## CDM-MP83

# Meeting report

# Methodologies Panel eighty-third meeting

Version 01.0

Date of meeting: 2 to 9 November 2020\*

Place of meeting: Virtual

<sup>\*</sup> The meeting (held virtually) comprised of an opening plenary (2 and 3 November) and a closing plenary (6 and 9 November). As per the practice of the Methodologies Panel (MP), the MP members also participated in small group meetings on various agenda items for in-depth discussions held virtually on 4 and 5 November 2020.



**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 Chair of the Methodologies Panel (MP), Mr. Frank Wolke, opened the meeting.
- 2. The MP took note of the resignation of Mr. Gilberto Bandeira de Melo, as member of the MP and showed its deep appreciation for more than 16 years of his outstanding service to the work of the MP and the Small-Scale Working Group.
- 3. Table 1 below represents attendance at the virtual meeting, which was held from 2 to 9 November 2020. Names in bold print represent presence at the meeting.

Chair/Vice-Chair	Members
Mr. Frank Wolke (Chair)	Mr. Amr Osama Abdel-Aziz
Mr. José Domingos Miguez (Vice-Chair)	Mr. Braulio Pikman
	Ms. Gbemi Cassandra Jayesimi
	Mr. Jean-Jacques Becker
	Ms. Jessica Wade-Murphy
	Mr. Kenichiro Yamaguchi
	Mr. Kishor Rajhansa
	Ms. Martha Kiwuwa Ntabadde
	Mr. Sudhir Sharma
	Mr. Thomas Grammig
	Ms. Yuko Nagata

#### Table 1. Attendance

## Agenda item 1.2. Adoption of the agenda

- 4. The MP adopted the agenda of the meeting.
- 5. The MP considered information provided by members, the Chair and the Vice-Chair, with respect to any potential conflict of interest. Statements on conflict of interest can be viewed on the UNFCCC Clean Development Mechanism (CDM) website<sup>1</sup>.

# Agenda item 2. Governance and management matters

## Agenda item 2.1. Matters related to the Methodologies Panel

6. The MP took note of the outcomes of the 107<sup>th</sup> meeting of the CDM Executive Board (hereinafter referred to as the Board) that were relevant to the MP.

<sup>&</sup>lt;sup>1</sup> <u>https://cdm.unfccc.int/Panels/meth/index.html</u>.

## Agenda item 2.2. Upcoming deadlines of relevance to stakeholders

- 7. The MP took note that the dates of its eighty-fourth meeting (MP 84) will be decided at the 108<sup>th</sup> meeting of the Board in December 2020.
- 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 84 is eight weeks prior to the meeting;
  - (b) The deadline for the submission of requests for revision to be considered at MP 84 is eight weeks prior to the meeting;
  - (c) The deadline for the submission of requests for clarification to be considered at MP 84 is six weeks prior to the meeting.

# Agenda item 3. Regulatory matters

- 9. Information on cases, including their status, outcome and history, is made publicly available for standardized baselines (SBs), large-scale methodologies, methodological tools and small-scale methodologies on the UNFCCC CDM website.<sup>2</sup> For information related to large-scale 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.<sup>3</sup>
- 11. The MP took note of the update on the relevant regulatory matters finalized since the last meeting of the MP (MP 82):
  - (a) Fast track clarifications:
    - (i) CLA\_TOOL\_0038: Clarification on MAI values under TOOL30;
    - (ii) CLA\_TOOL\_0039: Clarification on the MAI value for other wooded land areas and the change of the fNRB value used in included CPAs under TOOL30;
    - (iii) CLA\_TOOL\_0041: Clarification on inclusion of energy efficient cookstoves under Type III for automatic additionality;
    - (iv) SSC\_788: Whether CNSL (Cashew nutshell liquid) is renewable biomass in scope of AMS-I.C;

<sup>&</sup>lt;sup>2</sup> <u>https://cdm.unfccc.int/methodologies/index.html</u>.

<sup>&</sup>lt;sup>3</sup> <u>https://cdm.unfccc.int/Reference/Procedures/index.html</u>.

