

CDM-SSCWG46-AA

Annotated agenda

Small-Scale Working Group forty-sixth meeting

Version 2.0

Date of meeting: 27 to 30 October 2014

Place of meeting: Bonn, Germany



United Nations
Framework Convention on
Climate Change

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 Small-Scale Working Group (SSC WG).

Agenda item 1.2. Adoption of the agenda

2. ► **Action:** The SSC WG Chair may wish to adopt the proposed agenda for the forty-sixth meeting.

Background: The agenda was drawn up based on submission requests, top-down work initiated by the secretariat, requests from the SSC WG and mandates from the Board.

Agenda item 2. Governance and management matters

Agenda item 2.1. Membership issues

3. ► **Action:** Members of the SSC WG 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.

Agenda item 2.2. Performance management

4. ► **Action:** The SSC WG may wish to take note of the update on the workplan of 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 SSC WG

5. ► **Action:** The SSC WG members may want to take note of the update on the outcomes of the MP 65 meeting.

Background: There has been one Meth Panel meeting (MP 65 21–24 October 2014) since the SSC WG 45 meeting.

6. ► **Action:** The SSC WG may want to take note of the updates on relevant regulatory matters/consultancies in preparation of the consideration of agenda items for this meeting.

Background: The secretariat will brief the SSC WG on relevant editorial revisions, fast track clarifications, desk reviews, consultancies finalized since and fast track proposed standardized baselines finalized since the last meeting of the SSC WG in accordance with the procedures for “Development, revision and clarification of baseline and monitoring methodologies and methodological tools”. The relevant procedure is available on the UNFCCC CDM website at:

<<http://cdm.unfccc.int/Reference/Procedures/index.html#meth>> and the “Procedure for the submission and consideration of standardized baselines” (version 02.0) are available at <<http://cdm.unfccc.int/Reference/Procedures/index.html#meth>>.

Agenda item 3. Regulatory matters

Agenda item 3.1. Standards/tools

Agenda item 3.1.1. Consideration of proposed standardized baselines

► **Action:** The SSC WG may wish to consider the proposed standardized baseline submissions:

- (a) PSB0019: Standardized baseline for methane emissions from rice cultivation in the Republic of the Philippines.

Background: In accordance with the procedure for submission and consideration of standardized baselines, a designated national authority (DNA), may submit proposals for standardized baselines for consideration of the CDM Executive Board. The relevant procedure “Procedure for the submission and consideration of standardized baselines” (version 02.0) is available on the UNFCCC CDM website at:

<<http://cdm.unfccc.int/Reference/Procedures/index.html#meth>>.

Agenda item 3.1.2 Consideration of proposed new small-scale methodological standards/tools

7. ► **Action:** The SSC WG may wish to consider the proposed new small-scale methodologies/tools:

- (a) SSC-NM096: Supply side energy efficiency intervention through demand side reactive power compensation;
- (b) SSC-NM097: Using renewable energy sources to charge electric vehicles.

Background: New small-scale methodologies and tools 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 procedure “Development, revision and clarification of baseline and monitoring methodologies and methodological tools”, as part of the routine operation of the SSC WG. The relevant procedure is available on the UNFCCC CDM website at:
<<http://cdm.unfccc.int/Reference/Procedures/index.html#meth>>.

