

CDM-MP84

Meeting report

Methodologies Panel eighty-fourth meeting

Version 01.0

Date of meeting: 22 to 26 March 2021

Place of meeting: Virtual



United Nations
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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. El Hadji Mbaye Diagne, appointed by the Executive Board of the clean development mechanism (CDM) (hereinafter referred to as the Board) at its 109th meeting, opened the meeting. The members of the MP welcomed the new Chair and the new Vice-Chair, Ms. Natalie Kushko. The members of the MP also expressed deep appreciation to the outgoing Chair, Mr. Frank Wolke, and Vice-Chair, Mr. José Domingos Miguez, for their excellent contributions to the work of the MP.
2. The MP noted that one member of the MP, Mr. Sudhir Sharma, was unable to attend the meeting and provided proper justification for his absence.
3. Table 1 below represents attendance at the virtual meeting, which was held from 22 to 26 March 2021. Names in bold print represent presence at the meeting.

Table 1. Attendance

Chair/Vice-Chair	Members
Mr. El Hadji Mbaye Diagne (Chair)	Mr. Amr Osama Abdel-Aziz
Ms. Natalie Kushko (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

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 CDM website.¹

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

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 108th and 109th meetings of the Board that were relevant to the MP.
7. The MP took note of the workplan of the MP for 2021, which was developed based on the mandates from the Board.

Agenda item 2.2. Upcoming deadlines of relevance to stakeholders

8. The MP took note that the dates of its eighty-fifth MP meeting (MP 85) are 21–25 June 2021, to be held in a virtual setting.
9. 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 85 is eight weeks prior to the meeting;
 - (b) The deadline for the submission of requests for revision to be considered at MP 85 is eight weeks prior to the meeting;
 - (c) The deadline for the submission of requests for clarification to be considered at MP 85 is six weeks prior to the meeting.

Agenda item 3. Regulatory matters

10. 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.² 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.
11. 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.³
12. The MP took note of the update on the relevant regulatory matters finalized since the last meeting of the MP (MP 83):
 - (a) Fast track clarifications:
 - (i) SSC_799: Clarification on the meaning of 'introduced' sludge treatment systems under AMS-III.H;

² <https://cdm.unfccc.int/methodologies/index.html>.

³ <https://cdm.unfccc.int/Reference/Procedures/index.html>.

- (ii) SSC_800: Clarification on applicability of AMS-I.C. to project activities introducing renewable biomass pellet stoves to replace coal;
 - (iii) SSC_802: Clarification on project and leakage emissions related to Cashew Nut Shell Liquid production under AMS-I.C.;
 - (iv) SSC_806: Clarification on application of AMS-II.T. to residential and commercial entities;
 - (v) CLA_TOOL_0042: Clarification on calculation of Net Annual Increment using growing stock values in TOOL30.
- (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

13. The MP provided input to the revision of the “Glossary: CDM terms” and to the “Amendments to the CDM project standards” in relation to penetration of a technology/measure in the market as a means of demonstration of additionality. The work was carried out in response to the mandate by the Board at its 108th meeting (EB 108 report, para. 30 (a)–(b)) to propose definitions for the terminology associated with the penetration of technology/measure with a view to including them in the CDM glossary of terms and to propose a consistent approach regarding the data vintage and data sources used for the determination of penetration of a technology/measure with a view to including them in the CDM project cycle procedures or the CDM project standards.

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

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

14. The MP considered the new 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 the new large-scale methodologies and tools

Type	Submission	Title of the request	Status	Paragraph
Methodology	NM0377	Energy saving through the use of the reverse osmosis technology in the water desalination process	Approval	15
Methodology	NM0380	Recovery of methane-rich vapours from hydrocarbon storage tanks, separators or stabilization containers	Work-in-progress	17

15. The MP recommended that the Board approve the draft new methodology “AM00XX: Energy efficient water-grid-connected desalination plants”, as contained in annex 1 to this report. The new methodology covers project activities that involve the application of efficient technologies such as reverse osmosis technology in new

desalination plants or in an expansion of capacity in an existing plant. The recommendation is based on the submission “NM0377: Energy saving through the use of the reverse osmosis technology in the water desalination process”. The history of the bottom-up submission can be viewed on the UNFCCC CDM website.⁴

