

**CDM-EB111-AA**

## Annotated agenda

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# CDM Executive Board 111<sup>th</sup> meeting

Version 01.0

Date of meeting: 30 August to 1 September and 7 to 9 September 2021\*

Place of meeting: virtual

\* As per the practice of the CDM Executive Board, it is possible that some small groups of members/alternates will be formed to go into depth on certain issues. The meetings of the small groups shall be held virtually or through email exchange in the period between 2 and 6 September 2021. The small groups shall report back to the Board at the second phase of the meeting for decision-making.



**United Nations**  
Framework Convention on  
Climate Change

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## Annotations to the proposed agenda

### Agenda item 1. Agenda and meeting organization

#### Agenda item 1.1. Opening

1. ► **Action:** The Chair of the Executive Board of the clean development mechanism (CDM) (hereinafter referred to as the Board) shall ascertain whether: (a) the members present constitute a quorum; and (b) “proper justification” has been provided for the absence of any member or alternate member.<sup>1</sup>

*Background:* In accordance with the “Rules of procedure of the Executive Board of the clean development mechanism”, at least two-thirds of the members of the Board, representing a majority of members from Parties included in Annex I to the Convention and a majority of members from Parties not included in Annex I, must be present to constitute a quorum.

#### Agenda item 1.2. Adoption of the agenda

2. ► **Action:** Members may wish to adopt the proposed agenda for the 111<sup>th</sup> meeting.

*Background:* At its previous meeting, the Board agreed on items to be included on the provisional agenda for its 111<sup>th</sup> meeting. The proposed agenda was transmitted to the Board on 9 August 2021, and thereafter posted on the UNFCCC CDM website, in accordance with rule 21 of the Rules of procedure of the Board.

### Agenda item 2. Governance and management matters

#### Agenda item 2.1. Membership issues

3. ► **Action:** Members of the Board may wish to provide statements on any conflict of interest concerning the issues on the agenda for the meeting and take action, as appropriate.

*Background:* Following the request by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP), through its decision 2/CMP.5, to publish statements of conflict of interest on the UNFCCC CDM website, members and alternate members are requested to disclose whether they have any conflict of interest relating to the work of the Board at each meeting.

4. ► **Action:** Members of the Board may wish to welcome Mr. Moises Alvarez, the new member elected by the CMP at its fifteenth session (CMP 15), nominated by Parties not included in Annex I.

*Background:* In accordance with the communication dated 3 July 2020 from the Chair of the Group of Latin America and Caribbean Countries (GRULAC), the member from Brazil, Mr. José Domingos Gonzalez Miguez, will serve in office until 30 June 2021, when he will

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<sup>1</sup> Rule 28 of the “Rules of procedure of the Executive Board of the clean development mechanism”, decision 4/CMP.1 (FCCC/KP/CMP/2005/8/Add.1).

be succeeded by the member from the Dominican Republic, Mr. Moises Alvarez, who will serve for the remainder of the term.

## **Agenda item 2.2. Strategic planning and direction**

5. ► **Action:** The Board may wish to take note of an update on the latest carbon market and policy developments.

*Background:* The Board, through its CDM two-year business plan and management plan 2020–2021 (CDM-MAP 2020–2021), agreed to receive regular updates from the secretariat on developments and prospects in the carbon market and related governmental policies.

6. ► **Action:** The Board may wish to take note of the report “Financing and use of the CDM by international finance institutions”, as contained in annex 1 to these annotations.

*Background:* The Board, through its CDM-MAP 2020–2021, agreed to receive regular updates on the support provided to international climate finance institutions.

## **Agenda item 2.3. Performance management**

7. ► **Action:** The Board may wish to consider the draft annual report of the CDM Executive Board to the CMP.

*Background:* In accordance with decisions 3/CMP.1 and 2/CMP.3, the Board reports annually on its activities to the CMP. At its 110<sup>th</sup> meeting, the Board agreed on the overall messages to be conveyed to the CMP and requested the secretariat to prepare the draft annual report to the CMP at its sixteenth session for consideration by the Board.

