

## **Agenda item 4.1. (b)**

Paragraph 22 of the annotated agenda

# **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**

**CDM EB 111**

**Virtual meeting**

**30 August–1 September and 7–9 September 2021**



## Procedural background

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At EB107, the Board provided the mandate to revise the methodology AM0027 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.

At MP84, the Panel considered the revised draft and agreed to launch a call for public inputs. No inputs were received, so the case was presented for approval by the Board at EB110.

At EB110, the Board provided further inputs, including further simplifying the methodological approach for the calculation of emission reductions.



## Purpose

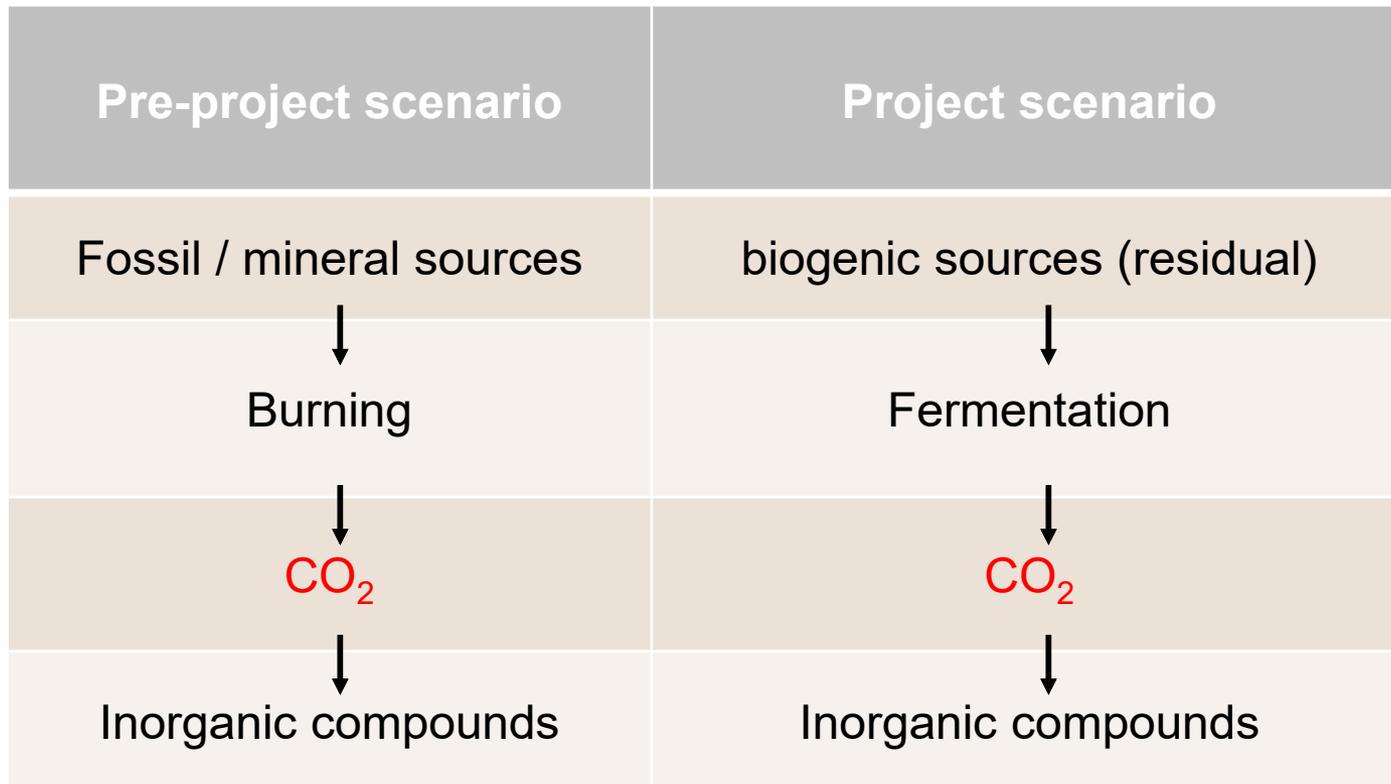
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The purpose of the proposed revision is to:

- Clarify the source of baseline CO<sub>2</sub>,
- Address provisions that could potentially lead to claiming emission reductions from CO<sub>2</sub> sequestration,
- Simplify the methodological approach for the calculation of emission reductions.



# Key issues and proposed solutions



## Key issues and proposed solutions (2)

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$$ER_y = \min (P_{his}, P_y) \times \min (Q_{CO_2, his}, Q_{CO_2, y})$$

Where:

$P_{his}$	Average amount of inorganic compound produced per year in the last three years prior to the implementation of the project activity (t)
$P_y$	Amount of inorganic compound produced in year y (t)
$Q_{CO_2, his}$	Average amount of fossil/mineral CO <sub>2</sub> used per tonne of inorganic compound produced in the last three years prior to the implementation of the project activity (tCO <sub>2</sub> / t product)
$Q_{CO_2, y}$	Amount of biogenic residual CO <sub>2</sub> used per tonne of inorganic compound produced in year y (tCO <sub>2</sub> / t product)



The proposed revision is expected to:

- Clarify the source of baseline CO<sub>2</sub>,
- Improve the consistency and clarity of the methodology;
- Address provisions that could potentially lead to claiming emission reductions from CO<sub>2</sub> sequestration,
- Simplify the methodological approach for the calculation of emission reductions.



## Recommendations to the Board

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The MP recommends the Board to approve the proposed revision to AM0027 v02.1



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