

CDM-MP77-A02

Draft Methodological tool

TOOLXX: Positive lists of technologies

Version 01.0

DRAFT



United Nations
Framework Convention on
Climate Change

COVER NOTE

1. Procedural background

1. At its ninety-ninth meeting, the Executive Board of the clean development mechanism (CDM) (hereinafter referred to as the Board), in the context of its consideration of the draft revised methodology “ACM0002: Grid-connected electricity generation from renewable sources”, requested the Methodologies Panel (MP) to prepare a concept note including options for updating positive lists of technologies contained in methodologies (positive list), addressing issues such as grace period of the methodology version, process and criteria for updating the positive list.
2. Further, at its hundredth meeting, the Board considered the concept note on the assessment of positive lists of technologies including their update.¹ The Board requested the MP to propose a draft tool, that includes positive lists with an expiry date as listed under Group 1 in the concept note. In doing so, the MP shall assess which of the methodologies listed under paragraph 6 of the concept note should be included in the proposed tool. Also, the draft tool should indicate expiry dates and specify in an annex the process, criteria and timelines for the update of the positive lists.

2. Purpose

3. This draft methodological tool addresses periodic assessment and update of the positive lists contained in the methodologies in cases where the Board has determined that such assessments would be necessary. It proposes a new regulatory document for addressing the mandate provided by the Board as mentioned in paragraph 2 above.

3. Key issues and proposed solutions

3.1. Positive list in specific methodologies

4. The MP assessed the methodologies listed under paragraph 6 of the concept note (Group 1 methodologies) and agreed to further classify as;
 - (a) **Category 1 – Methane recovery from solid waste and waste-water:** contains four methodologies i.e. ACM0001, ACM0014, AMS-III.G and AMS-III.H wherein the positive lists are dependent on (lack of enforcement of) regulations at the host country, for example, regulations related to flaring of methane from landfills or waste water treatment plants. Additionally, cost of technologies relative to size is also used as a criterion in this case.
 - (b) **Category 2 – Energy efficient lighting technologies:** contains three methodologies i.e. AM0113, AMS-II.C and AMS-II.J wherein the positive lists are based on a database developed by UN Environment depicting the status of

¹ MP 76 report, Annex 18 “Concept note: Assessment of positive lists of technologies including their update” available at <https://cdm.unfccc.int/Panels/meth/index.html>.

implementation of policies for efficient lighting.² The rationale for a project activity's automatic additionality, in this case is, if a country has no or only limited lighting efficiency regulations as per the database when the PDD is published for global stakeholder consultation, the project activity is deemed automatically additional;

- (c) **Category 3 – Energy efficient technologies:** contains two methodologies, i.e., AM0116 and AMS-II.S wherein the positive list indicates a specific technology;
 - (d) **Category 4 – Renewable energy technologies:** contains two methodologies AM0103 and ACM0002 wherein the positive list is based on cost and penetration of the renewable energy technologies.
5. The MP analysed the above categories and agreed to recommend as follows concerning the migration of the positive list:
- (a) **Category 1** (ACM0001, ACM0014, AMS-III.G and AMS-III.H): The MP recommends to migrate the positive lists contained in category 1 methodologies to the proposed tool as the parameters considered for the analysis (e.g., cost of technology relative to its size) may change over a period;
 - (b) **Category 2** (AM0113, AMS-II.C and AMS-II.J): The MP noted that the positive lists in these methodologies have already expired. Based on a brief review of publicly available information, the MP noted that the penetration rate of CFLs and LED lights are rapidly increasing in non-Annex I countries. The MP agreed that the conventional methods of additionality demonstration may be more appropriate in this case and hence agreed neither to recommend inclusion of category 2 in the new tool, nor to propose extension of the validity of the positive lists in this case;
 - (c) **Category 3** (AM0116 and AMS-II.S):
 - (i) AMS-II.S: The MP noted that the positive list has expired. The MP agreed not to include this positive list in the proposed tool as it could not conclude the analysis. Further assessment of related information (e.g. cost, penetration as applicable to non-Annex I and taking into account size thresholds) will be required to conclude the analysis regarding positive list;
 - (ii) AM0116: The MP noted that the positive list in this methodology is valid to 26 November 2018. The MP agreed not to include this positive list in the proposed tool as it could not conclude the analysis related to cost and penetration of e-taxiing technology in non-Annex I countries. Further assessment of related information will be required to conclude the analysis regarding positive list;
 - (d) **Category 4** (AM0103 and ACM0002): The MP noted that the Board, at its one-hundredth meeting, extended the positive list in “ACM0002: Grid-connected electricity generation from renewable sources” and “AM0103: Renewable energy power generation in isolated grids” up to 30 August 2020. The MP also noted that the Board at the same meeting tasked the MP to prepare an information note containing an analysis on levelised cost of electricity generation and penetration rates of different types of grid-connected solar PV and on-shore wind technologies

² <<http://map.enlighten-initiative.org/>>.

as compared to equivalent fossil fuel technologies, from non-Annex I countries (EB 100 report, para. 41). Therefore, the MP recommended not to include these technologies in the new tool now but to consider their inclusion at a later date based on the guidance that will be received from the Board.