8. ► **Action:** The Board may wish to consider the updated “CDM Executive Board workplan 2021”, as contained in annex 2 to these annotations.

*Background:* The Board, at its 109<sup>th</sup> meeting, approved the workplan of the Board for 2021 and requested the secretariat to include in future versions of the workplan any new mandates arising from meetings and to provide an update on the status of work at each meeting.

## **Agenda item 2.4. Matters related to the Board and its support structure**

9. ► **Action:** The Board may wish to consider and adopt the CDM-MAP 2022–2023.

*Background:* The Board, at its ninety-third meeting, agreed to increase the duration of the CDM-MAP from a one-year plan to a two-year plan to better project and manage the resources needed and to ensure that the resource management decisions taken by the Board include a longer time frame of projected resource needs.

10. ► **Action:** The Board may wish to take note of the resignation of Ms. Maria Ana Gonzalez Casartelli from the CDM Registration and Issuance Team (RIT).

*Background:* The Board, at its 103<sup>rd</sup> meeting, appointed experts to the RIT to serve until December 2021. The resignation of the RIT member was received on 29 May 2021 and was effective as of 1 June 2021.

## Agenda item 2.5. Operations of panels and working groups

### (a). CDM Accreditation Panel

11. ► **Action:** The Board may wish to take note of the report of the 89<sup>th</sup> meeting of the CDM Accreditation Panel (CDM-AP) and its electronic consultation reports.<sup>2</sup>

*Background:* The CDM-AP held its 89<sup>th</sup> meeting virtually from 29 June to 1 July 2021 and its electronic consultations from 4 to 18 May 2021 and from 21 July to 10 August 2021.

### (b). Methodologies Panel

12. ► **Action:** The Board may wish to take note of the report of the 85<sup>th</sup> meeting of the Methodologies Panel (MP).<sup>3</sup>

*Background:* The MP held its 85<sup>th</sup> meeting virtually from 21 to 25 June 2021 and addressed case-specific issues, methodological clarifications, guidance and other issues.

## Agenda item 3. Rulings (case-specific)

### Agenda item 3.1. Accreditation

13. ► **Action:** The Board may wish to:

- (a) Take note of notifications from the CDM-AP on the completion of regular surveillance assessments;
- (b) Take note of notifications on the completion of performance assessments.

*Background:* In accordance with the “CDM accreditation procedure”, the accreditation-related recommendations and the supporting documentation will be sent to the Board.

### Agenda item 3.2. Registration

14. ► **Action:** The Board may wish to take stock of the progress of registration of project activities and programmes of activities (PoAs).

*Background:* The information available on the UNFCCC CDM website<sup>4</sup> indicates the status of project activities submitted for registration. The information available in the section on “CDM Programmes of Activities” on the UNFCCC CDM website<sup>5</sup> indicates the status of PoAs submitted for registration.

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<sup>2</sup> <https://cdm.unfccc.int/Panels/accreditation/index.html>.

<sup>3</sup> <http://cdm.unfccc.int/Panels/meth/index.html>.

<sup>4</sup> <http://cdm.unfccc.int/Projects/projsearch.html>.

<sup>5</sup> <http://cdm.unfccc.int/ProgrammeOfActivities/index.html>.

### Agenda item 3.3. Issuance

15. ► **Action:** The Board may wish to take stock of the progress of issuance for project activities, PoAs and the operation of the CDM registry.

*Background:* The information available in the section “Issuance Certified Emission Reduction” on the UNFCCC CDM website indicates the status of requests for issuance of project activities and PoAs.<sup>6</sup>

### Agenda item 3.4. Other rulings

16. ► **Action:** The Board shall consider the documentation for one request for renewal of PoA period, as listed in the table below, for which a review has commenced.

*Background:* Three or more members of the Board or a Party involved requested a review for the renewal of PoA period. The subsequent assessments by the secretariat and the RIT contained different proposed decisions (i.e. to approve, record as provisional or reject), or the same proposed decisions (either to approve, record as provisional or reject), but an objection was received from a member of the Board. In accordance with “CDM project cycle procedure for programmes of activities”, the decision of the Board at EB 108 (EB 108 meeting report, paras. 7–8), and the “Clarification: Regulatory requirements under temporary measures for post-2020 cases” (CDM-EB109-A01-CLAR), the Board shall decide whether to approve, record as provisional or reject the request for renewal.