16. While considering the submission “NM0377: Energy saving through the use of the reverse osmosis technology in the water desalination process”, the MP used a novel approach of ‘water-grid emission factor’ to capture the impacts of operation of the project desalination plant on all desalination plants connected to the water grid. The MP noted that this approach, while being essential for desalination projects, may also be useful for other projects such as the application of energy-efficiency measures in the water distribution network. Therefore, the MP recommends the Board provide a mandate to the MP to develop a tool for the water-grid emission factor.
17. The MP considered the draft new methodology “NM0380: Recovery of methane-rich vapours from hydrocarbon storage tanks” 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 vapor that was previously vented into the atmosphere from the hydrocarbon storage tanks located within existing facilities that have been operating prior to 31 December 2020. The recovered gas may be flared or utilized. The history of the bottom-up submission can be viewed on the UNFCCC CDM website.⁵

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

Table 3. Status of revisions of large-scale methodologies and tools

Issue	AM/AT	Mandate	Title of request	Status	Paragraph
Revision	AM0027	EB 107 report, para. 36	Substitution of CO ₂ from fossil or mineral origin by CO ₂ from renewable sources in the production of inorganic compounds	Call for public input/ approval	19
Revision	ACM0022	EB 107 report, para. 37	Alternative waste treatment processes	Call for public input	20

⁴ <https://cdm.unfccc.int/methodologies/PAmethodologies/pnm/byref/NM0377>.

⁵ <https://cdm.unfccc.int/methodologies/PAmethodologies/pnm/byref/NM0380>.

Issue	AM/AT	Mandate	Title of request	Status	Paragraph
Revision	ACM0016	EB 106 report, para. 40 EB 102 report, para. 40	Mass Rapid Transit Projects	Call for public input/ approval	21
Revision	AM0031	EB 106 report, para. 40	Bus rapid transit projects	Call for public input/ approval	22
Revision	TOOL32	N/A	Positive lists of technologies	Recommendation	23
Revision	TOOL27	EB 85 report, para. 50	Investment analysis	Work-in-progress	24
Revision	TOOL23	EB 108, para. 30 (c)	Additionality of first-of-its-kind project activities	Work-in-progress	25
Revision	TOOL24	EB 108, para. 30 (c)	Common practice	Work-in-progress	25
Revision	TOOL06	n/a	Project emissions from flaring	Seek a mandate	26

19. The MP agreed to launch a call for public input on the top-down revision of the methodology “AM0027: Substitution of CO₂ from fossil or mineral origin by CO₂ from renewable sources in the production of inorganic compounds” as contained in [annex 2](#) to this report. If inputs are received, the inputs will be considered at MP 85 when preparing the recommendation to the Board. If no input is received, the MP recommends that the Board approve the revision of the methodology. This work is being carried out in response to the mandate by the Board at its 107th meeting (EB 107 report, para. 36) to clarify the source of baseline CO₂, expand the eligibility of sources of CO₂ in the baseline and address provisions that could potentially lead to claiming emission reductions from CO₂ sequestration.
20. The MP agreed to launch a call for public input on the top-down revision of the methodology “ACM0022: Alternative waste treatment processes” as contained in [annex 3](#) to this report. The aim is to finalize the revision of the methodology at the next MP meeting. The work is being carried out in response to the mandate by the Board at its 107th meeting (EB 107 report, para. 37) to address inconsistencies and ambiguities identified in some parts of the methodology.
21. The MP agreed to launch a call for public input on the top-down revision of the methodology “ACM0016: Mass Rapid Transit Projects” as contained in [annex 4](#) to this report. If inputs are received, the inputs will be considered at MP 85 when preparing the recommendation to the Board. If no input is received, the MP recommends that the Board approve the revision of the methodology. The work is being carried out in response to the mandate by the Board at its 106th meeting (EB 106 report, para. 40) to revise the methodologies ACM0016 and AM0031 to ensure consistency with the “Standard: Sampling and surveys for CDM project activities and programmes of activities” and the