Agenda item 3.1.3. Consideration of revisions of methodological standards/tools

8. **► Action:** The SSC WG may wish to consider the bottom-up and top-down revisions of small-scale methodologies:
- (a) SSC_648: Revision of AMS-III.AJ.: Emission reductions through recovery of spent sulphuric acid to cover recycling of paper/cardboard;
 - (b) SSC_712: Revision of AMS-III.C.: Emission reductions by electric and hybrid vehicles to include electricity service providers to claim emission reductions and give two more options to determined specific fuel consumption for baseline vehicles;
 - (c) SSC_714: Revision of AMS-III.BB.: Electrification of communities through grid extension or construction of new mini-grids to simplify monitoring for electrification of communities through grid extension using pre-paid or flat-rate connections;
 - (d) SSC_7xx: Revision of AMS-I.L.: Electrification of rural communities using renewable energy;
 - (e) To be used in conjunction with the draft new top-down standardized baseline: “TSB0002: Brick sector emission factor for Peru”:
 - (i) Revision of AMS-III.Z.: Fuel Switch, process improvement and energy efficiency in brick manufacture;
 - (f) To be used in conjunction with the standardized baseline submission: “PSB0019: Standardized baseline for methane emissions from rice cultivation in the Republic of the Philippines”:
 - (i) AMS-III.AU.: Methane emission reduction by adjusted water management practice in rice cultivation;
 - (g) To include provisions for the potential application of the methodological tool “Project emissions from cultivation of biomass” in small-scale methodologies:
 - (i) AMS-I.B.: Mechanical energy for the user with or without electrical energy;
 - (ii) AMS-I.D.: Grid connected renewable electricity generation;
 - (iii) AMS-I.E.: Switch from non-renewable biomass for thermal applications by the user;

- (iv) AMS-I.F.: Renewable electricity generation for captive use and mini-grid;
- (v) AMS-III.A.: Offsetting of synthetic nitrogen fertilizers by inoculant application in legumes-grass rotations on acidic soils on existing cropland;
- (vi) AMS-III.AS.: Switch from fossil fuel to biomass in existing manufacturing facilities for non-energy applications;
- (vii) AMS-III.BF.: Reduction of N₂O emissions from use of Nitrogen Use Efficient (NUE) seeds that require less fertilizer application;
- (h) To include procedures for determining baseline scenarios for Greenfield/capacity expansion project activities in Type I methodologies:
 - (i) AMS-I.B.: Mechanical energy for the user with or without electrical energy;
- (i) To include eligibility criteria for PoAs:
 - (i) AMS-II.G.: Energy efficiency measures in thermal applications of non-renewable biomass;
 - (ii) AMS-I.L.: Electrification of rural communities using renewable energy;
 - (iii) AMS-III.R.: Methane recovery in agricultural activities at household/small farm level;
- (j) To simplify monitoring:
 - (i) AMS-II.G.: Energy efficiency measures in thermal applications of non-renewable biomass;
 - (ii) AMS-III.AV.: Low greenhouse gas emitting safe drinking water production systems;
- (k) To simplify and streamline methodologies:
 - (i) AMS-II.J.: Demand-side activities for efficient lighting technologies;
 - (ii) AMS-III.AR.: Substituting fossil fuel based lighting with LED/CFL lighting systems;
 - (iii) AMS-III.Q.: Waste energy recovery (gas/heat/pressure) projects;
 - (iv) AMS-III.G.: Landfill methane recovery;
 - (v) AMS-III.E.: Avoidance of methane production from decay of biomass through controlled combustion, gasification or mechanical/thermal treatment;
 - (vi) AMS-III.H.: Methane recovery in wastewater treatment;
- (l) To simplify requirements related to emission reductions and improve consistency across all fuel switching methodologies:
 - (i) AMS-III.B.: Switching fossil fuels;
- (m) To incorporate provisions to address suppressed demand:

- (i) AMS-I.B.: Mechanical energy for the user with or without electrical energy.

Background: Revisions of approved small-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). The methodology related procedures are available on the UNFCCC CDM website at:

<<http://cdm.unfccc.int/Reference/Procedures/index.html#meth>>.

Agenda item 3.1.4. Global stakeholder consultation/call for public input

9. ► **Action:** The SSC WG 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 3.1.5. Consideration of requests for clarification on small-scale methodologies

10. ► **Action:** The SSC WG may wish to consider the submitted request for clarifications:

- (a) SSC_713: Clarification on the monitoring requirements for usage days of project devices and baseline stoves under AMS-II.G.: Energy efficiency measures in thermal applications of non-renewable biomass.

Background: Requests for clarification are considered by the SSC WG in accordance with the procedure “Development, revision and clarification of baseline and monitoring methodologies and methodological tools”. The relevant procedure is available on the UNFCCC CDM website at:

<<http://cdm.unfccc.int/Reference/Procedures/index.html#meth>>.

