

CDM-SSCWG53-AA

Annotated Agenda

Small-Scale Working Group fifty-third meeting

Version 01.0

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Place of meeting: Bonn, Germany



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Annotations to the proposed agenda

Agenda item 1. Agenda and meeting organization

Agenda item 1.1. Opening

1. ► **Action:** The Chair of the Small Scale Working Group (SSC WG) shall open the fifty-third meeting of the panel.

Agenda item 1.2. Adoption of the agenda

2. ► **Action:** The SSC WG may wish to adopt the proposed agenda for the fifty-third meeting.

Background: The agenda was drawn up based on submission requests, the workplan of the panels and working groups for 2017 and mandates from the clean development mechanism (CDM) Executive Board (hereinafter referred to as the Board).

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. 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.

Agenda item 2. Governance and management matters

Agenda item 2.1. Matters related to the SSC WG

4. ► **Action:** The SSC WG may wish to take note of the workplan of the SSC WG for 2017.

Background: The workplan was adopted at the 93rd meeting of the Board in February 2017 and specifies products and routine operations that each of the panels and working groups are requested to consider during the year and is applicable to the CDM Accreditation Panel (CDM-AP), the Methodologies Panel (MP), the SSC WG, the Carbon Dioxide Capture and Storage Working Group (CCS WG), and the Afforestation and Reforestation Working Group (A/R WG).

5. ► **Action:** The SSC WG may wish to take note of the update on the outcomes of the ninety-second and ninety-third meetings of the Board relevant to the work of the SSC WG.

Background: There have been two Board meetings (EB 92 in October/November 2016 and EB 93 in February 2017) since the SSC WG 52 meeting (4–6 October 2016).

6. ► **Action:** The SSC WG may wish to take note of the update to the CDM regulatory documents adopted by the Board at its ninety-third meeting (EB 93 report, Annexes 4–10).

Background: The Board, at its ninety-third meeting, adopted the new versions of the CDM project standard, the CDM validation and verification standard and the CDM project cycle procedure, applicable to project activities together with the equivalent three documents applicable to programme of activities (PoAs) and agreed to make them effective on 1 June 2017.

Agenda item 2.2. Upcoming deadlines of relevance to stakeholders

7. ► **Action:** The SSC WG members may wish to take note of the date for the 54th meeting of the SSC WG will take place on 17-20 July 2017.

Background: The calendar for meetings of the Board and meetings of panels and working groups was approved by the Board at its 93rd meeting.

8. ► **Action:** The SSC WG members may wish to set the deadline for submissions to be considered at the 54th meeting of the SSC WG.

Background: The secretariat shall publish the deadlines for the submission of proposals of new methodologies, requests for revisions and request for clarifications to be considered by the SSC WG at its next meeting. The relevant panel or working group shall make every effort to initiate the consideration of the proposal at the meeting, taking into account the priorities set by the chair of the panel or working group for that meeting.

Agenda item 3. Regulatory matters

9. ► **Action:** The SSC WG may wish to take note of the overview of the top-down and bottom-up proposed standardized baselines.

Background: The secretariat will brief the SSC WG on the status of top-down and bottom-up proposed standardized baselines. The “Procedure: Development, revision, clarification and update of standardized baselines” (version 04.0) is available at <<http://cdm.unfccc.int/Reference/Procedures/index.html#meth>>.

10. ► **Action:** The SSC WG may wish to take note of the update on relevant work carried out by consultants and desk reviews finalized since the last meeting of the panel (SSC WG 52).

Background: The secretariat will brief the SSC WG on relevant work carried out by consultants and desk reviews finalized since the last meeting of the SSC WG in accordance with the procedure “Development, revision and clarification of baseline and monitoring methodologies and methodological tools (version 02.0)” which is available at <<http://cdm.unfccc.int/Reference/Procedures/index.html#meth>>.

Agenda item 3.1. Standards/tools

11. ► **Action:** The SSC WG may wish to recommend for approval the development of standards with a methodological framework for development of standardized baselines in the sector: energy-efficient refrigerators and air-conditioners for residential application (*joint MP / SSC WG*).