- (v) SSC\_789: Clarification on the default schedule of linear decrease in efficiency under AMS-II.G;
- (vi) SSC\_792: Clarification on the calculation of the quantity of purified water for schools under AMS-III.AV;
- (vii) SSC\_793: Clarification on the applicability of national standards comprised of physical, chemical and microbiological standards under AMS-III.AV;
- (viii) SSC\_794: Clarification of AMS-I.E. regarding the displacement of charcoal, emissions of project fuel, and fNRB default;
- (ix) SSC\_795: Applicability of a default value of 3 litres for a student in a school (Parameter: QPWpp) under AMS-III.AV;
- (b) Relevant work carried out by consultants;
- (c) Desk reviews.

## Agenda item 3.1. Standards/tools

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

12. The MP considered the draft standardized baselines as presented in table 2 below.

Table 2.	Status of the standarized baselines	
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Туре	Submission	Title	Status	Paragraph
Standardized baseline – top-down request	TSB0015	Baseline woody biomass consumption and fNRB for household cookstoves in Myanmar	Work in progress	13

- 13. The MP considered the draft SB "TSB0015: Baseline woody biomass consumption and fNRB for household cookstoves in Myanmar" and agreed to seek further input from the Designated National Authority (DNA). The work is based on the approval from the Board at its 102<sup>nd</sup> meeting on the request by the DNA of Myanmar to develop a top-down SB. The SB is to provide fraction of non-renewable biomass (fNRB) values for Myanmar which can be used by project activities/programme of activities (PoAs) applying methodologies such as "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".
- 14. The MP provided input on the assessment on regulatory provisions related to the change and/or addition of technologies/measures to a registered project activity or PoA. The work was carried out in response to the mandate by the Board at its 106<sup>th</sup> meeting (EB106 report, para. 34) at which it requested the secretariat, in consultation with the MP, to propose improvements to the regulatory provisions related to the change and/or addition of technologies/measures to a registered project activity or PoA, including any illustrative examples in the related regulatory documents.

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

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

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

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

Туре	Submission	Title of the request	Status	Paragraph
Methodology	NM0377	Energy saving through the use of the reverse osmosis technology in the water desalination process	Work in progress	16
Methodology	NM0380	Recovery of methane-rich vapours from hydrocarbon storage tanks, separators or stabilization containers	Work in progress	17

- 16. The MP considered the proposed new methodology "NM0377: Energy saving through the use of the reverse osmosis technology in the water desalination process" and agreed to continue working on this item at its next meeting. The new methodology covers project activities that involve the application of reverse osmosis technology in new desalination plants or in an expansion of capacity in an existing plant. The history of the bottom-up submission can be viewed on the UNFCCC CDM website.<sup>4</sup>
- 17. The MP considered the proposed new methodology "NM380: Recovery of methane-rich vapours from hydrocarbon storage tanks, separators or stabilization containers" and agreed to continue working on this agenda item at its next meeting. The proposed new methodology is intended to be applied to project activities that recover the methane-rich vapour that was previously vented into the atmosphere from the hydrocarbon storage tanks and stabilization containers located within existing facilities that have been operating prior to 31 December 2020. The recovered gas may be flared or utilized. The history of this submission can be viewed on the UNFCCC CDM website.<sup>5</sup>

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

18. The MP considered the revisions to large-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 revisions of large-scale methodologies and tools
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Issue	Revision AM0036 EB 102 report, L para. 41 h		Title of request	Status	Paragraph
Revision			Use of biomass in heat generation equipment	Approval	19

<sup>&</sup>lt;sup>4</sup> <u>https://cdm.unfccc.int/methodologies/PAmethodologies/pnm/byref/NM0377</u>.

<sup>&</sup>lt;sup>5</sup> <u>https://cdm.unfccc.int/methodologies/PAmethodologies/pnm/byref/NM0380</u>.

