

CDM-MP75

Meeting report

Methodologies Panel seventy-fifth meeting

Version 01.0

Date of meeting: 19 to 21 March 2018

Place of meeting: Bonn, Germany



United Nations
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Agenda item 1. Agenda and meeting organization

Agenda item 1.1. Opening

1. The Chair of the Methodologies Panel (MP), Mr. Martin Enderlin, appointed by the Executive Board of the clean development mechanism (CDM) (hereinafter referred to as the Board) at its ninety-eighth meeting, opened the meeting. The members of the MP welcomed the new Chair and the new Vice-Chair, Mr. José Miguez. The members of the MP also expressed deep appreciation to the outgoing Chair, Mr. Eduardo Calvo, and Vice-Chair, Mr. Piotr Dombrowicki, for their excellent contributions to the work of the MP.
2. Table 1 below represents the attendance of members at the meeting, which was held from 19 to 21 March 2018. The names of members present at the meeting are in bold print.

Table 1. Attendance

Chair/Vice-Chair	Members
Mr. Martin Enderlin (Chair)	Mr. Amr Osama Abdel-Aziz
Mr. José Miguez (Vice-Chair)	Mr. Ambachew Admassie
	Mr. Gilberto Bandeira de Melo
	Mr. Jean-Jacques Becker
	Ms. Martha Kiwuwa Ntabadde
	Ms. Carolyn Luce
	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 item to the agenda: consideration of the top-down revision of TOOL07 “Tool to calculate the emission factor for an electricity system”.
4. The MP considered information provided by members, the Chair and 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) CDM website.

Agenda item 2. Governance and management matters

Agenda item 2.1. Matters related to the Methodologies Panel

5. The MP took note of the workplan of the MP for 2018, which was developed based on the mandates from the Board.

6. The MP took note of the outcomes of the ninety-seventh and ninety-eighth meetings of the Board (EB 97 and EB 98) that were relevant to the MP.

Agenda item 2.2. Upcoming deadlines of relevance to stakeholders

7. The MP noted that its 76th meeting (MP 76) is scheduled to be held from 5 to 8 June 2018.
8. Project participants, designated national authorities and other stakeholders may note the following upcoming deadlines:
 - (a) The deadline for the submission of proposed new methodologies to be considered at MP 76 is 10 April, i.e. eight weeks prior to the meeting;
 - (b) The deadline for the submission of requests for revision to be considered at MP 76 is 10 April, i.e. eight weeks prior to the meeting;
 - (c) The deadline for the submission of requests for clarification to be considered at MP 76 is 24 April, i.e. six weeks prior to the meeting.

Agenda item 3. Regulatory matters

9. Information on cases and their status, outcome and history is made publicly available for standardized baselines, large-scale methodologies, methodological tools and small-scale methodologies 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” and “Procedure: Development, revision and clarification of baseline and monitoring methodologies and methodological tools” are available on the UNFCCC CDM website.
11. The MP took note of the overview of the top-down and proposed bottom-up 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 74).

Agenda item 3.1. Standards/tools

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

13. The MP provided input to the concept note “Simplification of the process for the development and approval of standardized baselines”. The final concept note will be annexed to the annotated agenda of the Board’s ninety-ninth meeting. This work is mandated in the MP workplan for 2018.
14. The MP took note that no proposed standardized baselines were to be considered at this meeting.
15. The MP provided input to the issue of “Methodological expansion for recycling materials that have higher carbon footprint”. The final concept note will be annexed to the annotated

agenda of the Board's ninety-ninth meeting. This work is mandated in the MP workplan for 2018.

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

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

16. The MP considered the new draft methodological tool "Determination of standardized baselines for energy-efficiency measures in residential, commercial and institutional buildings" (TOOLXX) and agreed to continue working on the development at a future meeting. This work is being carried out in response to the mandate from the Board at its eighty-fifth meeting (EB 85 report, para. 39) for the development of standards with a methodological framework for specific project types for the development of standardized baselines.

