

CDM-MP63-A10

Information note

Negative emission reductions in large-scale methodologies

Version 01.0



United Nations
Framework Convention on
Climate Change

COVER NOTE

1. Procedural background

1. The Executive Board (hereinafter referred to as the Board) of the clean development mechanism (CDM), at its seventy-eighth meeting, considered a concept note on further work on batched issuance requests for a project activity under a programme of activities (PoAs) and requested the secretariat to work further, as per Option 1,¹ to propose revisions to regulatory documents related to PoAs if possible in conjunction with other revisions to regulatory documents planned to be presented for the consideration of the Board at its seventy-ninth meeting. In this regard, the Board also requested the Methodologies Panel (Meth Panel) and the Small-Scale Working Group (SSC WG) to propose appropriate modifications to the regulatory documents and/or related methodologies to address the issue of negative emission reductions as per Option 1.

2. Purpose

2. The purpose of this information note is to inform the Board on the recommendation of Meth Panel on appropriate modifications to the regulatory documents and methodologies to address the issue of negative emission reductions as per Option 1.

3. Key issues and proposed solutions

3. In order to operationalize the Board's decision on batched issuance mentioned above, the Meth Panel assessed the large-scale methodologies for potential negative emission reductions and agreed to recommend the Board a list of large-scale methodologies for which current restrictions on requesting issuance in batches will continue to apply (para

¹ As contained in annex 11 of the annotated agenda of the seventy-eighth meeting of the Board: "Option 1: Under this option further flexibility with regard to issuance requests shall be limited to those methodologies where negative emission reductions cannot occur or the risk of occurrence of negative emission reductions is very low. The methodologies where the chance of negative emission reductions may be significant are excluded from requesting issuance in batches through specific provisions included in respective methodologies. Under this option, the Methodologies Panel or the Small-Scale Working Group will analyse the methodologies and identify those with a high risk of negative emission reductions and their treatment. For the rest of the methodologies, additional flexibility shall be allowed for the submission of issuance requests in batches as long as they cover only one monitoring period and are consecutive, i.e. an issuance request for a subsequent monitoring period of the CPA shall be submitted only after all issuance requests for the previous monitoring periods have been submitted. Under this option, it is proposed that paragraph 186(b) of the PCP be deleted."

192 in the “Clean development mechanism project cycle procedure” (PCP), version 6).² For the rest of the methodologies, the flexibility agreed by the Board, at its seventy-eighth meeting (EB 78 meeting report, para 31) would apply once the related provisions in the regulatory documents are revised.

4. Impacts

4. Proposed revisions will provide clarity to PoA implementers and simplifies the requirements for component project activities (CPAs) applying large-scale methodologies not affected by potential accrual of negative emission reductions.

5. Subsequent work and timelines

5. Once approved by the Board, to include the list of methodologies in Table 1 below into the relevant section of CDM Project Standard and/or CDM Project Cycle Procedure

6. Recommendations to the Board

6. The Meth Panel recommends the Board approve the list of methodologies that are not eligible for batched issuance option (agreed by the Board at its seventy-eighth meeting) and provide mandate to the secretariat to indicate the list in the “Clean development mechanism project standard” and/or “Clean development mechanism project cycle procedure” where appropriate.

² PCP, para 192: “The following applies to the requests for issuance for a PoA: (a) the request for issuance for a specified monitoring period shall either: (i) Relate to all CPAs included in the PoA; or (ii) In the case of two separate monitoring reports for a monitoring period, relate to all CPAs included in the batch of CPAs that the request covers, out of the two batches of CPAs in the PoA. In this case the same designated operational entity (DOE) shall submit the request for the two batches; (b) in the case of two separate monitoring reports for a specified monitoring period, a request for issuance for the subsequent monitoring period shall not be submitted before the CERs, tCERs or ICERs were issued for both requests for issuance for the specified monitoring period; (c) the monitoring periods shall be consecutive. A request for issuance shall relate to the CERs verified as per above.”

1. Introduction

1. The Executive Board (hereinafter referred to as the Board) of the clean development mechanism (CDM), at its seventy-eighth meeting, considered a concept note on further work on batched issuance requests for a project activity under a programme of activities (PoAs) and requested the secretariat to work further, as per Option 1,³ to propose revisions to regulatory documents related to PoAs if possible in conjunction with other revisions to regulatory documents planned to be presented for the consideration of the Board at its seventy-ninth meeting. In this regard, the Board also requested the Methodologies Panel (Meth Panel) and the Small-Scale Working Group (SSC WG) to propose appropriate modifications to the regulatory documents and/or related methodologies to address the issue of negative emission reductions as per Option 1.

2. Key issues and proposed solutions

2. In order to operationalize the Board's decision on batched issuance mentioned above, the Meth Panel assessed the approved large-scale methodologies for potential negative emission reductions and agreed to recommend the Board to exclude the approved large-scale methodologies listed in Table 1 below from using the flexibility agreed by the Board, at its seventy-eighth meeting (EB 78 report, para 31). In addition, methodologies containing specific provisions that exclude them from using the same simplified provisions for batched issuance in the PoA section within the methodology (i.e. "Project activity under a programme of activities") are also part of the Table 1 below.

Table 1. Large-scale methodologies excluded from using approaches in EB 78, para 31

	Large-scale methodologies
AM0036	Fuel switch from fossil fuels to biomass residues in heat generation equipment
AM0057	Avoided emissions from biomass wastes through use as feed stock in pulp and paper, cardboard, fibreboard or bio-oil production
AM0061	Methodology for rehabilitation and/or energy efficiency improvement in existing power plants
AM0094	Distribution of biomass based stove and/or heater for household or institutional use
AM0108	Interconnection between electricity systems for energy exchange

³ As contained in annex 11 of the annotated agenda of the seventy-eighth meeting of the Board: "Option 1: Under this option further flexibility with regard to issuance requests shall be limited to those methodologies where negative emission reductions cannot occur or the risk of occurrence of negative emission reductions is very low. The methodologies where the chance of negative emission reductions may be significant are excluded from requesting issuance in batches through specific provisions included in respective methodologies. Under this option, the Methodologies Panel or the Small-Scale Working Group will analyse the methodologies and identify those with a high risk of negative emission reductions and their treatment. For the rest of the methodologies, additional flexibility shall be allowed for the submission of issuance requests in batches as long as they cover only one monitoring period and are consecutive, i.e. an issuance request for a subsequent monitoring period of the CPA shall be submitted only after all issuance requests for the previous monitoring periods have been submitted. Under this option, it is proposed that paragraph 186(b) of the PCP be deleted."

Large-scale methodologies	
ACM0005	Increasing the blend in cement production
ACM0006	Consolidated methodology for electricity and heat generation from biomass
ACM0017	Production of biodiesel for use as fuel
ACM0018	Electricity generation from biomass residues in power-only plants
ACM0020	Co-firing of biomass residues for heat generation and/or electricity generation in grid connected power plants
ACM0022	Alternative waste treatment processes

3. In case multiple methodologies are used in a PoA, the Meth Panel was of the opinion that the PoA applying the multiple methodologies will not be eligible from using the same flexibility agreed by the Board at its seventy-eighth meeting (EB 78 meeting report, para 31), if any one of the approved methodologies in the combination is listed in Table 1 above.

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