Issue	sue AM/AT Mandate		Title of request	Status	Paragraph
Revision	ACM0006	EB 102 report, para. 41	Electricity and heat generation from biomass	Approval	19
Revision	ACM0018	EB 102 report, para. 41			19
Revision	ACM0003 EB 101 report, para. 35 and EB 102 report, para. 39		Partial substitution of fossil fuels in cement or quicklime manufacture	Approval	20
Revision			Substitution of CO <sub>2</sub> from fossil or mineral origin by CO <sub>2</sub> from renewable sources in the production of inorganic compounds	Work in progress	21
Revision	Revision ACM0022 EB 107 report, para. 37		Alternative waste treatment processes	Work in progress	22
Revision	TOOL32	EB 104 report, para 23	Positive lists of technologies	Work in progress	23
Revision	TOOL27	EB 85 report, para 50	Investment analysis	Work in progress	24

- 19. The MP recommended to approve the revision of the methodologies "AM0036: Use of biomass in heat generation equipment", "ACM0006: Electricity and heat generation from biomass", and "ACM0018: Electricity generation from biomass in power-only plants", as contained in <u>annex 1</u>, <u>annex 2</u> and <u>annex 3</u> of this report. This work was carried out in response to the mandate from the Board at its 102<sup>nd</sup> meeting (EB 102 report, para. 41) to revise the methodology ACM0006 to address inconsistencies and ambiguities in the language used therein, and to revise the methodologies AM0036 and ACM0018 to ensure consistency across biomass methodologies.
- 20. The MP recommended to approve the revision of the methodology "ACM0003: Partial substitution of fossil fuels in cement or quicklime manufacture" as contained in <u>annex 4</u> of this report. This work was carried out in response to the mandate from the Board at its 101<sup>st</sup> meeting (EB101 report, para. 35) to revise ACM0003 to introduce reference to "TOOL16: Project and leakage emissions from biomass". Further, the Board, at its 102<sup>nd</sup> meeting (EB102 report, para. 39), requested the MP to address issues related to the fuel penalty.
- 21. The MP initiated work on the top-down revision of the methodology "AM0027: Substitution of CO<sub>2</sub> from fossil or mineral origin by CO<sub>2</sub> from renewable sources in the production of inorganic compounds" and agreed to continue working on this revision at its next meeting. The work is being carried out in response to the mandate by the Board at its 107<sup>th</sup> meeting (EB 107 report, para. 36) to clarify the source of baseline CO<sub>2</sub>, expand the eligibility of sources of CO<sub>2</sub> in the baseline and address provisions that could potentially lead to claiming emission reductions from CO<sub>2</sub> sequestration.

- 22. The MP initiated work on the top-down revision of the methodology "ACM0022: Alternative waste treatment processes" and agreed to continue working on this revision at its next meeting. The work is being carried out in response to the mandate by the Board at its 107<sup>th</sup> meeting (EB 107 report, para. 37) to address inconsistencies and ambiguities identified in some parts of the methodology.
- 23. The MP initiated work on the top-down revision of the methodological tool "TOOL32: Positive lists of technologies" and agreed to continue working on this revision at its next meeting. This work is being carried out in response to the mandate by the Board at its 104<sup>th</sup> meeting (EB104 report, para. 23) to update the positive lists in accordance with procedure detailed in the appendix of TOOL32.
- 24. The MP considered the revision of the methodological tool "TOOL27: Investment analysis" and agreed to continue working on this issue at its next meeting. The MP will re-assess the uncertainties identified in the sources of data for some countries in the current circumstances. This work is being carried out in response to the mandate from the Board at its 85<sup>th</sup> meeting (EB 85 report, para. 50) to update the default values for the cost of equity in the appendix to the tool annually. This year, the annual update was not completed as the MP has identified uncertainties. Until the update of the default values is completed, the current values could be used by the project participants.

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

25. The MP considered the large-scale clarification requests as presented in table 5 below. These requests are available on the UNFCCC CDM website.<sup>6</sup>

Issue	AM/AT	Title of request	Status	Paragraph
AM_CLA_0286	AM0101 ver. 02.0 and ACM0016 ver.4.0	Applying delayed passengers' surveys for previous years	Clarified	26
AM_CLA_0287	ACM0022 ver. 02.0	Clarification request on the use of RDF in waste to energy project applying ACM0022	Clarified	27

Table 5. Status of requests for clarification of methodologies and tools (large-scale)

- 26. The MP considered the request for clarification "AM\_CLA\_0286: Applying delayed passengers surveys for previous years" (regarding AM0101 ver. 02.0 and ACM0016 ver.4.0). The MP recommended that the Board approve the clarification.
- 27. The MP considered the request for clarification "AM\_CLA\_0287: Clarification request on the use of RDF in waste to energy project applying ACM0022" (regarding ACM0022 ver. 02.0). The MP recommended that the Board approve the clarification.