Agenda item 3.1.8. Other issues

11. ► **Action:** The SSC WG may wish to consider an analysis of SSC methodologies for the issue of negative emission reductions related to PoAs and make a recommendation to the Board.

Background: The Board, at its seventy-eighth meeting, considered a concept note on further work on batched issuance requests for PoAs and requested the 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 of the concept note. An equivalent request was also made to the Meth Panel related to

large scale methodologies and a conclusion has been made that is unlikely to negatively impact existing PoAs while safeguarding the environmental integrity of emission reduction estimates. The secretariat proposal for addressing the small scale methodologies makes an attempt to address the issue in an objective manner without unduly burdening the project proponents (PPs).

12. ► **Action:** The SSC WG may wish to consider the revised default values of fNRB for Sudan.

Background: The Board, at its sixty-seventh meeting, considered an information note on default values of fraction of non-renewable biomass (fNRB) for 58 LDCs and SIDS (EB 67, annex 22). The Board agreed to approve the approach to calculate the fNRB values for LDCs, SIDS and Parties with 10 or less registered CDM project activities as of 31 December 2010 and the values as indicated in the information note. The Board further requested the secretariat, in consultation with the SSC WG, to continue to determine fNRB factors for Parties with 10 or less registered CDM project activities as of 31 December 2010 and recommend to the Board default values for application in these countries. Draft calculations of fNRB values for more countries have been prepared by the secretariat especially for the cases where the designated national authorities (DNAs) have been set up recently.

Agenda item 3.2. Guidelines

13. ► **Action:** The SSC WG may wish to consider the revisions of the “Guidelines on demonstrating additionality of microscale project activities” and the “Guidelines on the demonstration of additionality of small-scale project activities” to incorporate provisions for the expansion of the positive list and the graduation of the framework for positive list of technologies.

Background: The consideration of requests initiated by the Board (top-down process) is part of the routine operations of the SSC WG. The Board, at its seventy-seventh meeting, considered an information note on the expansion of the positive list of technologies, including proposals for graduation criteria, and provided guidance to the SSC WG to the on-going work on the revision of the guidelines on demonstrating additionality of small-scale and microscale project activities (EB 77, para 63).

14. ► **Action:** The SSC WG may wish to consider the revision of the “General guidelines for SSC CDM methodologies” with the aim to:
- (a) Include procedures for determining baseline scenarios for Greenfield/capacity expansion project activities;
 - (b) Include a condition that biomass agricultural residues (wood, wood product, straw) utilized for energy purposes shall not be stored longer than one year before they are used;
 - (c) Include options to reduce transaction costs related to sample-based surveys.

Background: a) The Board, at its seventy-seventh meeting, considered the proposal from the SSC WG to initiate the revision of type I methodologies to further clarify and align the baseline scenario for greenfield/capacity expansion projects in respective methodologies with the current procedure provided in the “General guidelines for SSC CDM methodologies” for determining baseline scenarios (EB 77 para 62). b) The Board,

at its seventy–ninth meeting, considered an information note from the SSC WG in relation to methane emissions from biomass storage and requested to include a condition in the “General guidelines to SSC CDM methodologies” at its next revision that biomass agricultural residues (wood, wood product, straw) utilized for energy purposes shall not be stored longer than one year before they are used (EB 79, para 51). c) The Board, at its seventy–fifth meeting, requested the SSC WG to continue exploring options to reduce transaction costs related to sample-based surveys, without compromising the environmental integrity of emission reduction estimates. In doing so, the SSC WG should assess whether it would be more appropriate to specify a survey frequency based on a period of time elapsed (e.g. one year) rather than requiring a correspondence between an issuance request and the survey conducted (EB 75, para. 60).

Agenda item 4. Conclusion of the meeting

15. ► **Action:** The SSC WG may wish to approve the internal and external reports of the 46th meeting.
16. ► **Action:** The Chair may wish to close to meeting.

Document information

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