4. Impacts

6. The draft methodological tool will simplify the process for updating positive lists within methodologies. The work does not foresee any cost implications for stakeholders.

5. Subsequent work and timelines

7. The following methodologies need to be revised to include reference to this draft tool.
 - (a) ACM0001: Flaring or use of landfill gas;
 - (b) ACM0014: Treatment of wastewater;
 - (c) AMS-III.G: Landfill methane recovery; and
 - (d) AMS-III.H: Methane recovery in wastewater treatment.

6. Recommendations to the Board

8. The MP recommends the Board to approve the draft methodological tool and provide a mandate to revise the methodologies as mentioned under section 5 above.

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1. Introduction

1. This methodological tool provides positive lists of technologies that are automatically additional.

2. Scope, applicability, and entry into force

2.1. Scope

2. This methodological tool provides positive lists of technologies that are automatically additional for a CDM project activity or CDM programme of activity.
3. The methodological tool specifies the validity, process for update and timelines for the update of the positive list (see appendix of this document).

2.2. Applicability

4. The use of the methodological tool “Positive lists of technologies” is not mandatory for the project participants while demonstrating additionality of the CDM project activity or CDM programme of activity (hereinafter referred as project activity).
5. The methodological tool shall be applied in conjunction with a small-scale or large-scale methodology which refers to this tool.
6. The positive list as contained in section 5 of this tool is valid up to **XX November 2021** [i.e. three years from the date of adoption of this tool by the Board].

2.3. Entry into force

7. The date of entry into force is the date of the publication of the EB **XX** meeting report on **DD Month YYYY**.

3. Normative references

8. The project participants shall follow the applicable provisions for the demonstration of additionality as provided in following documents:
 - (a) “CDM project standard for project activities”;
 - (b) “CDM project standard for programme of activities”.

4. Definitions

9. The definitions contained in the Glossary of CDM terms shall apply.
10. For the purpose of this methodological tool, the following definitions apply:
 - (a) **Positive list** - is a list of emission reduction activities that are considered automatically additional under certain conditions (e.g. location, type of technology/measure, size).

5. Simplified procedure for additionality demonstration

5.1. Positive list of technologies

5.1.1. Waste handling and disposal

5.1.1.1. Landfill gas recovery and its gainful use

11. The following types of project activities at new or existing landfills (greenfield or brownfield) are deemed automatically additional, if prior to the implementation of the project activity the landfill gas (LFG) was or would have been only vented and/or flared but not utilized for energy generation:
 - (a) The LFG is used to generate electricity in one or several power plants with a total nameplate capacity that equals or is below 10 MW;
 - (b) The LFG is used to generate heat for internal or external consumption;
 - (c) The LFG is flared.

5.1.1.2. Methane recovery in wastewater treatment

12. The following types of project activities in an existing facility are deemed automatically additional if it can be demonstrated that all of the following conditions are met:
 - (a) The existing treatment system is an anaerobic lagoon and the wastewater discharged meets the host country legislation;
 - (b) There is no regulation in the host country that requires the management of biogas from domestic, industrial and agricultural sites;
 - (c) There is no capacity increase of the wastewater treatment system;
 - (d) No other alternative economic activity is expected to be undertaken on the land of the existing lagoon;
 - (e) If the biogas is used to generate electricity in one or several power plants, the total nameplate capacity is below 5 MW.

Appendix. The update of the positive lists

1. Process, criteria and timeline for the update of the positive list

1. The Methodologies Panel (MP) shall initiate the analysis of the positive list of technologies, 240 days prior to the expiry date of this tool.
2. The MP shall review the information on cost, penetration rates and other related information (e.g. regulations) pertaining to the positive list of technologies and comparable alternatives that are applicable to non-Annex I countries taking into account size thresholds and present the analysis for the consideration by the Board.
3. The Board shall decide on the continuation or graduation of the positive list of technologies.
4. The Board may include additional technologies to the positive list in this tool at any point in time. In such cases, the validity of the technologies added is limited to the remaining validity period of the tool¹ and those technologies are subject to review as indicated in paragraph 1 to 3 above.
5. Stakeholders may propose addition of technologies to this tool following the requirements provided under section 6 'Revision of approved methodology or methodological tool' of the "Procedure: Development, revision and clarification of baseline and monitoring methodologies and methodological tools".
6. The validity of new, revised and previous versions of this tool remain in line with the requirements provided under section 7 'Validity of new, revised and previous versions' of the "Procedure: Development, revision and clarification of baseline and monitoring methodologies and methodological tools".

Document information

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01.0	18 October 2018	MP 77, Annex 2 To be considered by the Board at EB101.

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¹ For example, the current version of the tool is valid for three years from the date of approval by the Board (29 Nov. 2018), meaning the current positive list will be valid up to 30 Nov. 2021. If the Board approves the inclusion of additional technologies to this tool on 29 November 2019, the additional technologies will only remain valid up to 30 Nov. 2021.