Background: The Board considered a concept note on the “Development of standards with a methodological framework for two specific project types for development of standardized baselines” and approved the identified sectors for development of standards for

standardized baselines, i.e. energy-efficient appliances for residential application (e.g. air conditioners, refrigerators) and energy efficiency in buildings at EB 85 (EB 85 report, para 39). The MP at its 71st meeting (MP71 report, para 13) and the SSC WG at its 52nd meeting (SSC WG52 report, para 13) jointly considered the draft “Methodological framework for standardized baseline for energy efficient appliances - refrigerators and air conditioners” including road-testing of the approach with sector specific data from Ghana and agreed to launch a call for public inputs.

12. ► **Action:** The SSC WG may wish to initiate a discussion on the development of standards with a methodological framework for development of standardized baselines in the sector: energy efficiency in buildings (*joint MP / SSC WG*):

Background: The Board considered a concept note on the development of standards with a methodological framework for two specific project types for development of standardized baselines and approved the identified sectors for development of standards for standardized baselines, i.e. energy-efficient appliances for residential application covered under para 11 above and energy efficiency in buildings (EB 85 report, para 39). The MP at its 70th meeting (MP70 report, para 14) and the SSC WG at its 51st meeting (SSC WG51 report, para 14) jointly considered the development of standards with a methodological framework to facilitate the development of standardized baselines for energy efficiency in buildings.

13. ► **Action:** The SSC WG may wish to continue to work on the recommendation on the analysis of requirements in methodologies with regard to consideration of baseline and/or project emissions from refrigerants used in refrigeration and air conditioning equipment (*MP leading, input from SSC WG*).

Background: The work is conducted in response to the mandate given by the Board at its eighty-fifth meeting (EB85 report, para. 39), in which the Board requested the MP and SSC WG to analyse the requirements in methodologies with regard to consideration of baseline and/or project emissions from refrigerants and to propose any revisions (in accordance with requirements in EB 34 report, para 17). The MP at its seventieth meeting (MP70 report, para. 15) and the SSC WG at its fifty-first meeting (SSC WG51 report, para 15) jointly considered the analysis related to the requirements in methodologies with regard to the baseline and/or project emissions from refrigerants used in refrigeration and air conditioning equipment.

Agenda item 3.1.1. Consideration of new standardized baselines

14. ► **Action:** The SSC WG may wish to continue to work on the following standardized baselines:

- a) **ASB0002 (PSB0001):** “Fuel switch, technology switch and methane destruction in the charcoal sector of Uganda”;
- b) **PSB0020:** “Electrification of rural communities in Ethiopia using renewable energy”.
- c) **PSB0039:** “Standardized baseline for the sector of brick production in Colombia”;

Background: The proposed top-down standardized baselines are developed as part of the further development of the standardized baselines framework (EB 82 report, annex 6). The support to the development of top-down standardized baselines is included under

core activities in the approved workplan of panels and working groups for 2017 (EB 93 report, annex 2). Further information may be found at:
<<http://cdm.unfccc.int/EB/index.html>>.

Agenda item 3.1.2. Consideration of new small-scale methodologies and tools

15. ► **Action:** The SSC WG may wish to initiate discussion on the proposed new small-scale methodology **SSC-NM100**: “Emissions reduction for vehicle fleets through efficiency improvements and CO2 decomposition and reforming retrofits”.

Background: New small-scale methodologies are developed based on submissions of proposed new methodologies by stakeholders, decision by the Board, direction by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP), or recommendation by a methodological panel, working group or the UNFCCC secretariat in accordance with the procedure “Development, revision and clarification of baseline and monitoring methodologies and methodological tools” (version 02.0). The methodology related procedures are available on the UNFCCC CDM website at: <<http://cdm.unfccc.int/Reference/Procedures/index.html#meth>>.

16. ► **Action:** The SSC WG may wish to take note of the withdrawal by the submitter of **SSC-NM096**: “Supply side energy efficiency intervention through demand side reactive power compensation”.