<sup>&</sup>lt;sup>6</sup> <u>https://cdm.unfccc.int/methodologies/PAmethodologies/clarifications/pending</u>

#### (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 6 below, and, where applicable, took external expertise and public input into account.

 Table 6.
 Status of new small-scale methodologies and tools

Туре	Submission	Title of the request	Status	Paragraph
Methodology	SSC-NM105	Switch from non-renewable biomass to electricity for cooking applications by the user	Approval	29
Methodology	SSC-NM106	Change in smallholder cattle emissions intensity	Work in progress	30

- 29. The MP recommended that the Board approve the draft new methodology "SSC-III.XX: Switch from non-renewable biomass to electricity for cooking applications by the user", as contained in <u>annex 5</u> of this report. The project activities that disseminate electric cooking appliances powered from the national/regional grid or mini-grid are covered under this methodology. The recommendation is based on the submission "SSC-NM105: Switch from non-renewable biomass for electric cooking applications by the user". The history of this small-scale bottom-up request can be viewed on the UNFCCC CDM website.<sup>7</sup>
- 30. The MP considered the proposed new methodology "SSC-NM106: Change in smallholder cattle emissions intensity" and agreed to continue working on this agenda item at its next meeting. The proposed methodology is applicable to project activities that use strategic supplementation for large ruminants (cattle/buffalo) to reduce greenhouse gas emissions (CH<sub>4</sub> emissions and N<sub>2</sub>O emissions related to enteric fermentation and manure management). The history of this small-scale bottom-up request can be viewed on the UNFCCC CDM website.<sup>8</sup>

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

31. The MP considered the revisions to small-scale methodologies and tools, as presented in table 7 below, and, where applicable, took external expertise and public input into account.

Table 7.	Status of revisions to small-scale methodologies and tools
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lssue	AM/AT	Mandate	Title of request	Recommendation	Paragraph
Revision	AMS-I.E	EB 105 report, para. 42	Switch from non- renewable biomass for thermal application by the user	Approval	32

<sup>&</sup>lt;sup>7</sup> <u>https://cdm.unfccc.int/methodologies/SSCmethodologies/pnm/byref/SSC-NM105</u>.

<sup>&</sup>lt;sup>8</sup> <u>https://cdm.unfccc.int/methodologies/SSCmethodologies/pnm/byref/SSC-NM106</u>.

Issue	AM/AT	Mandate	Title of request	Recommendation	Paragraph
Revision	AMS-II.G	EB 105 report, para. 42	Energy efficiency measures in thermal applications of non- renewable biomass	Approval	32
Revision	TOOL30	EB106 report, para. 27	Calculation of the fraction of non- renewable biomass	Approval	33

- 32. The MP recommended to approve the top-down revision of the methodologies "AMS-I.E: Switch from non-renewable biomass for thermal application by the user" and "AMS-II.G: Energy efficiency measures in thermal applications of non-renewable biomass", as contained in <u>annex 6</u> and <u>annex 7</u> of this report. The work was carried out in response to the mandate from the Board at its 105<sup>th</sup> meeting (EB105 report, para. 42) at which it requested the MP to continue working on the issue of stove stacking.
- 33. The MP recommended to approve the revision of the methodological tool "TOOL30: Calculation of the fraction of non-renewable biomass" as contained in <u>annex 8</u> of this report. The work was carried out in response to the mandate from the Board at its 106<sup>th</sup> meeting (EB106 report, para. 27) in which it considered the concept note "Methodological approaches for calculating emission reductions from project activities, resulting in the reduced use of non-renewable biomass in households" in response to decision 2/CMP.15, paragraph 8, and requested the MP and the secretariat to facilitate and streamline the application of TOOL30.

