76 meeting.

*Background:* There has been one Board meeting (EB 76 on 4–8 November 2013) since the MP 61 meeting (7–11 October 2013).

6. ► **Action:** The Meth Panel members may wish to take note of the update on the outcomes of the SSC WG 42 meeting.

*Background:* There has been one SSC WG meeting (SSC WG 42 on 14–17 October 2013) since the MP 61 meeting (7–11 October 2013).

7. ► **Action:** The Meth Panel members may wish to take note of the update on the relevant regulatory matters in preparation of the consideration of agenda items for this meeting.

*Background:* The secretariat will brief the Meth Panel on relevant editorial revisions, fast track clarifications and fast track proposed standardized baselines finalized since the last meeting of the Meth Panel in accordance with the relevant procedures. The procedure for “Development, revision and clarification of baseline and monitoring methodologies and methodological tools (version 01.1)” is available at <<http://cdm.unfccc.int/Reference/Procedures/index.html#meth>>.

## **Agenda item 3. Regulatory matters**

### **Agenda item 3.1. Standards/tools**

8. ► **Action:** The Meth Panel may wish to provide comments on the draft standard for “Determining coverage of data and validity of standardized baselines”.

*Background:* The revision is based on a request by the Board, at its seventy-fifth meeting (EB 75 report, para. 40) to revise the draft standard for determining coverage of data and validity of standardized baselines.

9. ► **Action:** The Meth Panel may wish to provide comments on the concept note on “Mandatory or voluntary use of standardized baselines”.

*Background:* Based on the request by the Board at its seventy-fifth meeting (EB 75, para. 37) the Board requested the secretariat to prepare a concept note, in consultation with the Meth Panel, providing analysis of the following issues: (a) whether the selection of a standardized baseline should be mandatory or voluntary, particularly in the context of decision 3/CMP.6; (b) how the decision of the Board on this issue impacts various situations, such as multi-country standardized baselines, application of standardized baselines to PoAs, environmental integrity, etc.

10. ► **Action:** The Meth Panel may wish to provide comments on the concept note on “Impact of negative emission reductions on multiple issuance requests for PoAs”.

*Background:* Based on the request by the Board at its seventy-fifth meeting (EB 75 report, para. 43) the secretariat is, in consultation with the Meth Panel, exploring if and under what conditions a request for issuance for the subsequent monitoring period can be permitted before all the requests for issuance for the previous monitoring period have been submitted to assess the impacts of any negative emission reductions accruing to CPAs and provide an analysis on the applicability of the requirements for verification indicated in paragraph 64 of the annex to decision 3/CMP.1.

**Agenda item 3.1.1. Consideration of proposed new large-scale methodological standard/tools**

11. ► **Action:** The Meth Panel may wish to consider the proposed new large-scale methodologies and tools:
- (a) NM0366: Cl<sub>2</sub> recycling by catalytic oxidation of HCl instead of electrolysis of HCl aqueous solution;
  - (b) NM0367: Fossil natural gas substitution by renewable natural gas produced from the anaerobic digestion of organic waste;
  - (c) NM0368: Renewable natural gas production from vinasse anaerobic digestion;
  - (d) NM0370: Consolidated baseline and monitoring methodology for project activities using alternative raw materials that do not contain carbonates for soda ash production;
  - (e) Draft tool: Proposed new tool(s) to provide standardized approaches to set baselines in transport projects.

*Background:* New large-scale methodologies are developed based on submissions of proposed new methodologies, upon decision by the Board to develop a new methodology or as prompted by the CMP, or as suggested by a methodological panel or working group or the UNFCCC secretariat in accordance with the procedures “Development, revision and clarification of baseline and monitoring methodologies and methodological tools” (version 01.1). The methodology related procedures are available on the UNFCCC CDM website at:  
<<http://cdm.unfccc.int/Reference/Procedures/index.html#meth>>.

**Agenda item 3.1.2. Consideration of revisions of large-scale methodological standards/tools**

12. ► **Action:** The Meth Panel may wish to consider the revisions of large-scale methodologies/tools:
- (a) AM\_REV\_0251: Revision of Baseline scenarios for waste heat generation projects;
  - (b) REV\_TOOL\_0003: Revision of the tool to calculate the emission factor for an electricity system in order to improve applicability of the tool to renewable energy dominated least developed country (LDCs) electricity grids;
  - (c) AM0031: Bus rapid transit projects;
  - (d) AM0101: High speed passenger rail systems;

- (e) ACM0002: Grid-connected electricity generation from renewable sources;
- (f) ACM0008: Consolidated methodology for coal bed methane, coal mine methane and ventilation air methane capture and use for power (electrical or motive) and heat and/or destruction through flaring or flameless oxidation;
- (g) ACM0015: Consolidated baseline and monitoring methodology for project activities using alternative raw materials that do not contain carbonates for clinker production in cement kilns;
- (h) ACM0016: Mass Rapid Transit Projects;
- (i) Revised large-scale methodologies and tools to improve PoA provisions:
  - (i) ACM0014: Treatment of wastewater;
  - (ii) ACM0022: Alternative waste treatment processes;
- (j) Revised large-scale methodologies and tools for simplification and streamlining of methodologies and tools:
  - (i) AM0014: Natural gas-based package cogeneration;
  - (ii) AM0048: New cogeneration project activities supplying electricity and heat to multiple costumers;
  - (iii) AM0058: Introduction of a new primary district heating system;
  - (iv) ACM0012: Consolidated baseline methodology for GHG emission reductions from waste energy recovery projects;
  - (v) ACM0014: Treatment of wastewater;
- (k) Revised large-scale methodologies to introduce standardized approaches for additionality demonstration:
  - (i) ACM0022: Alternative waste treatment processes;
- (l) Revised large-scale methodologies to address suppressed demand:
  - (i) ACM0014: Treatment of wastewater;
- (m) Revised large-scale methodologies using standardized approaches for energy efficiency in buildings:
  - (i) AM0091: Energy efficiency technologies and fuel switching in new buildings.

