

CDM-MP74

Meeting report

Methodologies Panel seventy-fourth meeting

Version 01.0

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Place of meeting: Bonn, Germany



United Nations
Framework Convention on
Climate Change

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Agenda item 1. Agenda and meeting organization

Agenda item 1.1. Opening

1. The Vice-Chair of the Methodologies Panel (MP), Mr. Piotr Dombrowicki, opened the meeting and welcomed the new members Ms. Carolyn Luce (in absentia), Mr. Kishor Rajhansa and Ms. Martha Kiwuwa Ntabadde to the MP.
2. The MP noted that the Chair, Mr. Eduardo Calvo, and MP member, Ms. Carolyn Luce, were unable to attend the meeting and provided proper justification for their absence. Table 1 below represents attendance at the meeting.

Table 1. Attendance

Chair/Vice-Chair	Members
Mr. Eduardo Calvo (Chair) (<i>did not attend</i>)	Mr. Amr Osama Abdel-Aziz
Mr. Piotr Dombrowicki (Vice-Chair)	Mr. Ambachew Admassie
	Mr. Gilberto Bandeira de Melo
	Mr. Jean-Jacques Becker
	Ms. Martha Kiwuwa Ntabadde
	Ms. Carolyn Luce (<i>did not attend</i>)
	Mr. Daniel Perczyk
	Mr. Braulio Pikman
	Mr. Kishor Rajhansa
	Mr. Sudhir Sharma
	Ms. Jessica Wade-Murphy
	Mr. Kenichiro Yamaguchi

Agenda item 1.2. Adoption of the agenda

3. The MP adopted the agenda of the meeting and agreed to add the following six items to the agenda:
 - (a) Update of standardized baseline ASB0002: "Fuel switch, technology switch and methane destruction in the charcoal sector of Uganda";
 - (b) New methodological tool: "Determination of standardized baselines for energy-efficient refrigerators and air-conditioners";
 - (c) New methodology: "Energy-efficient refrigerators and air conditioners for households";
 - (d) New methodological tool: "Calculation of the fraction of non-renewable biomass";

- (e) Revision of the “Guidelines for the establishment of sector specific standardized baselines”;
- (f) Analysis of methodologies for the application of methodological tool: “Combined tool to identify the baseline scenario and demonstrate additionality” (TOOL02).

Agenda item 2. Governance and management matters

Agenda item 2.1. Matters related to the Methodologies Panel

- 4. The MP considered information provided by members and the Vice-Chair with respect to any potential conflict of interest. The statements on conflict of interest can be viewed on the United Nations Framework Convention on Climate Change (UNFCCC) clean development mechanism (CDM) website.¹
- 5. The MP took note of the workplan of the MP for 2017, which was developed based on the mandates from the Executive Board of the CDM (hereinafter referred to as the Board).
- 6. The MP took note of the outcomes of the ninety-sixth meeting of the Board (EB 96) relevant to the MP.

Agenda item 2.1.1. Upcoming deadlines of relevance to stakeholders

- 7. The MP noted that the date for the seventy-fifth meeting (MP 75) will be tentatively decided at the ninety-seventh meeting of the Board (EB 97) and will be confirmed at the first Board meeting in 2018.
- 8. Project participants, designated national authorities and other stakeholders may note the following upcoming deadlines:
 - (a) The date for MP 75 will be tentatively decided at EB 97 and confirmed at the first Board meeting in 2018. The deadline for the submission of proposed new methodologies to be considered at MP 75 is eight weeks prior to the meeting. The deadline will be updated on the public website accordingly;²
 - (b) The deadline for the submission of requests for revision to be considered at MP 75 is eight weeks prior to the meeting, and the date for MP 75 will be tentatively decided at EB 97. The deadline will be updated on the public website accordingly;³
 - (c) The deadline for the submission of requests for clarification to be considered at MP 75 is six weeks prior to the meeting. The deadline will be updated on the public website accordingly.⁴

¹ <<https://cdm.unfccc.int/Panels/meth/index.html>>.

² <<http://cdm.unfccc.int/Projects/pac/howto/CDMProjectActivity/NewMethodology/index.html>>.

³ <<http://cdm.unfccc.int/Projects/pac/howto/CDMProjectActivity/NewMethodology/Revisions/index.html>>.

⁴ <<http://cdm.unfccc.int/Projects/pac/howto/CDMProjectActivity/NewMethodology/Clarifications/index.html>>.