**Table. Requests for renewal of PoA period case for which assessments by the secretariat and the RIT contain different proposed decisions or an objection by a member of the Board was received**

Ref. no.	Title
PoA 7359	PoA for the Reduction of emission from non-renewable fuel from cooking at household level

## Agenda item 4. Regulatory matters

### Agenda item 4.1. Standards/tools

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

17. ► **Action:** The Board may wish to consider the revision of the process for updating standardized baselines.

*Background:* The “Procedure: Development, revision, clarification and update of standardized baselines” provides for the process for update of an approved standardized baseline. In accordance with the procedure, an assessment report is required for proposing new standardized baselines, and for revision or update of approved standardized baselines.

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<sup>6</sup> [http://cdm.unfccc.int/Issuance/cers\\_iss.html](http://cdm.unfccc.int/Issuance/cers_iss.html).

18. ► **Action:** The Board may wish to consider the draft revised regulatory documents in the “Revision of CDM project standards, validation and verification standards, and project cycle procedures”, as contained in annex 3 to these annotations.

*Background:* The Board, through its workplan 2021, decided to revise the CDM project standards, CDM validation and verification standards, and CDM project cycle procedures for project activities and PoAs to incorporate amendments, clarifications, structural improvements and revisions earlier agreed to by the Board.

19. ► **Action:** The Board may wish to provide guidance on the concept note “Improving clarity and consistency of methodological products”, as contained in annex 4 to these annotations.

*Background:* The Board, at its 110<sup>th</sup> meeting, noted that there is a scope for further improving the editorial quality, clarity and consistency of draft methodologies, methodological tools and other methodological standards and requested the secretariat to prepare a concept note proposing measures and options for addressing this issue, for consideration by the Board at a future meeting.

20. ► **Action:** The Board may wish to provide guidance on the concept note “Analysis and options regarding caps used in AMS-I.E, AMS-II.G and TOOL30”, as contained in annex 7 to the meeting report of the 85<sup>th</sup> meeting of the MP (MP 85).

*Background:* The recommendation of the MP is contained in paragraph 40 of the MP 85 meeting report. The Board, at its 108<sup>th</sup> meeting, considered the caps recommended by the MP in the context of AMS-I.E, AMS-II.G and TOOL30, agreed that additional analysis would be required, asked the MP to explore alternative options and requested the MP to prepare a concept note for consideration by the Board at a future meeting.

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

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

21. ► **Action:** The Board may wish to consider the recommendation of the MP to approve the draft new methodology “AM00XX: Recovery of methane-rich vapours from hydrocarbon storage tanks”, as contained in annex 1 to the MP 85 meeting report.

*Background:* The recommendation of the MP is contained in paragraph 18 of the MP 85 meeting report. The draft new methodology is based on the bottom-up submission “NM0380: Recovery of methane-rich vapours from hydrocarbon storage tanks, separators or stabilization containers”.

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

22. ► **Action:** The Board may wish to consider the recommendations of the MP to approve, as major revisions, the following draft revised methodologies and tool:

- (a) “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”, as contained in annex 2 to the MP 85 meeting report;

*Background:* The recommendation of the MP is contained in paragraph 20 of the MP 85 meeting report. The Board, at its 107<sup>th</sup> meeting, requested the MP to revise 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” to improve the methodology 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;

- (b) “ACM0022: Alternative waste treatment processes”, as contained in annex 3 to the MP 85 meeting report;

*Background:* The recommendation of the MP is contained in paragraph 21 of the MP 85 meeting report. The Board, at its 107<sup>th</sup> meeting, requested the MP to revise the methodology “ACM0022: Alternative waste treatment processes” to address inconsistencies and ambiguities identified in some parts of the methodology;

- (c) “TOOL06: Project emissions from flaring”, as contained in annex 4 to the MP 85 meeting report;

*Background:* The recommendation of the MP is contained in paragraph 22 of the MP 85 meeting report. The Board, at its 110<sup>th</sup> meeting, requested the MP to revise the methodological tool “TOOL06: Project emissions from flaring” to expand the scope of the tool to cover project emissions from hydrocarbons (non-renewable sources of methane).