- “Guideline: Sampling and surveys for CDM project activities and programmes of activities”. In addition, this work is being undertaken to improve consistency with methodology AM0031 as mandated by the Board at its 102nd meeting (EB 102 report, para. 40).
22. The MP agreed to launch a call for public input on the top-down revision of the methodology “AM0031: Bus rapid transit projects” as contained in annex 5 to this report. If inputs are received, the inputs will be considered at MP 85 when preparing the recommendation to the Board. If no input is received, the MP recommends that the Board approve the revision of the methodology. The work is being carried out in response to the mandate by the Board at its 106th meeting (EB 106 report, para. 40) to revise the methodologies ACM0016 and AM0031 to ensure consistency with the “Standard: Sampling and surveys for CDM project activities and programmes of activities” and the “Guideline: Sampling and surveys for CDM project activities and programmes of activities”.
 23. The MP recommended that the Board approve the top-down revision of the methodological tool “TOOL32: Positive lists of technologies” as contained in annex 6 to this report to extend the validity for one year. The MP noted that the tool currently has validity up to 28 November 2021 and there is no grace period to apply this tool after its expiry. Therefore, if its validity is not extended, it may result in gap periods in its validity leading to difficulties for the project participants and coordinating/managing entities that are applying the tool to demonstrate the additionality of their CDM activity. The MP initiated the work to update the information on cost and penetration of technologies as per the appendix of the tool, however, noting the current lack of data and the limited time remaining till the expiry date of the positive list in the tool to complete the work, the MP agreed to recommend that the Board extend the validity on an interim basis. The MP will continue working on analysing the data and will present its analysis to the Board in early 2022.
 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. This work is being carried out in response to the mandate from the Board at its eighty-fifth meeting (EB 85 report, para. 50) to update the default values for the cost of equity in the appendix to the tool annually.
 25. The MP considered the revision of the methodological “TOOL23: Additionality of first-of-its-kind project activities” and “TOOL24: Common practice” and agreed to continue working on the revisions at its next meeting. This work is being carried out in response to the mandate from the Board at its 108th meeting (EB108, para. 30 (c)) to explore including an appropriate penetration threshold for the technology/measure.
 26. While considering the draft new methodology “NM0380: Recovery of methane-rich vapours from hydrocarbon storage tanks, separators or stabilization containers”, the MP considered that the scope of “TOOL06: Project emissions from flaring” does not cover the project emissions from hydrocarbons (non-renewable sources of methane). The MP recommended that the Board provide a mandate to the MP to revise the TOOL06.
- (iii). Requests for clarification of methodologies and tools (large-scale)**
27. The MP considered the request for clarification “CLA_TOOL_0044: Clarification regarding application of step 4 of the Common practice tool” (regarding TOOL24, ver. 3.1). 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 draft 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 new methodology is applicable to project activities that use strategic supplementation for large ruminants (cattle/buffalo) to reduce greenhouse gas emissions (methane emissions related to enteric fermentation). The history of this small-scale bottom-up request can be viewed on the UNFCCC CDM website.⁶

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

29. The MP considered the revisions to 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 revisions to small-scale methodologies and tools

Issue	AM/AT	Mandate	Title of request	Recommendation	Paragraph
Revision	AMS-III.AJ.	EB 108 report, para. 38	Recovery and recycling of materials from solid wastes	Work-in-progress	30
Revision	AMS-III.BA.	n/a	Recovery and recycling of materials from E-waste	Seek a mandate	31
Revision	AMS-I.I.	n/a	Biogas/biomass thermal applications for households/small users	Approval	32
Revision	AMS-I.E.	n/a	Switch from non-renewable biomass for thermal applications by the user	Approval	32
Revision	AMS-III.R.	n/a	Methane recovery in agricultural activities at household/small farm level	Approval	32

30. The MP considered the top-down revision of the methodology “AMS-III.AJ.: Recovery and recycling of materials from solid wastes” and agreed to continue working on the revisions at its next meeting. The work was carried out in response to the mandate from the Board at its 108th meeting (EB 108 report, para. 38) that requested the MP to revise the methodology AMS-III.AJ to have consistent methods to determine the emission factors associated with the consumption of fossil fuel and with the consumption of electricity in the production of virgin plastics.