Agenda item 3. Regulatory matters

9. Information on cases and their status, outcome and history is made publicly available for standardized baselines,⁵ large-scale methodologies,⁶ methodological tools and small-scale methodologies⁷ on the UNFCCC CDM website. For information related to large-scale methodologies and methodological tools, see the multiple links under the “Large-scale methodologies” heading. For information related to small-scale methodologies, see the multiple links under the “Small-scale methodologies” heading.
10. The relevant reference documents “Procedure: Development, revision, clarification and update of standardized baselines” (ver. 04.1) and “Procedure: Development, revision and clarification of baseline and monitoring methodologies and methodological tools” (ver. 02.1) are available on the UNFCCC CDM website.⁸
11. The MP took note of the overview of the top-down and proposed bottom-up standardized baselines, including potential areas for simplifying the consideration and assessment of standardized baselines.
12. The MP took note of the update on relevant work carried out by consultants and desk reviews finalized since the last meeting of the MP (MP 73).

Agenda item 3.1. Standards/tools

(a). Standards for CDM project activities and programmes of activities

13. The MP recommended that the Board approve the survey form developed as part of the mandate on cost-effective and context-appropriate approaches for monitoring, reporting and verification. The survey form is appended to the draft revised small-scale methodologies AMS-I.E and AMS-II.G, which are recommended for approval (see para. 31 below). This work is carried out jointly by the MP and the secretariat in response to the mandate from the Board at its ninety-fourth meeting (EB 94 report, para. 34).
14. The MP agreed to launch a call for public input on the information note “Draft framework for the development of a tool or guidelines to determine standardized baselines (SBLs) for energy efficiency in residential, commercial and institutional buildings”, as contained in annex 1 to this report. The public input will be taken into account when preparing the recommendation to the Board. This work is being carried out in response to the mandate from the Board at its eighty-fifth meeting (EB 85 report, para. 39).
15. The MP agreed to launch a call for public input on the information note “Draft Framework: Development of new top-down methodology for the efficient operation of public transportation system” as contained in annex 2 to this report. This work is being carried out jointly by the MP and the secretariat in response to the mandate from the Board at its eighty-ninth meeting (EB 89 report, para. 33 (b)).

⁵ <http://cdm.unfccc.int/methodologies/standard_base/index.html>.

⁶ <<http://cdm.unfccc.int/methodologies/index.html>>.

⁷ <<http://cdm.unfccc.int/methodologies/index.html>>.

⁸ <<https://cdm.unfccc.int/Reference/Procedures/index.html#meth>>.

16. The MP agreed to continue further prioritizing and selecting methodologies to revise in regard to the mandate provided by the Board at its ninety-third meeting on non-binding best practice examples (EB 93 report, annex 2).
17. The MP considered the standardized baseline listed in table 2 below and, where applicable, took external expertise and public input into account.

Table 2. Status of submissions of standardized baselines

Reference	Title	Status/ recommendations	Paragraph
ASB0002	Fuel switch, technology switch and methane destruction in the charcoal sector of Uganda	Feedback to the Board	18

18. The MP considered the Board's request made at its ninety-sixth meeting (EB 96 report, para. 29) regarding the update of the standardized baseline "ASB0002: Fuel switch, technology switch and methane destruction in the charcoal sector of Uganda" on the default value proposed for the fraction of non-renewable biomass (fNRB) and provided its feedback to the Board.

(b). Methodological standards for large-scale CDM project activities

(i). New methodologies and tools (large-scale)

19. The MP considered the new large-scale methodologies and tools listed in table 3 below and, where applicable, took external expertise and public input into account.

Table 3. Status of consideration of new large-scale methodologies and tools

Submissions/ mandate	Title	Status/ recommendations	Paragraph
EB 96 report, para. 32	Methodological tool "Determination of standardized baselines for energy-efficient refrigerators and air-conditioners" (TOOLXX)	Approval	20
EB 96 report, para. 32	Methodology AM00XX "Energy-efficient refrigerators and air-conditioners"	Approval	21

20. The MP recommended that the Board approve the new draft methodological tool “Determination of standardized baselines for energy-efficient refrigerators and air-conditioners” (TOOLXX), as contained in annex 3 to this report. This work was carried out in response to the mandate from the Board at its ninety-sixth meeting (EB 96 report, para. 32) where the Board requested the secretariat and MP to account for autonomous efficiency improvements and any differences in the size of the project appliance as compared to the baseline.
21. The MP recommended that the Board approve the draft new methodology AM00XX “Energy-efficient refrigerators and air-conditioners”, as contained in annex 4 to this report. This work was carried out in response to the mandate from the Board at its ninety-fourth meeting (EB 94 report, para. 35) to develop a new methodology that is compatible with the methodological tool “Determination of standardized baselines for energy-efficient refrigerators and air-conditioners” (TOOLXX) referred to in paragraph 20 above. The Board considered this new methodology at its ninety-sixth meeting (EB 96 report, para. 32) and requested the secretariat and the MP to account for autonomous efficiency improvements and any differences in the size of the project appliance as compared to the baseline.