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

17. The MP considered the top-down revision of large-scale methodologies and tools as presented in Table 2 below and, where applicable, took external expertise and public input into account.

Table 2. Status of revisions of large-scale methodologies and tools

Issue	AM/AT	Mandate	Title of request	Status	Paragraph
Revision	ACM0002	-	Expiration of positive list	Approval	18
Revision	AM0103	EB 89 report, para. 41 and EB 87 para. 46	The MP to expand the scope to make consistent with TOOL07 and to include ACM0002	Work-in-progress	19
Revision	TOOL07	-	Missing parameters	Work-in-progress	20
Revision	AM0036	EB 83 report, para. 44	Revise relevant methodologies to introduce reference to TOOL16	Call for public input	21
Revision	TOOL06	EB 85 report, para 51	Revise to include non-binding best practice examples	Seeking mandate	22
Revision	AM0042	EB 83 report, para 44	Revise relevant methodologies to introduce reference to TOOL16	Withdrawal	23
Revision	AM0082	EB 83 report, para 44	Revise relevant methodologies to introduce reference to TOOL16	Work-in-progress	24

18. The MP considered the revision of ACM0002 "Grid-connected electricity generation from renewable sources" and recommended that the Board as an interim solution extend the validity of the positive list, as referred to in paragraph 33 of the methodology, by one year.

This will allow potential project participants to continue using simplified procedures for additionality demonstration. The MP will undertake the review of potential renewable energy technologies to be included in the positive list. The review will consist of, inter alia, analysing new information on new trends related to the levelized cost of electricity generation and global penetration of potential renewable energy technologies in line with its current work on the revision to TOOL21 "Demonstration of additionality of small-scale project activities". In this regard, the MP recommended that the Board approve the revised methodology, as contained in [annex 1](#) to this report.

19. The MP considered the revision of AM0103 "Renewable energy power generation in isolated grids". The work is being carried out in response to the mandate from the Board at its eighty-ninth meeting (EB 89 report, para. 41) to expand the scope of the ongoing revision of the methodology to keep it consistent with the improvements of TOOL07 "Tool to calculate the emission factor for an electricity system". In addition, the Board, at its eighty-seventh meeting (EB 87 report, para. 46), requested the MP to include the positive list contained in the latest version of ACM0002 "Grid-connected electricity generation from renewable sources". Given that the detailed review of the positive list of technologies in ACM0002 is ongoing (see para. 18 above), the revision of AM0103 would be undertaken after the work on the positive list in ACM0002 is concluded.
20. The MP considered the revision of TOOL07 "Tool to calculate the emission factor for an electricity system". The work is being carried out as it became apparent that parameters in the tool were missing, which was discovered during the revision of AM0103 "Renewable energy power generation in isolated grids". However, given that the revision to AM0103 is delayed (see para. 19 above), the revision of TOOL07 would be undertaken when the revision of AM0103 is considered.
21. The MP agreed to launch a call for public input on the revision of the methodology AM0036 "Fuel switch from fossil fuels to biomass residues in heat generation equipment", as contained in [annex 2](#) to this report. The work is being carried out in response to the mandate from the Board at its eighty-third meeting (EB 83 report, para. 44) to incorporate TOOL16 "Project and leakage emissions from biomass" in the methodology. The public input will be taken into account when preparing the final version of the methodology to be considered by the MP at its next meeting.
22. The MP considered the revision of TOOL06 "Project emissions from flaring". The work is being carried out in response to the mandate from the Board at its eighty-fifth meeting (EB 85 report, para. 51) to include non-binding best-practice examples. While working on the inclusion of non-binding best-practice examples, the MP identified elements in TOOL06 that would benefit from revision and seeks a mandate to revise the tool to incorporate the following:
 - (a) Expand the eligibility criteria to natural gas;
 - (b) Update and align with the revised TOOL08 "Tool to determine the mass flow of a greenhouse gas in a gaseous stream";
 - (c) Better describe options B.1 and B.2 in TOOL06;
 - (d) Develop a spreadsheet/tool similar to the one developed for TOOL08.
23. The MP considered the revision of AM0042 "Grid-connected electricity generation using biomass from newly developed dedicated plantations" and agreed to recommend to the