*Background:* Revisions of approved large-scale methodologies are developed based on submissions of proposed revised methodologies, upon decision by the Board to revise a methodology or as prompted by the CMP, or as suggested by a methodological panel or working group or the UNFCCC secretariat in accordance with the procedures “Development, revision and clarification of baseline and monitoring methodologies and methodological tools” (version 01.1). Requests for revision submitted before 1 April 2013 are considered according to 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 01). The methodology related procedures are available on the UNFCCC CDM website at:  
<<http://cdm.unfccc.int/Reference/Procedures/index.html#meth>>.

### **Agenda item 3.1.3. Global stakeholder consultation/call for public input**

13. ► Action: The Meth Panel may wish to specify the outcomes of the meeting which will result in calls for public input.

*Background:* In accordance with the procedure “Development, revision and clarification of baseline and monitoring methodologies and methodological tools (version 01.1)”, available on the UNFCCC website at <<http://cdm.unfccc.int/Reference/Procedures/index.html#meth>> the secretariat shall make the draft recommendation from the panel or working group to the Board on top-down development of a new methodology or tool and top-down revision of approved methodologies or tools, publicly available on the UNFCCC CDM website for global stakeholder consultation for a period of 15 days. After this period, the secretariat shall make all comments received publicly available on the UNFCCC CDM website.

### **Agenda item 3.1.4. Submissions of requests for clarifications**

14. ► **Action:** The Meth Panel may wish to consider the submitted request for clarifications:
- (a) AM\_CLA\_0252: Clarification for the ex-post determination of FCH<sub>4</sub>,EL<sub>y</sub> by taking into account particular monitoring requirements as defined in item “33 a)” of ACM0001 ver. 15;
  - (b) AM\_CLA\_0253: Identification of plausible baseline scenarios and calculation of fugitive CH<sub>4</sub> emissions for CDM projects developed in countries included in the Southern African Power Pool (such as Mozambique);
  - (c) AM\_CLA\_0254: Applicability of ACM0002 to existing hydropower plants increasing electricity generation through the construction of a new reservoir;
  - (d) AM\_CLA\_0255: Revision of emission reduction calculation;
  - (e) AM\_CLA\_0256: Clarification on definition of Element Process and application of Baseline Scenarios for Heat Generation in Waste Energy Recovery Projects;
  - (f) AM\_CLA\_0257: Clarification on Annex 1 option 1 & option 2 of ACM0012 version 4.0.0;
  - (g) CLA\_TOOL\_0019: Guidance on application of investment comparison analysis and benchmark analysis based on identification of Alternative Scenarios to the WHRB based project activity;
  - (h) CLA\_TOOL\_0020: Clarification about the calibration penalty for flame detector.

*Background:* The submission of clarifications are based on the approved workplan for panel and working groups for 2013 (EB 72, annex 4), the “Consideration of requests for clarifications submitted by proponent (bottom-up process) or initiated by the Board (top-down process)” and are part of the routine operations for the Meth Panel in 2013. Requests for clarification are considered by the Meth Panel in accordance with the procedures “Development, revision and clarification of baseline and monitoring

methodologies and methodological tools” (version 01.1). The methodology related procedures are available on the UNFCCC CDM website at: <http://cdm.unfccc.int/Reference/Procedures/index.html#meth>.

### Agenda item 3.2. Guidelines

15. ► **Action:** The Meth Panel may wish to consider the revision of the “Guidelines on the assessment of investment analysis”.

*Background:* Based on the request by the Board at its seventy-fifth meeting (EB 75 report, para. 57.) the Meth Panel is requested to develop further guidance on how the cost of equity should be calculated based on “best financial practices”, including an approach for the application of financial models to determine benchmarks against which projects may be compared (e.g. capital asset pricing model (CAPM)), as well as circumstances under which the application of financial models can be considered appropriate (including but not restricted to the CAPM). The Meth Panel is further requested to update the default values in annex A of the "Guidelines on the assessment of investment analysis", taking into account the latest available data.

#### Agenda item 3.2.1. Consultation on issues related to guidelines

16. ► **Action:** The Meth Panel may wish to provide comments on the "Guidelines for the establishment of sector specific standardized baselines”.

*Background:* The revision is based on a request by the Board, at its seventy-fifth meeting (EB 75 report, para. 38) to revise the draft guidelines for development of standardized baselines.

17. ► **Action:** The Meth Panel may wish to provide comments on the concept note “Consideration of the facilities with registered CDM project activities for the development of standardized baseline”.

*Background:* Based on the request by the Board at its seventy-fifth meeting (EB 75 report, para. 38) further analysis is required for different types of sectors, including the determination of the right threshold of percentage output covered by facilities with registered CDM projects that should trigger the inclusion of such facilities when developing sector-specific standardized baselines.

### Agenda item 4. Conclusion of the meeting

18. ► **Action:** The Meth Panel may wish to approve the internal and external reports of the 62<sup>nd</sup> meeting.
19. ► **Action:** The Chair may wish to close the meeting.

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### Document information

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