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

34. The MP considered small-scale clarification requests as presented in table 8 below. These requests are available on the UNFCCC CDM website.<sup>9</sup>

Submission number	AM/AT	Title of request	Status	Paragraph
SSC_790	AMS-III.AU. ver. 4 and AMS-III.BF. ver. 02.0	Clarification on applicability conditions of AMS-III.AU. and AMS-III.BF. for rice cultivation projects	Clarified	35
SSC_791	AMS-III.BF. ver. 02.0	Clarification on NUE Seeds under AMS-III.BF.	Clarified	36
SSC_796	AMS-II.G. ver. 11.0	Clarification regarding AMS-II.G. para. 38 on the life span of stoves and the default replacement of devices after the end of their life span	Clarified	37

#### Table 8. Status of requests for clarification of methodologies and tools (small-scale)

<sup>&</sup>lt;sup>9</sup> <u>https://cdm.unfccc.int/methodologies/SSCmethodologies/clarifications/pending.</u>

Submission number	AM/AT	Title of request	Status	Paragraph
SSC_798	AMS-III.AJ. ver. 07.0	Clarification about which electric grid shall be selected to determine the grid emission factor (EFel,y) for baseline calculation in AMS-III.AJ.	Clarified and	38 and 39
			To seek a mandate from the Board	

- 35. The MP considered the request for clarification "SSC\_790: Clarification on applicability conditions of AMS-III.AU. and AMS-III.BF. for rice cultivation projects" (regarding AMS-III.AU. ver. 04.0 and AMS-III.BF. ver. 02.0). The MP recommended that the Board approve the clarification.
- 36. The MP considered the request for clarification "SSC\_791: Clarification on NUE Seeds under AMS-III.BF" (regarding AMS-III.BF. ver. 02.0). The MP recommended that the Board approve the clarification.
- 37. The MP considered the request for clarification "SSC\_796: Clarification regarding AMS-II.G. para. 38 on the life span of stoves and the default replacement of devices after the end of their life span" (regarding AMS-II.G. ver. 11.0). The MP recommended that the Board approve the clarification.
- 38. The MP considered the request for clarification "SSC\_798: Clarification about which electric grid shall be selected to determine the grid emission factor (EFel,y) for baseline calculation in AMS-III.AJ" (regarding AMS-III.AJ. ver. 07.0). The MP recommended that the Board approve the clarification.
- 39. While considering the clarification SSC\_798, the MP noted that version 07.0 of the methodology "AMS-III.AJ.: Recovery and recycling of materials from solid wastes" has different approaches to determine the emission factors associated with the consumption of fossil fuel and with the consumption of electricity in the production of virgin plastics. The MP agreed to seek a mandate to revise the methodology to have consistent methods to determine these two emission factors.

#### Agenda item 3.1.1. Post-registration changes

40. The MP took note that no requests for post-registration changes were to be considered at this meeting.

#### Agenda item 3.1.2. Deviations from approved methodologies and tools

41. The MP took note that no requests for input to deviations related to small-scale and large-scale methodologies or tools were to be considered at this meeting.

#### Agenda item 3.2. Other issues

42. The MP recommended that the Board consider the concept note "Consistent use of market penetration metrics for additionality, common practice and FOIK", as contained in <u>annex</u> <u>9</u> of this report. The work was carried out in response to the mandate from the Board at

its 101<sup>st</sup> meeting (EB101 report, para. 30) and further guidance from the Board its 105<sup>th</sup> meeting (EB105 report, para. 34).

# Agenda item 4. Conclusion of the meeting

- 43. The members of the MP adopted the report of eighty-third meeting (MP 83). The report and annexes will be available on the UNFCCC CDM website.
- 44. The Chair of the MP closed the meeting.

# Annexes to the report

- Annex 1 AM0036: Use of biomass in heat generation equipment
- Annex 2 ACM0006: Electricity and heat generation from biomass
- Annex 3 ACM0018: Electricity generation from biomass in power-only plants
- Annex 4 ACM0003: Partial substitution of fossil fuels in cement or quicklime manufacture
- Annex 5 SSC-III.XX: Switch from non-renewable biomass to electricity for cooking applications by the user
- Annex 6 AMS-I.E: Switch from non-renewable biomass for thermal application by the user
- Annex 7 AMS-II.G: Energy efficiency measures in thermal applications of non-renewable biomass
- Annex 8 TOOL30: Calculation of the fraction of non-renewable biomass
- Annex 9 Concept note: Consistent use of market penetration metrics for additionality, common practice and FOIK

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#### **Document information**

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