Board that the methodology be withdrawn. The analysis concluded that the substantive provisions under this methodology are already contained in approved methodology ACM0018 “Electricity generation from biomass in power-only plants”, in addition to the fact that there are no projects registered using this methodology; thus the withdrawal of this methodology will not affect any project proponents. The work was carried out in response to the mandate from the Board at its eighty-third meeting (EB 83 report, para. 44) to incorporate TOOL16 “Project and leakage emissions from biomass” in the methodology.

24. The MP initiated discussion on the revision of AM0082 “Use of charcoal from planted renewable biomass in the iron ore reduction process through the establishment of a new iron ore reduction system” and agreed to continue working on the revision at a future meeting. The work is being carried out in response to the mandate from the Board at its eighty-third meeting (EB 83 report, para. 44) to incorporate TOOL16 “Project and leakage emissions from biomass” in the methodology.

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

25. The MP considered the requests for clarification of large-scale methodologies and tools as presented in Table 3 below.

Table 3. Requests for clarification of approved large-scale methodologies and tools

Submission number	AM/AT	Title of the request	Status
AM_CLA_0278	AM0109 (Ver. 01.0) Introduction of hot supply of direct reduced iron in electric arc furnaces	Calculation of parameter MSy	Recommended for approval
AM_CLA_0276	ACM0002 (Ver. 17.0) Grid connected electricity generation from renewable sources	Request for clarification for the multipurpose use of hydropower reservoirs under ACM0002	Recommended for approval

26. The MP considered the clarification request AM_CLA_0278 regarding methodology AM0109 “Introduction of hot supply of Direct Reduced Iron in Electric Arc Furnaces”, and clarified that for the calculation of the parameter MSy “Market share of Hot DRI technology”, the denominator in the calculation of MSy shall exclude CDM project activities which have implemented hot DRI technology. The MP recommended that the Board approve the clarification.
27. The MP considered the clarification request AM_CLA_0276 regarding the applicability of ACM0002 “Grid-connected electricity generation from renewable sources” to a hydro-power project involving multipurpose reservoir. The MP, taking into account the guidance received from the Board at its ninety-fourth meeting (EB 94 report, para. 41), clarified that ACM0002: a) does not allow apportioning of reservoir emissions based on the services delivered (e.g. power, irrigation); and b) does not include provisions to allow direct monitoring of greenhouse gas emissions from reservoirs. The MP recommended that the Board approve the clarification.

(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 as presented in Table 4 below and, where applicable, took external expertise and public input into account.

Table 4. Status of consideration of new small-scale methodologies and tools

Submission/m andate	Title	Status	Paragraph
EB 89 report, para. 33(a) and EB 96 report, para. 36	AMS.III.XX “Lightweight two and three wheeled personal transportation”	Recommend for approval	29
EB 89 report, para. 33(b)	AMS-III.XX “Efficient Operation of Public Transport”	Work in progress	30

29. The MP recommended that the Board approve the draft new methodology AMS.III.XX “Lightweight two and three wheeled personal transportation”, as contained in [annex 3](#) to this report. This work was carried out in response to the mandate received from the Board at its eighty-ninth meeting (EB 89 report, para. 33(a)). The Board had considered an earlier draft of this new methodology at its ninety-sixth meeting (EB 96 report, para. 36) and provided specific guidance to improve the methodology.
30. The MP discussed the development of the new methodology AMS-III.XX “Efficient Operation of Public Transport” and agreed to continue working on the development at a future meeting. This work is being carried out in response to the mandate from the Board at its eighty-ninth meeting (EB 89 report, para. 33(b)) for the development of a new top-down methodology for the improved operation of public transportation (e.g. improved transit logistics, smart traffic systems).