- 23. ► **Action:** The Board may wish to consider the recommendation of the MP to provide guidance as to whether the MP should explore pragmatic options to address the leakage emissions in the methodology “AM0045: Grid connection of isolated electricity systems” without compromising the environmental integrity of emission reduction estimates.

*Background:* The recommendation of the MP is contained in paragraph 28 of the MP 85 meeting report.

### (iii). Clarifications (large-scale)

- 24. ► **Action:** The Board may wish to consider the recommendations of the MP to approve the clarifications prepared in response to the following requests for clarification:

- (a) “AM\_CLA\_0288: Clarification on leakage emissions related to deforestation and reforestation in the interconnection of an isolated electricity system under AM0045” regarding AM0045 (version 02.0);
- (b) “AM\_CLA\_0289: Clarification on sub-step 3(a) under establishing the discount factor for number of testing” regarding AM0079 (version 02.0).

*Background:* The recommendations of the MP are contained in paragraphs 27 and 29 of the MP 85 meeting report. Information on requests for clarification on approved large-scale methodologies is available on the UNFCCC CDM website.<sup>7</sup>

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<sup>7</sup> <https://cdm.unfccc.int/methodologies/PAmethodologies/clarifications/pending>.



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

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

25. ► **Action:** The Board may wish to consider the recommendation of the MP to reject the proposed new methodology “SSC-NM106: Change in smallholder cattle emissions intensity”.

*Background:* The recommendation of the MP is contained in paragraph 31 of the MP 85 meeting report. The proposed new methodology is intended for project activities that use strategic supplementation for large ruminants to reduce greenhouse gas emissions.

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

26. ► **Action:** The Board may wish to consider the recommendations of the MP to approve, as major revisions, the following draft revised methodologies:

- (a) “AMS-III.AJ.: Recovery and recycling of materials from solid wastes”, as contained in annex 5 to the MP 85 meeting report;

*Background:* The recommendation of the MP is contained in paragraph 33 of the MP 85 meeting report. The Board, at its 108<sup>th</sup> meeting, requested the MP to revise the methodology “AMS-III.AJ.: Recovery and recycling of materials from solid wastes” 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;

- (b) “AMS-III.BA.: Recovery and recycling of materials from E-waste”, as contained in annex 6 to the MP 85 meeting report;

*Background:* The recommendation of the MP is contained in paragraph 34 of the MP 85 meeting report. The Board, at its 110<sup>th</sup> meeting, requested the MP to revise the small-scale methodology “AMS-III.BA.: Recovery and recycling of materials from E-waste” to include consistent methods in determining the emission factors associated with the consumption of fossil fuel and consumption of electricity in the production of virgin plastics.

27. ► **Action:** The Board may wish to consider the recommendation of the MP to reject the bottom-up request for revision “SSC\_812: Revision request on the calculation of ‘By’ and the eligibility of grid-connected renewable electric cooking systems under AMS-I.E” regarding methodology “AMS-I.E.: Switch from non-renewable biomass for thermal applications by the user” (version 11.0).

*Background:* The recommendation of the MP is contained in paragraph 35 of the MP 85 meeting report.

**(iii). Clarifications (small-scale)**

28. ► **Action:** The Board may wish to consider the recommendation of the MP to approve the clarification prepared in response to the request for clarification “SSC\_814: Clarification

on addition of new buildings within a school under AMS-II.E.” regarding AMS-II.E. (version 12.0).

*Background:* The recommendation of the MP is contained in paragraph 37 of the MP 85 meeting report. Information on requests for clarification on approved small-scale methodologies is available on the UNFCCC CDM website.<sup>8</sup>

#### **Agenda item 4.2. Procedures**

29. ► **Action:** The Board may wish to consider proposals related to RIT assessments.