31. While considering the top-down revision of the methodology “AMS-III.AJ.: Recovery and recycling of materials from solid wastes”, the MP agreed that there is a need to revise the

⁶ <https://cdm.unfccc.int/methodologies/SSCmethodologies/pnm/byref/SSC-NM106>.

methodology “AMS-III.BA.: Recovery and recycling of materials from E-waste” (ver. 2.0) to provide a consistent approach for determining the emission factors from the consumption of fuel and electricity to produce plastic from virgin materials. The MP recommended that the Board provide a mandate to the MP to revise the methodology AMS-III.BA.

32. The MP recommended that the Board approve the revision of the methodologies “AMS-I.I.: Biogas/biomass thermal applications for households/small users”; “AMS-I.E.: Switch from non-renewable biomass for thermal applications by the user” and “AMS-III.R.: Methane recovery in agricultural activities at household/small farm level”, as contained in annexes 7, 8 and 9 of this report. The work was carried out in response to the bottom-up submission “SSC_805: Revision to include an option to use remote biogas monitoring in AMS-I.E., AMS-I.I. and AMS-III.R” (regarding AMS-I.I. (ver. 4), AMS-I.E. (ver. 11) and AMS-III.R. (ver. 3)).
33. The MP, while working on the request for revision SSC_805, as referred in paragraph 32 above, identified an issue related to the sample size calculation for the proportion parameter if the expected proportion is close to 1, and agreed that the issue could be addressed by revising the “Standard: Sampling and surveys for CDM project activities and programmes of activities”. In this regard, the MP recommended that the Board approve the revision of the “Standard: Sampling and surveys for CDM project activities and programmes of activities” as contained in annex 10 to this report.

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

34. The MP considered the request for clarification “SSC_809: Clarification on eligibility of recycling facility under AMS-III.BA” (regarding AMS-III.BA. (ver. 2)). The MP recommended that the Board approve the clarification

Agenda item 3.1.1. Post-registration changes

35. The MP provided input to the secretariat on the request for approval of post-registration change “PRC-3793-001: PA 3693: Pindó Biomass Energy Generation from Forest Biomass”.
36. The MP provided input to the secretariat on the request for approval of post-registration change “PRC-7359-020: PoA for the reduction of emission from non-renewable fuel from cooking at household level”.

Agenda item 3.1.2. Deviations from approved methodologies and tools

37. 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

38. The MP considered the concept note “Analysis and options regarding caps used in AMS-I.E, AMS-II.G and TOOL30” and agreed to continue working on it with an aim of recommending it to the Board for its consideration at its next meeting. The work is being carried out in response to the mandate from the Board at its 108th meeting (EB108 report, para. 37) requesting the MP to conduct additional analysis to explore alternative options regarding caps used in AMS-I.E, AMS-II.G and TOOL30.

Agenda item 4. Conclusion of the meeting

39. The members of the MP adopted the report of MP 84. The report and annexes will be available on the UNFCCC CDM website.
40. The Chair of the MP closed the meeting.

Annexes to the report

- Annex 1 - AM00XX: Energy efficiency water-grid-connected desalination plants
- Annex 2 - AM0027: Substitution of CO₂ from fossil or mineral origin by CO₂ from renewable sources in the production of inorganic compounds
- Annex 3 - ACM0022: Alternative waste treatment processes
- Annex 4 - ACM0016: Mass Rapid Transit Projects
- Annex 5 - AM0031: Bus rapid transit projects
- Annex 6 - TOOL32: Positive lists of technologies
- Annex 7 - AMS-I.I.: Biogas/biomass thermal applications for households/small users
- Annex 8 - AMS-I.E.: Switch from non-renewable biomass for thermal applications by the user
- Annex 9 - AMS-III.R.: Methane recovery in agricultural activities at household/small farm level
- Annex 10 - Standard: Sampling and surveys for CDM project activities and programmes of activities

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