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

31. The MP considered the top-down revisions of small-scale methodologies and tools as presented in Table 5 below and, where applicable, took external expertise and public input into account.

Table 5. Status of revisions of small-scale methodologies and tools

Issue	AM/AT	Mandate	Title of request	Status	Paragraph
Revision	TOOL21	EB 94 report, para. 47	Options for replacing the unit size criterion in the positive list	Approval	32
Revision	AMS-I.E, AMS-II.G, AMS-I.J and AMS-III.AR	-	Add positive list	Seeking mandate	33

Issue	AM/AT	Mandate	Title of request	Status	Paragraph
Revision	AMS-III.AJ and AMS-III.BA	EB 94 report, para. 46	Review and update the global default factors contained in the methodologies	Call for public input	34
Revision	AMS-III.AV	EB 83 report, para. 32 and EB 97 report, para. 32	Revise AMS-III.AV to improve the accuracy of emission reduction estimation methods contained in the methodology.	Call for public input	35
Revision	AMS-III.BK	EB 89 report, para. 34	Further simplify and streamline AMS-III.BK	Call for public input	36

32. The MP recommended that the Board approve the revision of TOOL21 “Demonstration of additionality of small-scale project activities”, as contained in [annex 4](#) to this report. The work was carried out in response to the mandate from the Board at its ninety-fourth meeting (EB 94 report, para. 47), where the Board requested the MP, the SSC WG, and the secretariat to jointly explore options for replacing the unit size criterion in the positive list. The revision of the tool replaces the current 1 per cent unit size criterion for the positive list defined in paragraph 11(c) of TOOL21 with an expanded positive list of technologies.
33. In addition to proposing a revision of TOOL21, the MP recommended adding a positive list of technologies to each of the related methodologies as follows: 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”, clean and energy efficient cook stoves; AMS-I.J “Solar water heating systems (SWH)”, solar water heaters; and AMS-III.AR “Substituting fossil fuel based lighting with LED/CFL lighting systems”, solar lamps. In regard to the conditions under which the positive lists in these four methodologies would be applicable, the MP proposed the following:
- (a) Where technologies are implemented in least-developed countries (LDCs), small island developing states (SIDs) or in special underdeveloped zones (SUZ), no further check is required;
 - (b) For countries/regions other than LDCs/SIDs/SUZ, it would need to be demonstrated that the market penetration rate of the technology is less than or equal to 5 per cent, in which case the technologies would qualify for the positive list.
34. The MP agreed to launch a call for public input on the revision of the methodologies AMS-III.AJ “Recovery and recycling of materials from solid wastes” and AMS-III.BA “Recovery and recycling of materials from E-waste”, as contained in [annex 5](#) and [annex 6](#), respectively, to this report. These revisions are 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 contained in these methodologies, taking into account

recent publications and scientific information. The public input will be taken into account when preparing the final version of the methodologies to be presented to the Board at a future meeting.

35. The MP agreed to launch a call for public input on the revision of AMS-III.AV “Low greenhouse gas emitting safe drinking water production systems”, as contained in [annex 7](#) to this report. The revision is being carried out 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. The MP sought an additional mandate regarding this methodology and the Board subsequently, at its ninety-seventh meeting (EB 97 report, para. 32), requested the MP to improve the accuracy of emission reduction estimation methods contained in the methodology. The public input will be taken into account when preparing the final version of the methodology to be presented to the Board at a future meeting.
36. The MP agreed to launch a call for public input on the revision of AMS-III.BK “Strategic feed supplementation in smallholder dairy sector to increase productivity”. The revisions are outlined in the Information Note “Revision to AMS-III.BK: Strategic feed supplementation in smallholder dairy sector to increase productivity”, as contained in [annex 8](#) to this report. The work is being carried out in response to the mandate from the Board at its eighty-ninth meeting (EB 89 report, para. 34) to further simplify and streamline AMS-III.BK. The public input will be taken into account when preparing the final version of the methodology to be presented to the Board at a future meeting.