(ii). Revisions to approved methodologies and tools (large-scale)

22. The MP considered the bottom-up and top-down revisions of the approved large-scale methodologies, approved methodological tools and approved consolidated methodologies listed in table 4 below and, where applicable, took external expertise and public input into account.

Table 4. Status of consideration of revisions to large-scale methodologies and tools

Issue	AM/AT	Mandate	Title of request	Status/ recommen- dation	Para- graph
Revision	AM0118 ver. 01.0	EB 92 report, para. 40	To revise AM0118 “Introduction of low resistivity power transmission line”	Approval	23
Revision	ACM0019 ver. 02.0	EB 94 report, para. 40	To revise ACM0019 “N ₂ O abatement from nitric acid production”	Approval	24
Revision	TOOL27 ver. 07.0	EB 85 report, para. 50	To revise the “Investment analysis” (TOOL27)	Approval	25
Revision	TOOL07 ver. 05.0	EB 94 report, para. 38	To revise “Tool to calculate the emission factor for an electricity system” (TOOL07)	Approval	26

23. The MP recommended that the Board approve the revision of the methodology AM0118 “Introduction of low resistance power transmission line” (ver. 01.0) as contained in annex 5 to this report. The revision was carried out in response to the mandate from the Board at its ninety-second meeting (EB 92 report, para. 40). The revision of the methodology, which takes expert input into account, amends the thresholds used for the electrical resistance of the project transmission line and baseline load curve.
24. The MP recommended that the Board approve the revision of the methodology ACM0019 “N₂O abatement from nitric acid production” (ver. 02.0), as contained in annex 6 to this report. This work was carried out in response to the mandate from the Board at its ninety-fourth meeting (EB 94 report, para. 40). The revision of the methodology clarifies the definition of the historical baseline emission factor for projects that previously applied AM0028 or AM0034 during the first crediting period.
25. The MP recommended that the Board approve the revision of the methodological tool “Investment analysis” (TOOL27) (ver. 07.0), as contained in annex 7 to this report. This work was carried out in response to the mandate from the Board at its eighty-fifth meeting (EB 85 report, para. 50). The revision updates the default values for the cost of equity in the appendix of the tool.
26. The MP recommended that the Board approve the revision of the methodological tool “Tool to calculate the emission factor for an electricity system” (TOOL07) (ver. 05.0), as contained in annex 8 to this report. This work was carried out in response to the mandate from the Board at its ninety-fourth meeting (EB 94 report, para. 38). The revision of the tool, which takes expert input into account, introduces simplified approaches for small isolated grids in small island developing States and least developed countries and enhances the clarity of the requirements related to determining transmission constraints.

(iii). Requests for clarification of methodologies and tools (large-scale)

27. The MP took note that no requests for clarification on large-scale methodologies and tools were received for consideration at this meeting.

(c). Methodological standards for small-scale CDM project activities

(i). New methodologies and tools (small-scale)

28. The MP considered the new small-scale methodologies and tools listed in table 5 below and, where applicable, took external expertise and public input into account.

Table 5. Status of consideration of new small-scale methodologies and tools

Submissions/ mandate	Title	Status/ recommendations	Paragraph
EB 96 report, para. 35	Methodological tool “Calculation of the fraction of non- renewable biomass” (TOOLXX)	Approval	29

29. The MP recommended that the Board approve the draft new methodological tool “Calculation of the fraction of non-renewable biomass” (TOOLXX), as contained in annex 9 to this report. This work was carried out in response to the mandate received from the Board at its ninetieth meeting (EB 90 report, para. 58 (c)) and ninety-sixth meeting (EB 96 report, para. 35). The tool provides guidance and a step-wise procedure to calculate fNRB values.

(ii). Revisions to approved methodologies and tools (small-scale)

30. The MP considered the bottom-up and top-down revisions of small-scale approved methodologies and approved methodological tools listed in table 6 below and, where applicable, took external expertise and public input into account.