*Background:* The Board, at its 110<sup>th</sup> meeting, requested the secretariat to provide a recommendation related to RIT assessments.

30. ► **Action:** The Board may wish to take note that the revision of the project cycle procedures will be considered at this meeting in the context of the draft revised regulatory documents under agenda item 4.1. (Standards/tools).

#### **Agenda item 4.3. Policy issues**

31. ► **Action:** The Board may wish to consider how to process a request for issuance for negative emission reductions in the last monitoring period in a commitment period.

*Background:* The secretariat received a request for issuance with negative emission reductions in the last monitoring period of the first commitment period.

32. ► **Action:** The Board may wish to consider any policy issues triggered by the consideration of registration and issuance cases.

*Background:* Following a request by the Board, policy issues that arise from the discussions during this meeting may be included for consideration, including policy issues encountered through the assessment of cases.

### **Agenda item 5. Relations with forums and other stakeholders**

33. ► **Action:** The Board may wish to take note of external inputs to the annotated agenda of this Board meeting.

*Background:* Following the “Procedure: Direct communication with stakeholders”, stakeholders can provide comments on the annotated agenda. Comments received will be posted on the UNFCCC CDM website.

34. ► **Action:** The Board may wish to interact with the Designated Operational Entity/Accredited Independent Entity Coordination Forum (DOE/AIE Coordination Forum).

*Background:* In accordance with the “Procedure: Direct communication with stakeholders”, the Board allocates time for interaction with the DOE/AIE Coordination Forum Chair at each Board meeting.

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<sup>8</sup> <https://cdm.unfccc.int/methodologies/SSCmethodologies/clarifications/pending>.

35. ► **Action:** The Board may wish to take note of activities undertaken regarding stakeholders, designated national authorities (DNAs), applicant entities (AEs) and DOEs.

*Background:* In accordance with the “Procedure: Direct communication with stakeholders”, the Board and its support structure provide opportunities for interaction with stakeholders, such as DNAs, AEs and DOEs, as well as engagement in information-sharing and capacity-building activities.

36. ► **Action:** The Board may wish to consider the submission INQ-10945 received from a stakeholder and agree on any actions, as appropriate.

*Background:* In accordance with the “Procedure: Direct communication with stakeholders”, the Board and its support structure are required to consult with stakeholders on policy matters that have a significant impact on the stakeholders. The secretariat, in consultation with the Chair, shall bring to the attention of the Board any communications on policy, methodological issues or administrative issues when they require the attention or further guidance of the Board.

37. ► **Action:** The Board may wish to interact with the registered observers.

*Background:* In accordance with the “Procedure: Direct communication with stakeholders”, the Board allocates time for interaction with registered observers to the meeting. Such interactions should be limited to discussions on policy and general issues, and not on case-specific matters related to the agenda of the meeting.

## Agenda item 6. Other matters

38. ► **Action:** The Board may wish to consider the report of the International Transaction Log (ITL) on non-replacement of temporary certified emission reductions (tCERs).

*Background:* In accordance with decision 5/CMP.1, annex, paragraph 56, where a Party included in Annex I does not replace tCERs or long-term certified emission reductions (lCERs), the transaction log shall forward a record of non-replacement to the secretariat, for consideration as part of the review process for the relevant Party, under Article 8, to the Executive Board and to the Party concerned, and the Executive Board shall make this information publicly available and include it in its reports to the COP/MOP.

39. ► **Action:** The Board may wish to consider any other business it deems necessary.

## Agenda item 7. Conclusion of the meeting

40. ► **Action:** The Board may wish to approve the report of the 111<sup>th</sup> meeting.

*Background:* The Chair will summarize the meeting and adopt the report, including references to any decisions taken.

## Annexes to the annotations

- Annex 1 - Information note: Financing and use of the CDM by international finance institutions
- Annex 2 - CDM Executive Board workplan 2021
- Annex 3 - Revision of CDM project standards, validation and verification standards, and project cycle procedures
- Annex 4 - Concept note: Improving clarity and consistency of methodological products

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### Document information

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