Background: New small-scale methodologies may be withdrawn in accordance with the procedure “Development, revision and clarification of baseline and monitoring methodologies and methodological tools” (version 02.0) withdraw . 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. Consideration of revisions of small-scale methodologies and tools

17. ► **Action:** The SSC WG may wish to continue work on the following revisions of bottom-up and top-down small-scale methodologies and methodological tools:

- (a) Consolidated small-scale and microscale additionality tools with updated positive lists;
- (b) Analysis of **AMS-I.E** “Switch from non-renewable biomass for thermal applications by the user” and **AMS-II.G** “Energy efficiency measures in thermal applications of non-renewable biomass” followed by revision of the methodologies;
- (c) Analysis for inclusion of bio-ethanol for cook stoves under **AMS-I.E** “Switch from non-renewable biomass for thermal applications by the user”;
- (d) **AMS-III.Y** “Methane avoidance through separation of solids from wastewater or manure treatment systems” and **AMS-III.F** “Avoidance of methane emissions through composting” as proposed by the Board at its ninety-second meeting (EB92 report, para 46) (*SSC WG leading, MP and secretariat input*);
- (e) **AMS-III.AJ** to include recovery and recycling of metals (aluminium and steel) from municipal solid wastes (SSC_723);

(f) **AMS-III.BK** “Strategic feed supplementation in smallholder dairy sector to increase productivity” (*SSC WG leading, MP and secretariat input*);

(g) **Cost-effective monitoring**: Revision to methodologies, tools and regulations.

Background: Revisions of approved small-scale methodologies and tools are based on submissions by stakeholders of proposed revised methodologies or tools, decision by the Board, direction by the CMP, or as suggested by a methodological panel, working group or the UNFCCC secretariat in accordance with the procedure “Development, revision and clarification of baseline and monitoring methodologies and methodological tools” (version 0.2). The procedure is available on the UNFCCC CDM website at: <http://cdm.unfccc.int/Reference/Procedures/index.html#meth>. Some of the products to be finalized will receive input from the MP (as mentioned after the items above).

18. **► Action**: The MP may wish to provide input to a recommendation to approve the revision of methodological tool **TOOL 04**: “Emissions from solid waste disposal sites” (*MP leading with input from SSC WG*). The revision has been finalized by electronic means with a call for public input (17 February to 3 March 2017). Comments from the call have been taken into account in the final version presented.

Background: Revisions of approved small-scale methodologies and tools are based on submissions of proposed revised methodologies or tools, upon decision by the Board to revise a methodology or a methodological tool 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” (version 0.2). The procedure is available on the UNFCCC CDM website at: <http://cdm.unfccc.int/Reference/Procedures/index.html#meth>.

Agenda item 3.1.4. Consideration of requests for clarification of small-scale methodologies and tools

19. **► Action**: The SSC WG may wish to consider the submitted request for clarification **SSC_728**: “Clarification on baseline emissions calculations in AMS-III.AH”.

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” (version 02.0). The procedure is available on the UNFCCC CDM website at: <http://cdm.unfccc.int/Reference/Procedures/index.html#meth>.

20. **► Action**: The SSC WG may wish to take note of the outcomes of the electronic consultations related to the requests for clarification conducted as fast track:

(a) **SSC_724**: “Clarification on monitoring requirements under AMS-II.G”;

(b) **SSC_725**: “Clarification on efficiency testing for institutional improved cookstoves of different saucepan capacities under AMS-II.G”;

(c) **SSC_726**: “Clarification on the requirements to use simplified approach to test stove efficiency under AMS-II.G”;

- (d) **SSC_727:** “Clarification on the test method to demonstrate above 20% stove efficiency under AMS-II.G”;

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” (version 02.0). The procedure is available on the UNFCCC CDM website at:

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

Agenda item 3.1.5. Consultation on issues related to methodological standards/concept notes

21. ► **Action:** The SSC WG may wish to finalize the following concept notes:

- (a) Methodology-specific simplified **additionality** (positive list) (*joint secretariat, MP and SSC WG*);
- (b) **Cost-effective approaches** for monitoring: Concept note on simplified monitoring, reducing transaction costs of monitoring (*joint secretariat, MP and SSC WG*);

Background: The Board at its ninety-second meeting (EB 92 report para. 42) considered the draft revised methodology "ACM0001: Flaring or use of landfill gas", agreed not to revise the methodology and requested the secretariat, the MP and the SSC WG to prepare a concept note on how to reflect methodology specific simplified additionality (positive list) which have a validity period and require reassessment, for inclusion in a new tool. The Board at the same meeting (EB 92 report, para. 34) requested the secretariat to present a revised concept note on cost-effective approaches for monitoring taking into account the guidance provided by the Board to the MP and the SSC WG.