Table 6. Status of consideration of revisions to large-scale methodologies and tools

Issue	AM/AT	Mandate	Title of request	Status/ recommen- dation	Para- graph
Revision	AMS-I.E ver. 07.0	EB 90 report, para. 59	To revise AMS-I.E “Switch from non- renewable biomass for thermal applications by the user”	Approval	31 (a)
Revision	AMS-II.G ver. 09.0	EB 90 report, para. 59	To revise AMS-II.G “Energy efficiency measures in thermal applications of non- renewable biomass”	Approval	31 (b)
Revision	AMS- III.AK ver. 02.0	EB 85 report, para. 44	To revise AMS-III.AK “Biodiesel production and use for transport applications”	Call for public input	32
Revision	AMS-I.H ver. 02.0	EB 85 report, para. 44	To revise AMS-I.H “Biodiesel production and use for energy generation in stationary applications”	Call for public input	32
Revision	TOOL021	EB 94 report, para. 47	To revise TOOL21 “Demonstration of additionality of small- scale project activities”	Call for public input	33

Issue	AM/AT	Mandate	Title of request	Status/ recommen- dation	Para- graph
Revision	AMS-III.AV ver. 05.0	EB 83 report, para. 32	To revise AMS-III.AV “Low greenhouse gas emitting safe drinking water production systems”	Work-in-progress	34
Revision	AMS-III.BK ver. 01.0	EB 89 report, para. 34	To revise AMS-III.BK “Strategic feed supplementation in smallholder dairy sector to increase productivity”	Work-in-progress	35
Revision	AMS-III.AJ ver. 06.0	EB 94 report, para. 46	To revise AMS-III.AJ “Recovery and recycling of materials from solid wastes”	Work-in-progress	36
Revision	AMS-III.BA ver. 01.0	EB 94 report, para. 46	To revise AMS-III.BA “Recovery and recycling of materials from E-waste”	Work-in-progress	36

31. The MP recommended that the Board approve the revision of the methodology AMS-I.E “Switch from non-renewable biomass for thermal applications by the user” (ver. 07.0) and AMS-II.G “Energy efficiency measures in thermal applications of non-renewable biomass” (ver. 08.0), as contained in annex 10 and annex 11 to this report. The revisions were carried out in response to the mandate from the Board at its ninetieth meeting (EB 90 report, para. 59). The revision of:

(a) AMS-I.E:

- (i) Includes example survey forms for optional use by project participants and coordinating and managing entities (see para. 13 above);
- (ii) Updates the emission factor of “substitution fuels likely to be used by similar users”;
- (iii) Refers to the new draft methodological tool “Calculation of fraction of non-renewable biomass” (see para. 29 above) and removes current requirements to determine fNRB;
- (iv) Allows inclusion of bio-ethanol for cookstoves;
- (v) Excludes project activities that install water treatment technologies as they are covered by a separate dedicated methodology;

- (b) AMS-II.G:
- (i) Includes example survey forms for optional use by project participants and coordinating and managing entities (see para. 13 above);
 - (ii) Updates the emission factor of “substitution fuels likely to be used by similar users”;
 - (iii) Refers to the new draft methodological tool “Calculation of fraction of non-renewable biomass” (see para. 29 above) and removes current requirements to determine fNRB;
 - (iv) Incorporates the responses of the Small-Scale Working Group to past clarification requests (SSC-724, SSC-725, SSC-726 and SSC-727);
32. The MP agreed to launch a call for public input on the revision of AMS-III.AK “Biodiesel production and use for transport applications” (ver. 02.0) and AMS-I.H “Biodiesel production and use for energy generation in stationary applications” (ver. 02.0), as contained in annex 12 and annex 13 to this report. The revisions were carried out in response to the mandate from the Board at its eighty-fifth meeting (EB 85 report, para. 44) to explore the broadening of the applicability of the existing methodologies beyond captive fleets, cover other biofuels and refer to the tools “Project and leakage emissions from biomass” (TOOL16) (EB 83 report, para. 44), “Project and leakage emissions from transportation of freight” (TOOL12) and “Upstream leakage emissions associated with fossil fuel use” (TOOL15) (EB 63 report, para. 82).
33. The MP and the secretariat jointly agreed to launch a call for public input on the information note “Options to replace unit size criterion in small-scale additionality in TOOL21” as contained in annex 14 to this report. The information note includes an analysis and proposal, taking expert input into account, to expand the positive list of technologies in TOOL21 and relevant small-scale methodologies (e.g. AMS-III.AR, AMS-III.AV and AMS-I.J) that include specific distributed unit technologies that would provide services to households/communities/small and medium sized enterprises. The work is being carried out in response to the mandate from the Board at its ninety-fourth meeting (EB 94 report, para. 47).
34. The MP considered the revision of the methodology AMS-III.AV “Low greenhouse gas emitting safe drinking water production systems” (ver.05.0) in response to the mandate from the Board at its eighty-third meeting (EB 83 report, para. 32) to include non-binding best practice examples in the methodology. While working on the inclusion of non-binding best practice examples, the MP identified additional elements in the methodology that need to be revised (e.g. update of the eligible technologies as per the recommendation by the World Health Organization⁹ and monitoring of the procedures for different types of technologies/measures) and recommended that the Board provide a mandate to revise the requirements in the methodology.
35. The MP agreed to continue work on the revision of the methodology AMS-III.BK “Strategic feed supplementation in smallholder dairy sector to increase productivity” (ver.01.0). The