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

37. The MP considered the clarification request SSC_731 regarding AMS-I.C “Thermal energy production with or without electricity” and clarified that the approach from ISO 6976 can be used to replace missing information from existing boilers in capacity addition projects. Therefore, the approach proposed by the submitter is acceptable. The MP recommended that the Board approve the clarification.

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 and the secretariat jointly recommended that the Board consider the concept note “Changes in the CDM project activity, PoA¹ or CPA² to be allowed as Post Registration Changes”. The final concept note will be annexed to the annotated agenda of the Board’s ninety-ninth meeting. This work was carried out in response to the mandate from the Board at its ninetieth meeting (EB 90 report, para. 61). The Board considered the concept note at its ninety-sixth meeting (EB 96 report, para. 23) and provided further guidance. Three inputs were received in response to the call for public input on this concept note and taken into consideration.
42. The MP agreed to launch a call for public input on the revision the “Guidelines for the establishment of sector specific standardized baselines”, as contained in [annex 9](#) to this report. The revision is being carried out in response to the mandate from the Board at its eighty-ninth meeting (EB 89 report, para. 37) to incorporate clarifying elements into the guidelines. The Board considered a revision of the guidelines at its ninety-sixth meeting (EB 96 report, para. 27) and requested the MP to undertake further work on this item based on the guidance provided. The public input will be taken into account when preparing the final version of the guidelines to be presented to the Board at a future meeting.
43. The MP recommended that the Board consider the concept note “Further prioritise methodologies for revision to include non-binding best practice examples”, as contained in [annex 10](#) to this report. This work was carried out in response to the mandate from the Board at its eighty-third meeting (EB 83 report, para. 32), where the Board decided on the work for non-binding best-practice examples in methodologies.
44. The MP recommended that the Board consider the information note “Analysis on methodologies for application of the combined tool”, as contained in [annex 11](#) to this report. This work was carried out in response to the mandate received from the Board at its ninety-second meeting (EB 92 report, para. 35). The Board considered this issue at its ninety-sixth meeting (EB 96 report, para. 34) and requested the MP to further elaborate the advantages and disadvantages of the two options contained in annex 7 to the MP’s 73rd report.
45. The MP agreed to continue work on the use of the CDM in urban sectors. 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). The work covers three streams of work:
 - (a) Guidelines for developing CDM projects in the urban context;
 - (b) Best-practice examples for inclusion in a PoA-design document template;
 - (c) Standardization of parameters.

¹ Programme of activities

² Component project activity

Agenda item 4. Conclusion of the meeting

46. The members of the MP adopted the report of MP 75. The report and annexes will be available on the UNFCCC CDM website.
47. The Chair of the MP closed the meeting.

Annexes to the report

- Annex 1 - ACM0002: Grid-connected electricity generation from renewable sources
- Annex 2 - AM0036: Fuel switch from fossil fuels to biomass residues in heat generation equipment
- Annex 3 - AMS.III.XX: Lightweight two and three wheeled personal transportation
- Annex 4 - TOOL21: Demonstration of additionality of small-scale project activities
- Annex 5 - AMS-III.AJ: Recovery and recycling of materials from solid wastes
- Annex 6 - AMS-III.BA: Recovery and recycling of materials from E-waste
- Annex 7 - AMS-III.AV: Low greenhouse gas emitting safe drinking water production systems
- Annex 8 - Information Note: Revision to AMS-III.BK: Strategic feed supplementation in smallholder dairy sector to increase productivity
- Annex 9 - Guidelines for the establishment of sector specific standardized baselines
- Annex 10 - Concept note: Further prioritise methodologies for revision to include non-binding best practice examples
- Annex 11 - Information note: Analysis on methodologies for application of the combined tool

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Document information

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