22. ► **Action:** The MP may wish to continue to work on the concept note on “Further work on additionality, including probabilistic approaches for additionality”; specifically on the guideline on common practice analysis and first-of-its-kind (*joint secretariat, MP and SSC WG*).

Background: This work is based on a request by the Board at its ninetieth meeting (EB 90 report para. 50) and the approved workplan for panels and working groups 2017 (EB 93, annex 2). The Board agreed to requested the secretariat, the MP and SSC WG to consider the probabilistic approach in a transparent manner while developing a positive list for certain types of technologies or project activities. With regard to common practice analysis and first-of-its-kind, the Board requested the secretariat and MP to jointly continue the work taking into account the inputs it provided, in particular assessing whether a minimum number of control group of projects would be required for comparison, and whether the same threshold should apply independently of the number of technologies in the sector.

Agenda item 3.1.6. Post-registration changes

23. No request for input to a post-registration change on small-scale methodologies has been received since the last meeting, the 52nd meeting of the SSC WG.

Agenda item 3.1.7. Deviations from approved methodologies and tools

24. No request for input to deviations from small-scale methodologies or tools has been received since the last meeting, the 52nd meeting of the SSC WG.

Agenda item 3.2. Other issues

25. ► **Action:** The SSC WG may wish to continue to work on the following recommendations.

- (a) Use of the CDM in **urban** sectors: develop guidelines to facilitate the development of CDM project activities and PoAs in the urban context (*MP leading, with secretariat and SSC WG input*);
- (b) Methodology for lightweight, two- or three-wheeled **personal transportation** infrastructure (including technologies/ measures for bicycles, electric bicycles and tricycles) (*joint secretariat, MP and SSC WG*);
- (c) Methodology for the improved operation of **public transportation** (e.g. improved transit logistics, smart traffic systems) (*joint secretariat, MP and SSC WG*).

Background: The Board in its ninetieth meeting (EB90 report, para. 52) requested the MP, in consultation with the SSC WG and the secretariat, to develop guidelines to facilitate the development of CDM project activities and PoAs in the urban context. The Board at its eighty-ninth meeting (EB89 report, paras. 33 (a-b)) agreed to initiate work on a new methodology for lightweight, two- and three-wheeled personal transportation and for the improved operation of public transportation. The MP at its seventy-first meeting (MP71 report, paras 35–36) and the SSC WG at its fifty-second meeting (SSC WG52 report, paras 36–37) initiated work on the development of guidelines to facilitate the development of CDM project activities and PoAs in the urban context and considered an outline for the new methodology covering 2–3 wheeled personal transportation including e-bikes and agreed to continue to work on the issue.

26. ► **Action:** The SSC WG may wish to finalize the revision of the method for the top-down development of fraction of non-renewable biomass (fNRB) values for recommendation to the Board.

Background: The Board at its ninetieth meeting (EB90 report, para. 58 (c)) considered the recommendations of the SSC WG in relation to the parameter fraction of non-renewable biomass (fNRB) included in methodologies AMS-I.E and AMS-II.G and agreed that the SSC WG should initiate work to propose a revision to the method for the top down development of fNRB values for the consideration by the Board. In relation to the revision of the method for top-down development of fNRB, PSB0040 “fraction of non-renewable Biomass of Benin” is currently under consideration by the MP and SSC WG members.

27. ► **Action:** The SSC WG may wish to continue work on criteria, other than unit size, to establish positive lists in conjunction with the work stream on consolidated small-scale and microscale additionality tools with updated positive lists (*joint secretariat, MP and SSC WG*);

Background: In the context of automatic additionality for distributed units for households, communities or SMEs, a 5 per cent of the small-scale threshold is defined under small-scale additionality tool (EB 85 report, para 42) requested the secretariat to assess in consultation with the SSC WG and the MP whether other criteria than unit size may be used to establish positive lists under small scale and micro scale additionality tool.

Agenda item 4. Conclusion of the meeting

28. ► **Action:** The SSC WG may wish to approve the report of the 53rd meeting.

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