⁹ WHO International Scheme to Evaluate Household Water Treatment Technologies, i.e. WHO, Evaluation household water treatment options: Health-based targets and microbiological performance specifications. WHO Press: Geneva, 2011.

work is being carried out in response to the mandate from the Board at its eighty-ninth meeting (EB 89 report, para. 34) as part of the work on “Exploration of methodological options for developing ‘agriculture CDM’”.

36. The MP initiated discussion on the revision of the methodologies AMS-III.AJ “Recovery and recycling of materials from solid wastes” (ver.06.0) and AMS-III.BA “Recovery and recycling of materials from E-waste” (ver.01.0). The work is being carried out in response to the mandate from the Board at its ninety-fourth meeting (EB 94 report, para. 46) to review and update the global default factors.

(iii). Requests for clarification of methodologies and tools (small-scale)

37. The MP took note that no requests for clarification on small-scale methodologies and tools were received for consideration at this meeting.

Agenda item 3.1.1. Consultation on issues related to methodological standards/concept notes

38. The MP took note that no mandates for consultation on issues related to methodological standards/concept notes were received for consideration at this meeting.

Agenda item 3.1.2. Post-registration changes

39. The MP took note that no request for post-registration changes were received for consideration at this meeting.

Agenda item 3.1.3. Deviations from approved methodologies and tools

40. The MP took note that no request for input to a deviation from approved methodologies and tools was received for consideration at this meeting.

Agenda item 3.2. Other issues

41. The MP agreed to continue work on the use of the CDM in urban sectors, including exploring tiered approaches in methodologies (as part of cost-effective monitoring, reporting and verification), developing guidelines and compiling best practice examples for programme of activity design documents. An information note for the Board outlining progress on this mandate is contained in annex 15 to this report. This work is being carried out in response to the mandate from the Board at its ninetieth meeting (EB 90 report, para. 52) and at its ninety-fourth meeting (EB 94 report, para. 34).
42. The MP initiated discussion on the revision of the “Guidelines for the establishment of sector specific standardized baselines”. This work is being carried out in response to the mandate from the Board at its ninety-sixth meeting (EB 96 report, para. 27).
43. The MP initiated discussions on the impact of the revision of the methodological tool “Combined tool to identify the baseline scenario and demonstrate additionality” (TOOL02) (ver. 07.0) in existing approved methodologies. This work is being carried out in response to the mandate from the Board at its ninety-sixth meeting (EB 96 report, para. 34) where the Board requested the MP to further elaborate the advantages and disadvantages of the two options contained in annex 7 of the MP 73 report.

Agenda item 4. Conclusion of the meeting

44. The members of the MP adopted the report of the MP 74. The report and annexes will be available on the UNFCCC website.
45. The Vice-Chair of the MP closed the meeting.

Annexes to the report

Annex 1 - Information note “Draft framework for the development of a tool or guidelines to determine standardized baselines (SBLs) for energy efficiency in residential, commercial and institutional buildings”;

Annex 2 - Information note “Draft Framework: Development of new top-down methodology for the efficient operation of public transportation system”;

Annex 3 - “Determination of standardized baselines for energy-efficient refrigerators and air-conditioners” (TOOLXX);

Annex 4 - AM00XX “Energy-efficient refrigerators and air-conditioners”;

Annex 5 - AM0118 “Introduction of low resistance power transmission line”;

Annex 6 - ACM0019 “N₂O abatement from nitric acid production”;

Annex 7 - “Investment analysis” (TOOL27);

Annex 8 - “Tool to calculate the emission factor for an electricity system” (TOOL07);

Annex 9 - “Calculation of the fraction of non-renewable biomass” (TOOLXX);

Annex 10 - AMS-I.E “Switch from non-renewable biomass for thermal applications by the user”;

Annex 11 - AMS-II.G “Energy efficiency measures in thermal applications of non-renewable biomass”;

Annex 12 - AMS-III.AK “Biodiesel production and use for transport applications”;

Annex 13 - AMS-I.H “Biodiesel production and use for energy generation in stationary applications”;

Annex 14 - Information note “Options to replace unit size criterion in small-scale additionality in TOOL21”;

Annex 15 - Information note “Use of the CDM in urban sectors”.

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